



SINGAPORE  
LAND AUTHORITY

# ANNUAL REPORT 2018/2019



HYDERABAD  
BLACK & WHITE  
HOUSES

CORNWALL  
BLACK & WHITE  
HOUSES

PASIR PANJANG  
POWER STATION

▼ Interior of State property at 5 Kadayanallur Street





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# CORPORATE PROFILE



▲ A Black & White State property at 30 Malcolm Road

**The Singapore Land Authority (SLA) is a statutory board under the Ministry of Law. Formed on 1 June 2001, its mission is to ensure effective use of land resources and data for the economic and social development of Singapore.**

SLA manages about 11,000 hectares of State land and about 5,000 State properties, which are used for residential, commercial, social and community purposes. Through the planning and execution of interim uses for State properties under our management, SLA is able to maximise the use of vacant State land and properties in creative and innovative ways to support our nation's economic and social needs.

As the national registration authority, SLA provides the framework for the implementation of the Government's land policies and puts in place the legal infrastructure that facilitates effective property transactions for businesses and the public. SLA issues and guarantees land titles in Singapore. SLA is also responsible for the creation and maintenance of the national land survey system, where boundaries or legal limits of properties are defined, based on a coordinated cadastre survey system.

SLA drives the use and development of geospatial information science and technology by fostering a national collaborative environment that encourages innovation, knowledge sharing and value creation among public agencies, private enterprises and the community.

## VISION

Limited Land • Unlimited Space

## MISSION

To ensure effective use of land resources and data for the economic and social development of Singapore by:

- 📍 Optimising land and space utilisation
- 📍 Safeguarding property ownership
- 📍 Promoting the use of land and space data

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
- 📍 Enabling the full use of land information for better land management and creation of new business opportunities

## CORE VALUES

We embrace the Public Service values of Integrity, Service and Excellence.

In addition, we subscribe to the values of People-Centricity and Innovation.

- 📍 **People-Centricity:** We value our diverse backgrounds and talents, and commit to developing the full potential of our people
- 📍 **Innovation:** We seek new ideas and better solutions for continuous improvement



▲ The former Command House at 17 Kheam Hock Road



▲ GeoWorks is Southeast Asia's first geospatial industry centre



▲ 3D map of Black & White State properties at Goodwood Hill



▲ SLA Chief Executive Mr Tan Boon Khai (left) and SLA Chairman Mr Lim Sim Seng (right)

MESSAGE FROM

# CHAIRMAN AND CHIEF EXECUTIVE



Four years back, the Singapore Land Authority (SLA) embarked on a small but significant step towards transforming itself. A new strategy map was formulated, during which a deliberate emphasis was placed on reassessing and redefining the core roles undertaken by the organisation, and proposing how some of its processes could be improved. This marked the start of a more forward-looking agenda undertaken by SLA.

Since then, many initiatives have borne fruit, and we are pleased to share that 2018 has turned out to be a fulfilling year. More importantly, we have continued to build upon our relationships with key stakeholders and customers, and carried out our roles dutifully. Such efforts stand SLA in good stead to continue driving innovation and transformation from within, and fulfilling its part in the public service of contributing to Singapore's overall development in the coming years.

Of the many milestones achieved last year, one highlight was the launch of Singapore's Geospatial Master Plan. The Geospatial Master Plan paves the way for a "Geospatial-Powered Singapore" – one where businesses, people, and the Government are empowered to use geospatial information and technology to enhance decision-making, create opportunities, and lead better lives.

Complementing the master plan is the establishment of GeoWorks – Southeast Asia's first geospatial industry centre, formed under SLA's banner. An industry ecosystem which brings together geospatial companies, sectoral users, and public agencies, GeoWorks is intended to be a platform where parties can come together to further industry innovation, promote geospatial excellence, and build regional networks.

Since its inception, GeoWorks has hosted and organised around 230 industry events and activities. Significantly, it has also served as a site for upcoming geospatial companies (known as GeoTechs) to launch new products and facilitate collaborations both within Singapore and beyond. One of our pioneering GeoTechs, Mogul.sg, has launched a keyword-based property search portal based on OneMap data. Another GeoTech, AirMap, has been working with multiple public and private sector clients to test the management of drones flying in Singapore's airspace.

Even as SLA pushes the technological boundaries of the geospatial arena, we remain steadfast in our core role as Singapore's key land administration

organisation. In this regard, SLA continues with its primary focus of administering a land system in Singapore that is robust, relevant, and efficient. Our work in this arena complements a broader real estate system between the public and private sector in Singapore.

We also continue our efforts to ensure that State land and properties are well utilised for the long-term development and benefit of the country. Many State properties have been reconfigured for different uses in the past year. One example is the former Henderson Secondary School at 100 Henderson Road, which will in due course become Singapore's first-ever integrated space housing a child care centre, nursing home, dialysis centre, and an urban farm. Through such redefined uses of old State properties, SLA, together with other government agencies such as the Early Childhood Development Agency, the Ministry of Health, and the former Agri-Food and Veterinary Authority of Singapore (now known as the Singapore Food Agency), hope to bring new life to these properties while continuing to serve the needs of the community.

At the end of the day, our work is for the benefit of Singapore and its people, and we pledge never to lose sight of this. Service excellence is key to how we engage stakeholders and customers, and we will continue to understand and anticipate future needs as we carry out our public duties. In line with our vision of Limited Land • Unlimited Space, we remain committed to driving innovative and sustainable space and land use to serve our stakeholders and the community. We are pleased to present the SLA Annual Report 2018/2019. We hope you will enjoy reading it, as much as we did preparing it.



**Lim Sim Seng**  
Chairman



**Tan Boon Khai**  
Chief Executive

# BOARD MEMBERS

## Mr Lim Sim Seng

Group Executive  
DBS Bank Ltd

Chairman  
Singapore Land Authority

Mr Lim is the Group Head, Wealth Management & Consumer Banking of DBS Singapore. Mr Lim holds board directorships at ASEAN Finance Corporation Limited, Nikko Asset Management Co., Ltd in Japan, and ST Engineering Ltd, and chairs ST Engineering Aerospace Ltd. He also sits on the Board of Governors at Nanyang Polytechnic. He is the High Commissioner to the Federal Republic of Nigeria.

Mr Lim is Chairman of the SLA Board's Human Resource Committee.



## Mr Yeoh Oon Jin

Executive Chairman  
PwC Singapore

Deputy Chairman  
Singapore Land Authority

Mr Yeoh has considerable experience in auditing a wide range of listed companies as well as providing advice on corporate acquisitions and restructuring. He has held key leadership positions in his 30-over years at PwC. Mr Yeoh serves as a council member of the Singapore Business Federation, as well as a Board member of the Kidney Dialysis Foundation. He is currently a member of the Institute of Chartered Accountants in England and Wales, as well as the President of CPA Australia, Singapore Chapter. He also holds the position of Treasurer at the Singapore Institute of International Affairs.

Mr Yeoh is Chairman of the SLA Board's Finance and Investment Committee.



## Mr Tan Boon Khai

Chief Executive  
Singapore Land Authority

Mr Tan is the Chief Executive (CE) of SLA. Prior to this, he was with the CapitaLand Group from 2010 to 2015, where he held senior management positions, including Regional General Manager (Singapore and Malaysia) for The Ascott Limited. He is a lawyer by training, and was previously with the Singapore Legal Service, holding appointments that include District Judge in the former Subordinate Courts of Singapore and Deputy Senior State Counsel/Deputy Public Prosecutor in the Attorney-General's Chambers of Singapore.

Mr Tan is a member of the SLA Board's Human Resource Committee, Technology Advisory Committee and Finance and Investment Committee.



## Mr Han Kok Juan

Deputy Secretary  
Ministry of Law

Mr Han is the Deputy Secretary of the Ministry of Law. Prior to this, he held various appointments in the public service, including in National Development, Trade and Industry, Finance and Health. He currently also sits on the Boards of the Civil Aviation Authority of Singapore, the Intellectual Property Office of Singapore, the Singapore International Mediation Centre, the Singapore International Mediation Institute, Maxwell Chambers, Maxwell Arbitration Holdings, the Community Justice Centre, the Singapore International Dispute Resolution Academy, and SAL Ventures Ltd.

Mr Han is a member of the SLA Board's Finance and Investment Committee and Human Resource Committee.





## MEMBERS

**Mr Philip Yuen**

Chief Executive Officer  
Deloitte Southeast Asia & Singapore

Mr Yuen has over 30 years of public accounting experience in the United Kingdom and Singapore. Prior to his election as Chief Executive Officer (CEO) of Deloitte Southeast Asia on 1 June 2016, Mr Yuen held various key leadership positions in Deloitte Southeast Asia and Singapore.

Mr Yuen is a Chartered Accountant of Singapore, and a member of the Institute of Chartered Accountants in England and Wales. He is a Fellow Member of CPA Australia. He is a Board member of the Institute of Technical Education, Chairman of its Audit and Risk Committee, and a member of the Board of Governors of Northlight School.

Mr Yuen is Chairman of the SLA Board's Audit Committee.

**Dr Chong Yoke Sin**

President  
Singapore Computer Society

Dr Chong has over 30 years' experience in the IT industry. She previously led the enterprise business group at StarHub, and was also the CEO of Integrated Health Information Systems that architects, manages and operates highly integrated medical and administrative systems across Singapore's public healthcare sector. She was also previously the CEO of NCS, the largest systems integration company in Singapore, where she played an instrumental role in its growth as a regional IT company with businesses in China, Australia, Middle East and Southeast Asia. She led the healthcare IT industry as Chair of Healthcare Information and Management Systems Society (HIMSS) Asia Pacific Governing Council. She is a Board member of the Republic Polytechnic, SG Enable, National Kidney Foundation (NKF) and President of the Singapore Computer Society.

Dr Chong is Chairwoman of the SLA Board's Technology Advisory Committee.

**Mr Mok Wei Wei**

Managing Director  
W Architects Pte Ltd

Mr Mok's numerous architectural projects have received both local and international critical acclaim, and have been featured in many regional and international publications. Mr Mok's works have also been exhibited internationally at the Venice Architectural Biennale (2005 and 2006) and the Aedes Gallery, Berlin (2006 and 2013). In recognition of his contributions to Singapore's architectural scene, he was conferred the President's Design Award (Designer of the Year) in 2007, the nation's highest honour for design. He is currently appointed Professor in Practice at the Department of Architecture at the National University of Singapore (NUS).

Mr Mok is a member of the SLA Board's Technology Advisory Committee.

**Ms Lock Yin Mei**

Partner  
Allen & Overy LLP

Ms Lock is qualified to practice law in Singapore, England and Wales, and the State of New York, with an area of practice that covers cross-border capital markets, mergers and acquisitions, and regulatory advice. Ms Lock has been serving on the Board of the National Healthcare Group since 2014. She is also a member of the Compliance Committee (Continuing Professional Development) of the Singapore Institute of Legal Education, the Advisory Board for Real Estate Programme at Singapore Management University, and the Companies Act Working Group of the Accounting and Corporate Regulatory Authority.

Ms Lock is a member of the SLA Board's Finance and Investment Committee.



## MEMBERS

### Mr Ho Chee Pong

Director-General  
Singapore Customs

Prior to his appointment to the Singapore Customs in 2014, Mr Ho was the Senior Director of Human Capital in the Public Service Division (PSD), Prime Minister's Office (PMO), from 2011 to end 2013. Over the last 30 years, Mr Ho has served in various leadership positions in the public sector covering areas such as policy formulation, industry regulation, emergency planning, community development and human resource. He sits on the Executive Committee of the Civil Service Club.

Mr Ho is a member of the SLA Board's Human Resource Committee.



### Mr Loh Lik Peng

Founder & Owner  
Unlisted Collection

Mr Loh runs the Unlisted Collection, an umbrella brand comprising six boutique hotels and 21 restaurants in Singapore, London, Shanghai, and Sydney. He is a well-known hotelier, restaurateur, and entrepreneur. Prior to the Unlisted Collection, he was a corporate litigator, and an entrepreneur who successfully set up various ventures across Singapore, Shanghai, Sydney, and London. He is the first Vice-President of the Singapore Hotel Association, the Chairman of Singapore Cruise Centre and the Chairman of the Asian Civilisations Museum and the Peranakan Museum.

Mr Loh is a member of the SLA Board's Technology Advisory Committee.



### Ms Margaret Goh

Member  
Sentosa Cove Committee

Ms Goh has extensive experience in the real estate industry, serving in various senior appointments before she retired. Her last appointment was Group Managing Director, GuocoLand Singapore, until August 2014. Prior to this, Ms Goh served as the CEO of Special Projects at CapitaLand Ltd, and held senior appointments at NTUC Choice Homes Co-operative Ltd, Sentosa Cove Pte Ltd, City Developments Ltd, Pontiac Marina Pte Ltd, and Hong Leong Holdings Ltd.

Ms Goh is a member of the SLA Board's Audit Committee (w.e.f 1 August 2018).



### Ms Marina Chin

Joint Managing Partner  
Tan Kok Quan Partnership

Ms Chin is a Joint Managing Partner of Tan Kok Quan Partnership, a Singapore-based law firm. She is the co-head of its Disputes practice. Ms Chin has been an Advocate and Solicitor of the Supreme Court of Singapore since 1990. She has over 28 years of experience handling litigation and arbitration, having acted for and advised market participants on disputes and general business matters across a broad spectrum of industry sectors in Asia. Ms Chin speaks and writes on a wide variety of topics on litigation and arbitration, and has contributed to three important Singapore publications for lawyers – The Singapore Court Practice, Singapore Precedents of Pleadings, and Commercial Litigation in Singapore. Ms Chin is the recipient of the Euromoney Legal Media Group Asia Women in Business Law Awards 2016 – Best in Dispute Resolution award. She is also ranked for Dispute Resolution by The Legal 500 Asia Pacific.

Ms Chin is a member of the SLA Board's Audit Committee (w.e.f 1 August 2018).



## MEMBERS

**Mr Walter Fernandez\***

Editor-in-Chief  
MediaCorp

Managing Director  
MediaCorp Press

Mr Fernandez is the Editor-in-Chief of MediaCorp. He oversees all news and current affairs content across MediaCorp's television, newspaper, radio, and digital platforms. He started his career in journalism at the Singapore Press Holdings before moving to MediaCorp in 2001. He was previously Executive Editor at Channel NewsAsia, before taking over as Editor of TODAY and concurrently Managing Director of MediaCorp Press. He assumed his current appointment as Editor-in-Chief in July 2013. Mr Fernandez is also a member of the Board of Directors of Maritime Port Authority, MCN International Pte. Ltd. and MCN International (India) Pte. Ltd.

Mr Fernandez is a member of the SLA Board's Human Resource Committee.

*\*till 31 July 2019*

**Mr Lai Huen Poh\***

Senior Managing Director  
RSP Architects Planners & Engineers (Pte) Ltd

Mr Lai brings more than four decades of experience to RSP as a key member of the management team and head of the engineering division. He has been instrumental in charting the strategic direction and business performance of the firm, and steering its expansion to India and Dubai. Mr Lai is a Registered Professional Civil Engineer, a UK Chartered Engineer, and a member of several associations, including the Association of Consulting Engineers, the Institute of Civil Engineers, and the Singapore Structural Steel Society. He is a Board member of the Building and Construction Authority (BCA) Singapore, and a sitting expert on the BCA Academy Advisory Panel. He also sits on the Pro-Enterprise Panel, HDB Advisory Panel and Real Estate Developers' Association of Singapore (REDAS) Advisory Panel. For his contributions to the nation through his service on the Strata Titles Board, the Ministry of National Development conferred upon him the Meritorious Service Award (Pingat Bakti Masyarakat) in 2011.

Mr Lai is a member of the SLA Board's Audit Committee.

*\*till 31 July 2019*

**Mr Eric Sandosham\***

Founder and Partner  
Red & White Consulting Partners LLP

A well-known veteran of business analytics and data science, Mr Sandosham co-founded Red & White Consulting Partners in 2013. Amongst others, the company specialises in talent analytics, financial analytics and customer analytics.

Before Red & White Consulting, Mr Sandosham was the Managing Director and Head of Citibank's analytics function for Asia Pacific. The function's innovative and extensive business analytics work contributed significantly to the bank's revenues in the region.

*\*from 1 August 2019*

**Ms Angeline Poh\***

Chief Corporate Development Officer  
Mediacorp

Before joining Mediacorp, Ms Poh was the Assistant Chief Executive Officer (Industry Development Group) of the Infocomm Media Development Authority (IMDA) where she led the IMDA's effort to develop a vibrant infocomm & media ecosystem. She also oversaw the development and implementation of Singapore's public service content strategies and initiatives.

Angeline was the Managing Director of McGraw-Hill Education (Asia) before joining IMDA. In this role, she led the growth and digital transformation of the company's business in Asia across the Higher Education, School & English Language Training as well as Professional & Medical lines of business. She started her career at the Singapore Economic Development Board (EDB).

*\*from 1 August 2019*



# EXECUTIVE MANAGEMENT

## Tan Boon Khai

Chief Executive  
Commissioner of Lands

Mr Tan has been the Chief Executive of SLA since May 2015.



## Simon Ong

Deputy Chief Executive  
Controller of Residential Property

Mr Ong oversees geospatial and corporate matters. He is also responsible for the Land Dealings Approval Unit.



## Ng Siau Yong

Director, GeoSpatial & Data Division  
Chief Data Officer

Mr Ng oversees the GeoSpatial and Data Division, which is responsible for establishing and implementing the national geospatial development framework and initiatives. He currently also oversees the Authority's overall data management.

## Bryan Chew

Assistant Chief Executive (Legal and Regulatory)  
Registrar of Titles & Deeds

Mr Chew oversees Legal, Land Titles and Land Survey matters.



## June Celine Low

Director, Land Titles Registry  
Senior Deputy Registrar of Titles & Deeds

Ms Low oversees the Land Titles Registry, which maintains ownership records of all real estate in Singapore.

## Thong Wai Lin

Assistant Chief Executive (Land Operations)  
Assistant Commissioner of Lands

Ms Thong oversees the Land Acquisition and Purchase, Land Transfer and Land Sale, and Land Asset Management Divisions. She is responsible for policies relating to land rejuvenation, land sale and management of State land.



## Soh Kheng Peng

Chief Surveyor  
Director, Land Survey Division (till 31 March 2019)

Mr Soh oversees the Land Survey Division, which carries out mapping and is in charge of all boundary and strata surveys. The Division also runs the National Satellite Positioning Infrastructure, which supports positioning using Global Navigation Satellite System (GNSS).

## Nelson Liew

Director, Leasing Division

Mr Liew is responsible for the leasing and management of residential and commercial State properties for interim use.



**Tang Kwang Boon**

Director, Finance and Corporate Services Division

Mr Tang oversees Finance, Managing for Excellence, Office Services and Procurement Services. He is also the Quality Service Manager and Corporate Secretary to the SLA Board of Directors.

**Victor Khoo**

Director, Survey & Geomatics Division  
(w.e.f. 1 April 2019)

Dr Khoo oversees the Survey & Geomatics Division, which regulates cadastral surveys, administers cadastral information, conducts national mapping, maintains geodetic infrastructure and manages National Satellite Positioning Infrastructure.

**Manimegalai Vellasamy**

Director (Legislation and Projects), Legal Division

Ms Manimegalai is responsible for legislative review, enforcement and legal projects.

**Jennifer Lin**

Director, CE's Office  
(w.e.f. 1 April 2019)

Ms Lin oversees the Planning, Valuation, and Strategic & Corporate Planning Departments.

**Wee Wern Chau**

Director, Information Technology Division

Mr Wee oversees the Information Technology Division to enable SLA to achieve its mission through strategic use of innovative and sustainable infocomm technology.

**Yap Eai-Sy**

Director, Business Planning & Development Department  
(w.e.f. 1 April 2019)

Ms Yap oversees the Business Planning & Development Department, which consists of interim use master planning, revenue management, business development and projects management.

**Er Chye Har**

Director, Human Resource Division

Ms Er oversees the Human Resource Division, which is responsible for talent management and development to build organisational capability and drive employee performance.

**Kevin Teoh**

Director, Land Transfer and Land Sale Division  
(w.e.f. 1 April 2019)

Mr Teoh oversees the Land Transfer and Land Sale Division, which is responsible for allocation of land to ministries, and the management and renewal of leases subsequent to the sale of State land.

**Nooraini Hamzah**

Director, Corporate Communications Department  
(w.e.f. 1 April 2019)

Ms Nooraini is responsible for public communications, media strategic planning and management, marketing communications and events management.



# CORPORATE REVIEW



▲ Newly-fitted kitchen at a Kay Siang bungalow

1.

**SLA is transforming spaces and reinventing vacant State properties into vibrant nodes to meet the economic and social needs of the community**

## **a) Through reimagining spaces, SLA utilised innovative means to increase the potential of State land and properties**

### *Asset Enhancement Initiative at Selected Residential State Properties*

In 2018, SLA funded \$5.02 million of asset enhancement works to six premium Black & White bungalows at Kay Siang. The enhancement works included creating additional Gross Floor Area (GFA), adding entertainment annexes and swimming pools, renovating the interiors of the properties, and installing air conditioners. Five out of six bungalows were rented out within a few months upon completion, with incremental rents exceeding expectations. The modernisation of these heritage properties reflects the market-centric and differentiated approach SLA has adopted in the management of State properties.

Drawing from this experience, SLA plans to scale up this Asset Enhancement Initiative to other similar residential properties with the aim to enhance the condition of these property assets and achieve a higher occupancy rate and rental yield for the State.



▲ Swimming pools amp up Kay Siang bungalows' appeal while utilising the ample space on the bungalow grounds

### *Differentiated Management Models*

Adoption of differentiated rental models and tenancy structures to better support business, such as the revenue sharing model, helps businesses with a high turnover rate defray upfront rental cost. To date, SLA has piloted the revenue sharing model with several tenants at Chip Bee Gardens and Tanglin Village.

To enable SLA to understand our customers' needs better and to develop competencies in direct management of heritage State properties, since April 2018, SLA has taken on the direct management of a cluster of residential Black & White properties. In the first customer satisfaction survey, SLA achieved 91% customer satisfaction level.



▲ A Black & White bungalow under SLA's direct management



### *Greater Flexibility in Tenancy Terms*

Over the last one year, SLA has stepped up our efforts to proactively and regularly engage our tenants to understand their needs and to see how we could better support them. We have made several changes to our tenancy terms. A longer rent-free period has been granted to alleviate tenants' rental payments pending commencement of business while awaiting clearance by the technical agencies. Where the State property is affected by development, there is provision for the pre-termination of the tenancy to alleviate tenants' rental obligations for the remaining term once they have relocated. For State properties tenanted to master tenants, to ensure business continuity, additional clauses have been included in the tenancy with the master tenant to facilitate the smooth transition for existing businesses.

◀ The Dempsey Cookhouse and Bar at COMO Dempsey in Tanglin Village



Picture courtesy of Temasek

▲ Temasek Shophouse’s creative, entrepreneurial and horticultural functions maximise land space at Orchard Road

### New Uses for State Properties

In 2018, SLA welcomed a total of 26 new tenants who have taken up State properties for a variety of economic and social uses. Following active engagement with the market to understand emerging trends, the former office space at 26 Dunearn Road was put up for tender for use as a post-natal care centre. As the first post-natal care centre to be set up in Singapore, it exemplifies how SLA continues to optimise State properties through the exploration of fresh ideas in response to market interest.

Nestled amongst lush greenery in the heart of Telok Blangah Hill Park, the former Alkaff Mansion was given a new lease of life through a Price and Quality tender. The successful tenderer, a subsidiary of 1-Group with vast experience in managing iconic or heritage properties, spent four months renovating the property and transformed the two-storey Tudor-styled bungalow into a Spanish oasis. It is now a lavish lifestyle destination celebrating all things Basque.

Resplendent in its full heritage glory, the State properties along 26 to 36 Orchard Road have been carefully restored and transformed into Temasek Shophouse, a new space where business and philanthropy are under one roof. In the spirit of giving back to the community, it is the new home for the Temasek Philanthropy family - Temasek Trust, Temasek Foundation, and Stewardship Asia Centre. Temasek Shophouse is envisioned as a cradle for social impact, fostering greater sustainability and stewardship initiatives in Singapore and beyond.

▼ Alkaff Mansion has been transformed into a Spanish oasis



Picture courtesy of Kai Residences Pte Ltd

▲ Artists’ impression of 26 Dunearn Road





▲ Creative shopfronts reinforce Chip Bee Gardens' identity as a maker's village

### Chip Bee Gardens

In line with SLA's differentiated approach towards leasing of State properties, SLA fitted out an additional 30 vacant residential units at Chip Bee Gardens in 2018. These units with full height wardrobe, customised kitchen cabinet, built-in kitchen hood and hob, oven, air-conditioners and curtains were very popular with prospects and were rented out quickly.

The differentiated approach adopted at Chip Bee Gardens has delivered very good results. The occupancy at the estate has increased significantly over the last two years, from about 77% two years ago to 96% currently. Rentals have also bucked nationwide trends and grown sustainably.

With a more vibrant residential community, SLA is also looking to refresh the commercial tenant mix at Chip Bee Gardens and bring in novel and innovative brands that will strengthen the maker's village identity. Existing tenants are also encouraged to revamp and freshen their shopfront and layout to continuously enhance the shopping & dining experience for patrons.



▲ Local brand Our Second Nature opened a boutique with a retail space and in-house cafe



▲ Fully-furnished units at Chip Bee Gardens prove to be popular



▲ St John's Island is a popular getaway destination for day-trippers

### *St John's Island Lodge*

The phase 1 upgrading and improvement works to the accommodation on St John's Island were completed, and bookings were opened to the public on the new Temporary Occupation License (TOL) portal in March 2019. The accommodation, formerly known as St John's Island Campsite and Holiday Bungalow, was renamed St John's Island Lodge. To enhance the overall rustic experience for visitors, SLA has named the individual campsites after native wildlife often sighted on and around St John's Island, such as the white-bellied sea eagle, Indo-Pacific humpback dolphin, hawksbill turtle

and smooth-coated otter. Members of the public can enjoy improvements such as new kitchenware, electric hobs, furniture and smart lock systems.

### *Remediation Works*

SLA supports sustainable land use for national development through the remediation of land. In February 2019, SLA began the remediation of a former gasworks site at Kampong Bugis to facilitate the development of the new car-lite residential precinct in Kallang.



▲ Improvements to the St John's Island Lodge mean a more comfortable stay for campers



▲ Empty land under the Toa Payoh South Flyover was converted into a community space

## b) SLA has worked with multiple public agencies to adapt State properties through creative ways to support different community needs

### *Re-parcelling and Customising Spaces: 100 Henderson Road*

In recent years, SLA has seen an increase in the return of large properties coinciding with the increase in demand for more land and properties for social and community uses. One such property is the former Henderson Secondary School at 100 Henderson Road. To improve its marketability and usability, SLA re-parcelled and customised it into the first-ever integrated space comprising a child care centre, a nursing home and dialysis centre, and an urban farm. This was a collaborative effort with the Early Childhood Development Agency (ECDA), Ministry of Health (MOH) and the former Agri-Food and Veterinary Authority of Singapore (AVA) to cater to the diverse needs of the community living in the area while optimising available State properties. Through specially curated programmes and activities, there will also be opportunities for greater interaction amongst the users across the three facilities.

### *Creative Use of Spaces*

As part of the drive to optimise under-utilised land, SLA engaged Toa Payoh West-Balestier Citizens' Consultative



▲ The Foreign Domestic Worker centre at 75 Pasir Panjang Road is a collaboration with the Centre for Domestic Employees (CDE)

Committee (CCC) regarding the empty viaduct space under Toa Payoh South Flyover. Following the consultation, the estimated 1,911 sqm site at Tai Gin Road was fitted with a hard court, barrier-free access footpaths, lighting, water and electricity points, as well as fencing. These changes transformed the land into a dog run park, which also doubles up as a new community space for residents' recreational use. In response to feedback from a group of dog owners, a similar project involving 1,700 sqm of State land along Tiong Poh Road was carried out in close collaboration with Tanjong Pagar CCC.

### *Collaboration with Social Agencies*

SLA works with agencies and Voluntary Welfare Organisations

(VWOs) to make State properties available for social uses and ensure that rental is kept affordable based on the Community & Civic Institutional use. In 2018, SLA worked with the Ministry of Social and Family Development (MSF) and New Hope Community Services to set up a Lifeskills Training and Retreat Centre at 10 La Salle Street. The Foreign Domestic Worker centre was also opened at 75 Pasir Panjang Road in collaboration with the Centre for Domestic Employees (CDE). Another social use SLA supported was the Foreign Workers Recreation Hub at 51 Soon Lee Road in collaboration with MOM and Migrant Workers' Centre (MWC).

2.

**SLA supports Singapore’s journey towards a Smart Nation through innovations in land data, geospatial infrastructure, processes and systems**

**a) SLA fosters a vibrant geospatial ecosystem, representing a new integrated direction for SLA, as part of the Geospatial Master Plan**



*GeoWorks*

Launched in July 2018, GeoWorks is a geospatial industry centre which aims to foster a vibrant geospatial ecosystem in Singapore and the region, promote business growth, drive innovation and foster a well-connected geospatial community. GeoWorks is now home to 21 GeoPartners and 25 GeoTechs, comprising geospatial companies and scale-ups, with more than 230 events organised to date.

*Geospatial Master Plan*

Unveiled in July 2018, the Singapore Geospatial Master Plan articulates the vision of a “Geospatial-Powered Singapore”, where businesses, people and the Government are empowered to use geospatial information and technology to enhance decision-making, create opportunities and lead better lives. The plan was formulated following extensive consultation sessions held by SLA and GovTech involving more than 190 participants across 110 organisations from the

public, private and people sectors. Underpinning the vision are three strategic pillars that frame the Master Plan for the next five years, namely

- (i) a thriving Geoindustry
- (ii) a nation of Geoempowered people
- (iii) a Geosmart Government

Each strategic pillar is supported by its own set of initiatives, including GeoWorks, Geospatial Engagement and Lifelong Education, as well as the Geospatial Capability Centre and Virtual Singapore projects.



▲ GeoWorks was launched to support the geospatial ecosystem in Singapore



◀ (From left) SLA Chief Executive Mr Tan Boon Khai, Senior Minister of State for Law and Health Mr Edwin Tong, and SLA Chairman Mr Lim Sim Seng launched GeoWorks in July 2018

▶ The members from the winning team called Insert Space, at the ActInSpace Hackathon Singapore



### Research Collaboration with TU Delft

SLA leads the whole-of-government national mapping programme to capture, model and maintain an authoritative 3D map. In line with this effort, a Memorandum of Understanding (MOU) was signed with TU Delft on 23 August 2018 for research collaboration in the area of 3D city modelling. Since then, both organisations have been working closely in the area of making 3D cadastres easier and more intuitive for the layman. This allows SLA to better meet agencies' diverse planning and operational needs.

### Events

At GeoWorks, SLA hosted many industry events and challenges such as ActInSpace Hackathon, Smart Estate Management and the Supply Chain Challenge ++, where participants worked on real-life challenges in the space, asset management and logistics industries by designing innovative services and products using space technologies and data.

### OneMap 2.0 Services

Since the launch of the new OneMap in October 2017, there has been a huge increase in its use by many private companies and public entities, especially through API services. Logistics and real estate companies, among others, are major users of the new OneMap owing to its fine details.

To date, multi-million API services are used monthly to support businesses and public services. In recognition of SLA's efforts to improve service delivery through innovation, OneMap 2.0 was selected as a Finalist for the Commonwealth Association for Public Administration and Management's International Innovation Awards.



▲ Participants at a OneMap API Workshop



▲ SLA Director of Survey and Geomatics Dr Victor Khoo (right) supervising the scanning for underground utilities

**b) Adoption of technology has helped SLA reduce time and costs, while improving work processes and systems, both external and internal**

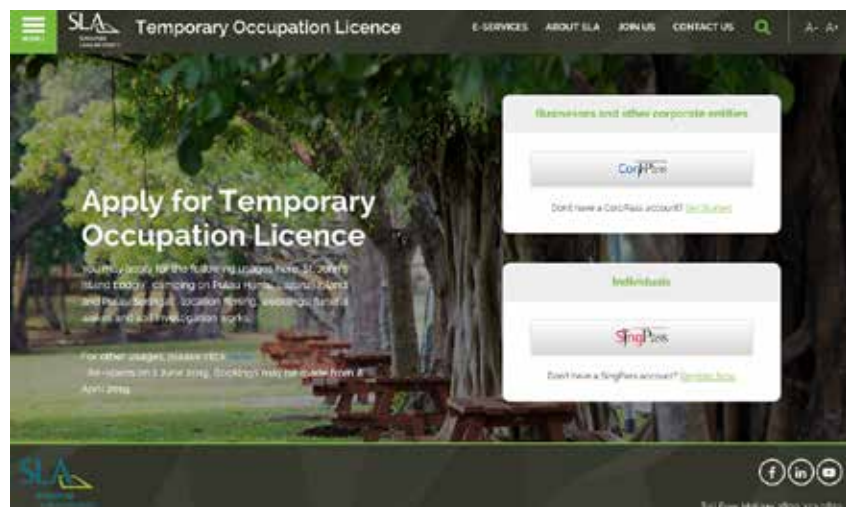
**External-facing**

*Revamping of TOL Portal*

To improve the TOL applicant’s service journey with SLA, as well as to increase operational efficiency, a visioning and re-engineering of business processes exercise was conducted to simplify and automate the relevant processes involved. Looking beyond SLA’s work scope, SLA envisions opening up its own TOL portal to the whole-of-government (WOG), and where feasible, issue TOLs on behalf of the government agencies. This is in line with the One Public Service vision. An environmental scan was therefore conducted to assess the processes and types of TOLs issued by public agencies, as well as examine the system requirements

needed to improve the internal and external customer journey. A total of 14 public agencies were approached and SLA will be further engaging key TOL-issuing agencies in the upcoming design and development

of the WOG TOL portal. In addition, to provide a seamless experience to TOL applicants across the agencies, an exercise to synchronise and align the processes, charges, and practices will be conducted.



▲ SLA sought input from TOL-issuing agencies to develop a whole-of-government TOL portal

### STARS

The STARS system was enhanced in June 2018 to allow law firms to download the soft copy of the updated title document following the registration of a transaction, resulting in time and cost savings for SLA and law firms.

The STARS system was further enhanced in December 2018 to automate registration of caveats lodged against properties under development where the developer is still the owner. This brought SLA one step closer to its overall vision of a highly automated registration system.

### Road Map for Underground Utility Mapping

To better manage Singapore's underground space, SLA collaborated with Singapore-ETH Centre to develop a road map for the creation of a reliable 3D underground utility map. The road map highlighted the need for industry development, collaboration with various organisations, as well as data quality control and rectification strategies. The road map also identified steps to build a sustainable utility mapping ecosystem which includes developing a 3D utility map database, a strategy to improve data quality, a governance framework and key end user applications.

### Digitalisation of Cadastral Survey Submission

SLA has launched the Cadastral Survey Management System (CSMS) in September 2018 to enable digital submission of cadastral survey jobs to SLA. With the introduction of the new SG LandXML format, SLA is able to achieve automatic validation of submissions for high accuracy and compliance with Chief Surveyor's directive. This implemented system reduces processing time, administrative overheads and clarification fees for Registered Surveyors.

### Internal-facing

#### Remote Utilities Monitoring (RUM)

A Remote Utilities Monitoring (RUM) system was deployed at SLA-managed offshore islands. RUM actively monitors the supply and consumption rate of utilities such as water and diesel, sends replenishment alerts to

officers, and allows SLA to discern normal usage from wastage. This was especially useful for the annual Kusu Pilgrimage Season.

#### Unmanned Aerial Vehicles

SLA commenced the operationalisation of Smart Unmanned Aerial Vehicle Enhanced (SUAVE) flights for State land and properties inspection in January 2018. Site images are captured on these flights, analysed, and maintenance issues automatically and comprehensively detected, allowing prompt and targeted follow-up.

SLA completed a Proof of Concept (POC) on the deployment of fully automated Unmanned Aerial Vehicles (UAVs) in the management of offshore islands. Fully automated UAVs use pre-planned waypoints and predefined flight schedules to capture real-time images and videos for the analysis and detection of maintenance issues.



▲ SUAVE (above and left) captures high-definition photos that help SLA officers inspect buildings quickly and easily

3.

SLA enhances stakeholder and staff engagement through events and outreach



a) Place-making activities at Chip Bee Gardens

Chip Bee Gardens is an estate well-known for its eclectic mix of commercial and residential tenants. To further strengthen the community spirit within Chip Bee Gardens, SLA organises regular events for the residents in the estate to celebrate special occasions such as Halloween. This year, SLA together with the managing agent brought in the God of Fortune mascot and lion dance troupe to tour the neighbourhood, bringing Chinese New Year well wishes to all residents. These were well appreciated and enjoyed by our tenants and visitors.



▲ Specially-organised events during Lunar New Year and Halloween foster bonds within the community at Chip Bee Gardens





▲ Pasir Panjang Power Station hosted unique events

**b) Showcase use of State properties for unique events**

*State Property Visits*

SLA collaborated with the National Heritage Board (NHB) in April 2018 to organise a series of State property visits as part of the Singapore Heritage Festival. Properties visited include the former Kinloss House at 3 Ladyhill, Old Kallang Airport and Pasir Panjang Power Station.



▲ The Old Kallang Airport (top) and former Kinloss House (left) were featured in the Singapore Heritage Festival



▲ St George's Church was one of the sites in the Discovering Singapore's Best Kept Secrets series

*Discovering Singapore's Best Kept Secrets Series*

Following the positive response from the first edition, SLA also continued with the monthly guided tours Discovering Singapore's Best Kept Secrets (second edition) led by heritage blogger Jerome Lim of *The Long and Winding Road* between June 2018 and December 2018. Seven State properties managed by SLA were covered and involved participation from Urban Sketchers, who sketched the iconic properties.



▲ Local bands draw visitors at the Pasir Panjang Power Station Art Market



▲ Participants of the guided tours at the former Gillman Officers' Mess



▲ Urban Sketchers showcasing their work

### c) Fostering and enhancing staff engagement through activities

#### I Sumpah Card Game

An *I Sumpah* card game was developed to facilitate employees' understanding of SLA's code of conduct in a fun and interactive way that improves knowledge retention. It has since been incorporated into the induction programme for new staff.

#### SLA United

In celebration of SLA's work achievements as well as our staff's hard work for the year, SLA enjoyed an afternoon of relaxation and recreation. Organised by SLA's staff welfare committee, SLA United was held on 11 October 2018 at Our Tampines Hub, where our staff came together for an afternoon of fun, friendship and camaraderie.

After a morning of work, our staff made their way to Our Tampines Hub where a myriad of activities awaited them. A wide range of activities from sports, leisure and recreation, to health and wellness check-ups were available for staff's enjoyment. Adrenaline-pumping activities included bowling, tennis, badminton, futsal, Zumba, gym, and rock-climbing. Those who wanted a more relaxing afternoon were able to participate in karaoke sessions and free health screenings. There was something for everyone to enjoy with their colleagues and friends.

Towards the end of the day, our staff gathered for a dinner where SLA CE shared his appreciation for our staff's hard work for the year.

#### Makeathon

"Think Big, Start Small, Act Fast". With that as the tagline, Makeathon kicked off as participants came together over three days to embrace innovation and co-create solutions together. This year's Makeathon revolved around five challenge statements:

▼ Staff enjoy an exhilarating day of play at Our Tampines Hub



- 1) Reach out to your fellow man
- 2) The visionary
- 3) Level up
- 4) Dreamers and innovators
- 5) Hand in hand

With these five challenge statements, participants had to find creative solutions that enhance and improve the work engaged by their colleagues.

Over three days, participants from various departments and divisions across SLA stepped forward to form teams that brought together diverse skills and passions for problem-solving and co-creation of solutions. Makeathon culminated with a Pitch Presentation on 8 November 2018, where each team had to pitch their ideas to a panel of senior management judges. The pitch presentation was also live-streamed on Workplace for fellow colleagues to catch the action on their mobile devices at work.

There were a total of five winners. The champion was Team Venom. The team tackled the challenge statement: "How might we create a hassle-free tender process for everyone to increase efficiency for all parties and provide a platform that facilitates remote submission". Team Venom came up with the idea to create a tender process via an integrated e-submission system. The system also included online payment facilities to provide convenience for customers to submit bids in a hassle-free process. In addition, there was also an e-site visit which could be remotely viewed by prospective bidders.

The four runners-up also pitched innovative ideas that promised to greatly enhance the efficiency and experience of both fellow colleagues and customers through improved processes and platforms.



▲ Staff at the Makeathon

# AWARDS AND ACCOLADES

## 2<sup>nd</sup> in Pro-Enterprise Ranking Survey

SLA continued to perform strongly in the Pro-Enterprise Ranking (PER) Survey, achieving 2<sup>nd</sup> out of 28 participating agencies in the 2018 PER Survey. This is the fifth consecutive year that SLA has achieved a top three position, and this performance is attributable to the pro-enterprise culture within the organisation. There is also a marked improvement in SLA's Pro-Enterprise Index (PEI) when compared to 2017. From 77.79 to 79.54, it is evident that SLA is not resting on its laurels in its drive towards transforming the business environment for our stakeholders.

## Singapore is ranked joint 1<sup>st</sup> for Quality of Land Administration Index by World Bank

The Quality of Land Administration Index comprises the Reliability of Infrastructure Index (Singapore's score 8/8), Transparency of Information Index (Singapore's score 6/6), Geographic Coverage Index (Singapore's score 8/8), Land Dispute Resolution Index (Singapore's score 7/8) and Equal Access to Property Rights Index (no minus pts).



## Excellence in Municipal Services (Letter of Commendation)

- 📍 Three Team Awards
  - Transformation of a space under Toa Payoh South Flyover
  - Removal of unauthorised trees planted at Lorong Chuan
  - Transformation of empty land into dog run park in Tiong Bahru
- 📍 Two Individual Awards

▲ SLA was awarded for the conversion of vacant land under the Toa Payoh South Flyover

### Singapore ranked 4<sup>th</sup> in the world, 1<sup>st</sup> in Asia, for Global Geospatial Industry Outlook

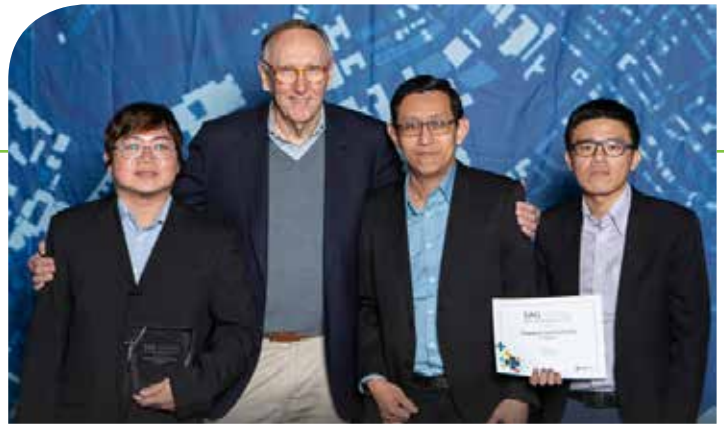
Singapore retains its position as one of the leading geospatial-ready country in the Countries Geospatial Readiness Index-2018. Singapore has an enabling national geospatial policy framework (inclusive of data dissemination and data access) supporting the implementation of National Spatial Data Infrastructure, surveying and mapping policies, open data policies for geospatial data and otherwise, and space policies.

### Finalist for CAPAM (Commonwealth Association of Public Administration and Management) International Innovation Awards

SLA's new OneMap was a finalist for the Citizen-Focused Innovation category.

### Geospatial World Awards 2019

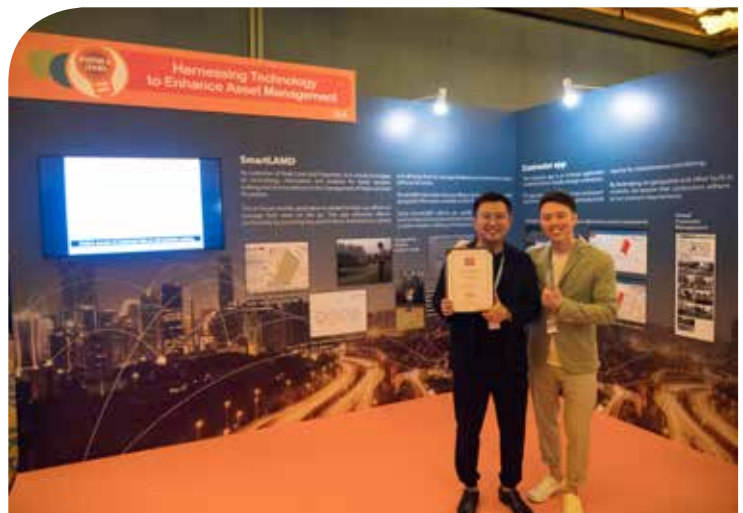
SLA won the Geospatial World Award 2019 for the application of geospatial technology in digital cadastre. The award celebrates exemplary innovations and practices in the global geospatial industry.



▲ SLA received the ESRI Special Achievement in GIS (SAG) Award for the Singapore Advanced Map

### ESRI Special Achievement in GIS (SAG) Award 2019

The Singapore Advanced Map combines 2D and 3D GIS capability and visualisation and allows analysts to better visualise situations above and under ground. With reality 3D models, it increases users' understanding and awareness of actual ground conditions. This helps in our management of State land and properties.



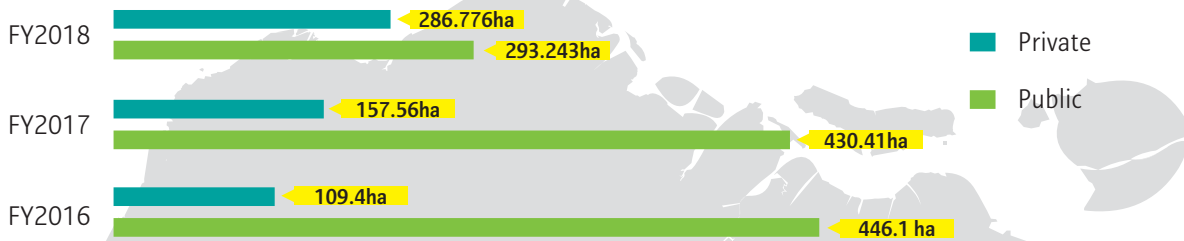
### Public Sector Transformation Awards

- 📍 ExCEL Innovation Champion (Distinguished)
- 📍 ExCEL Innovation Champion (Merit)
- 📍 ExCEL Most Innovative Project team (Merit) – OneMap
- 📍 Star Manager
- 📍 2-Star Service Individual
- 📍 Star Service Team – Rejuvenation of Chip Bee Gardens

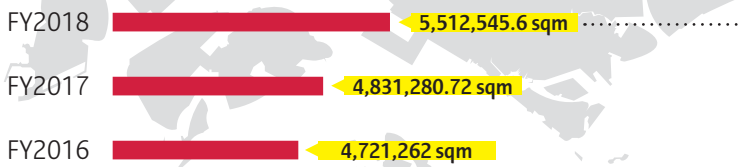
▲ Public Sector Transformation Award winners Mr Vincent Aw and Mr Tan Chun Hong from SLA Land Asset Management Division

# CORPORATE PERFORMANCE

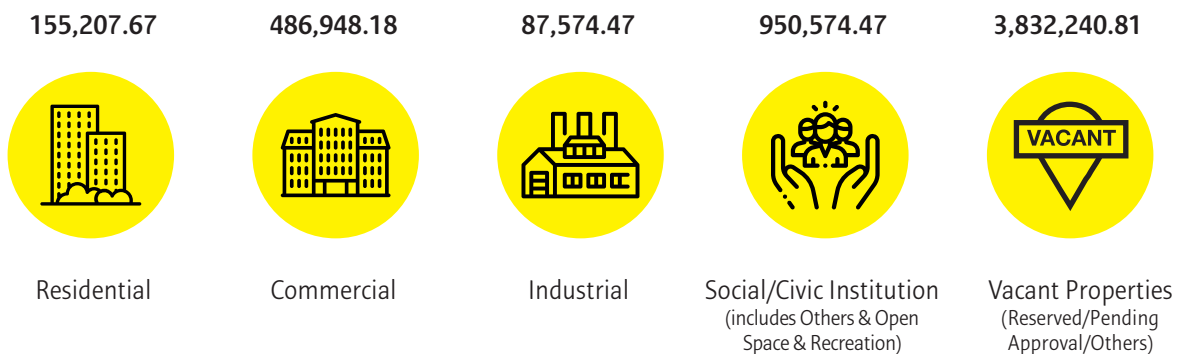
## Total area of State land sold to private and public sector



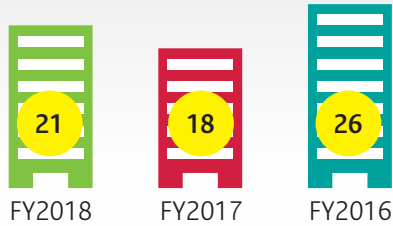
## Total estimated gross floor area of State properties managed by SLA



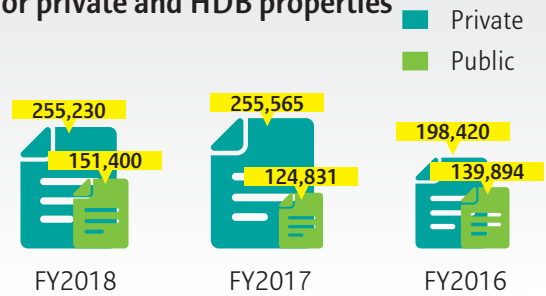
## Breakdown by use of SLA-managed properties in estimated gross floor area



### Number of State properties offered for public tender



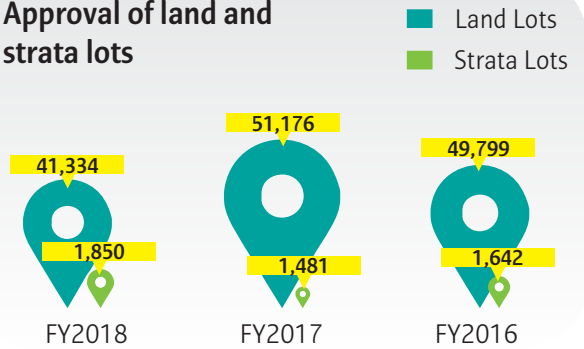
### Registration of documents lodged for private and HDB properties



### Issuance of title documents for completed private properties



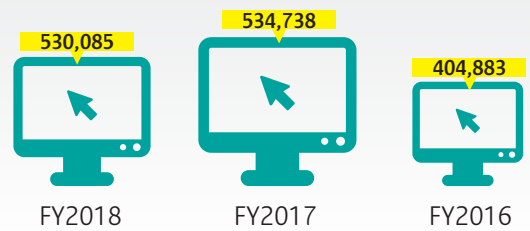
### Approval of land and strata lots



### Electronic searches (DIPS, STARS)

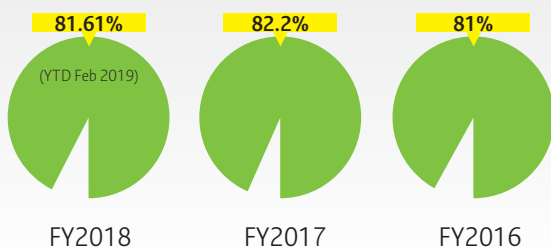


### INLIS transaction volume

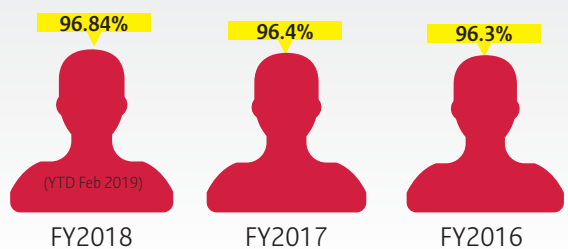


### Efficiency indicators

Average Utilisation rate of State land

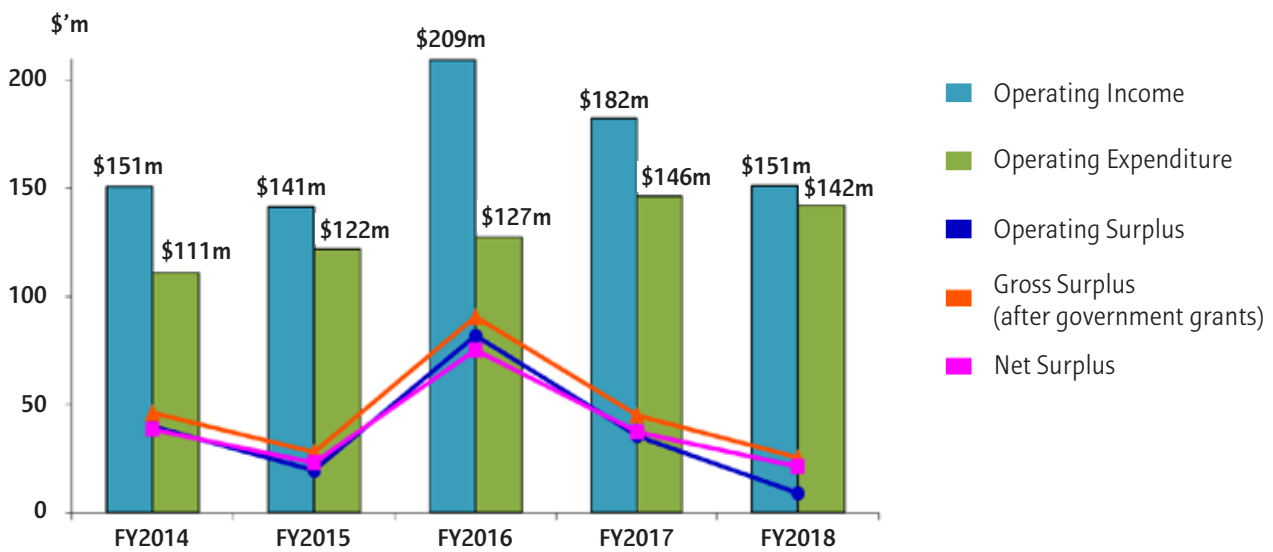


Average Occupancy rate of State properties (excluding non-marketable stocks)



# FINANCIAL REVIEW

## 5-Year Financial Summary



5-Year Financial Summary	FY2014	FY2015	FY2016	FY2017	FY2018
<b>Operating Surplus</b>	39.9	19.7	81.9	35.9	9.1
<b>Gross Surplus</b> <i>(after government grants)</i>	46.4	28.1	90.7	45.3	25.7
<b>Net Surplus</b>	38.5	23.3	75.2	37.6	21.3

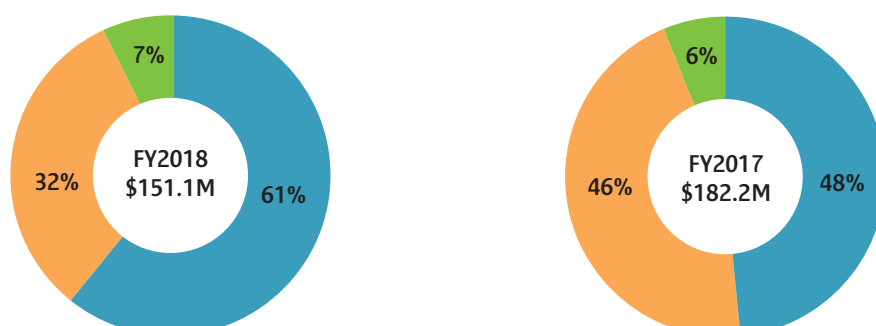
## Financial Highlights

For FY2018, the Authority recorded a net surplus of \$21.3 million before other comprehensive income, a decrease of 43% over the \$37.6 million in FY2017.



## Operating Income

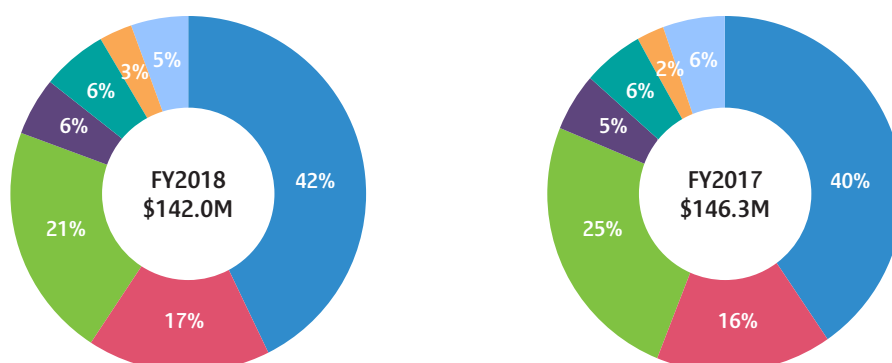
The Authority's operating income comprised agency fees, regulatory fees, processing fees and other fees and charges. FY2018 operating income of \$151.1 million was lower by 17% (or \$31.1 million).



Operating Income	FY2018	FY2017	Increase / (Decrease)	
	\$'m	\$'m	\$'m	%
● Agency Fees	92.2	88.3	3.9	4%
● Regulatory Fees & Charges	47.9	83.6	(35.7)	(43%)
● Other Fees & Charges	11.0	10.3	0.7	7%
<b>Total</b>	<b>151.1</b>	<b>182.2</b>	<b>(31.1)</b>	<b>(17%)</b>

## Operating Expenditure

Operating expenditure of the Authority for FY2018 decreased by 3% (or \$4.3 million) to \$142.0 million.



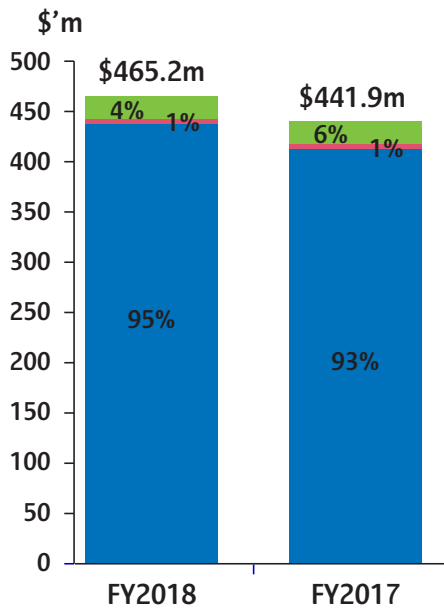
Operating Expenditure	FY2018	FY2017	Increase / (Decrease)	
	\$'m	\$'m	\$'m	%
● Expenditure on Manpower	60.6	58.8	1.8	3%
● Maintenance of IT Systems & Services	23.6	23.7	(0.1)	-
● Expenditure relating to Agency Functions	29.8	36.1	(6.3)	(17%)
● Rental Expenses	8.0	7.9	0.1	1%
● Depreciation & Amortisation of Assets	8.5	8.2	0.3	4%
● Project & Professional Fees	3.8	3.5	0.3	9%
● Others	7.7	8.1	(0.4)	(5%)
<b>Total</b>	<b>142.0</b>	<b>146.3</b>	<b>(4.3)</b>	<b>(3%)</b>

## Financial Position

As at 31 March 2019, the Authority's financial position strengthened, with total equity at \$366.2 million, an increase of \$19.8 million from a year ago. This was mainly attributable to the net surplus of \$21.3 million for FY2018.

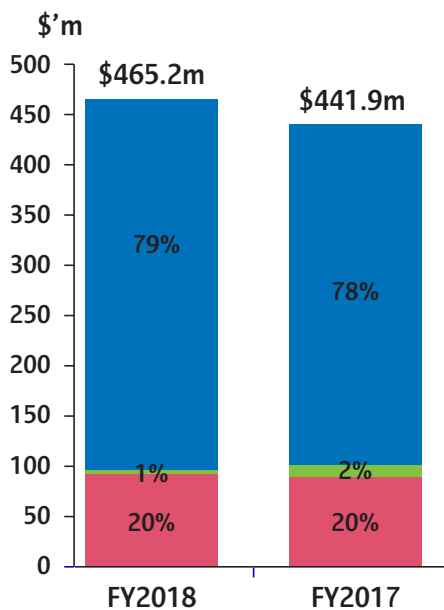
Total assets of the Authority stood at \$465.2 million, whilst liabilities totalled \$99.0 million.

### Total Assets



Assets	FY2018 \$'m	FY2017 \$'m	Increase / (Decrease)	
			\$'m	%
Property, Plant & Equipment and Intangible Assets	19.6	24.8	(5.2)	(21%)
Other Non-current Assets	3.5	3.4	0.1	3%
Current Assets	442.1	413.7	28.4	7%
<b>Total</b>	<b>465.2</b>	<b>441.9</b>	<b>23.3</b>	<b>5%</b>

### Total Equity and Liabilities



Assets	FY2018 \$'m	FY2017 \$'m	Increase / (Decrease)	
			\$'m	%
Equity	366.2	346.4	19.8	6%
Non-current Liabilities	3.8	6.1	(2.3)	(38%)
Current Liabilities	95.2	89.4	5.8	6%
<b>Total</b>	<b>465.2</b>	<b>441.9</b>	<b>23.3</b>	<b>5%</b>



▲ SLA Board Meeting in July 2019

# FINANCIAL STATEMENTS

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Statement of Comprehensive Income	41
Statement of Changes in Equity	42
Statement of Cash Flows	43
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## Statement by the Board

For the financial year ended 31 March 2019

In our opinion, the accompanying statement of financial position, statement of comprehensive income, statement of changes in the equity and statement of cash flows of the Authority as set out on pages 40 to 43 are drawn up so as to give a true and fair view of the financial position of the Authority as at 31 March 2019, and the financial performance, changes in equity and cash flows of the Authority for the financial year ended on that date.

On behalf of the Board,



.....  
Lim Sim Seng  
Chairman



.....  
Tan Boon Khai  
Chief Executive

05 July 2019

# Independent Auditor's Report

For the financial year ended 31 March 2019

## Independent auditor's report to the member of Singapore Land Authority

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Singapore Land Authority (the "Authority") which comprise the statement of financial position as at 31 March 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Land Authority Act 2001 (No. 17 of 2001) (the "Act") and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the financial position of the Authority as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Authority for the financial year ended on that date.

#### Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Authority in accordance with the Accounting and Corporate Regulatory Authority (ACRA) **Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities** (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises the Annual Report and Statement by the Board, but does not include the financial statements and our auditor's report thereon.

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

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

# Independent Auditor's Report

For the financial year ended 31 March 2019

## Independent auditor's report to the member of Singapore Land Authority

### Responsibilities of management's and those charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of 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.

A statutory board is constituted based on its Act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Authority or for the Authority to cease operations.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

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

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

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

## Independent Auditor's Report

For the financial year ended 31 March 2019

### Independent auditor's report to the member of Singapore Land Authority

#### Auditor's responsibilities for the audit of the financial statements (cont'd)

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

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

#### Report on other legal and regulatory requirements

##### 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 Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority; and
- (b) proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise.

##### Basis for opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the **Auditor's Responsibilities for the Compliance Audit** section of our report. We are independent of the Authority in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

#### Responsibilities of management for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

## Independent Auditor's Report

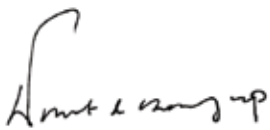
For the financial year ended 31 March 2019

### Independent auditor's report to the member of Singapore Land Authority

#### Auditor's responsibilities for the compliance audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Authority.

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.



Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
05 July 2019



## Statement of Financial Position

As at 31 March 2019

	Note	31 March 2019	31 March 2018
		\$	\$
<b>Assets</b>			
<b>Non-current</b>			
Property, plant and equipment	4	5,865,537	7,368,888
Intangible assets	5	13,724,180	17,432,650
Statutory board bonds	6	3,000,000	3,000,000
Trade debtors, prepayments and other receivables	9	512,443	450,281
		<u>23,102,160</u>	<u>28,251,819</u>
<b>Current</b>			
Statutory board bonds	6	–	2,750,000
Financial assets at fair value through profit or loss	7	100,242,811	105,106,543
Derivative financial instruments	8	39,924	324,678
Trade debtors, prepayments and other receivables	9	54,230,469	21,739,497
Cash and cash equivalents	10	240,154,362	246,383,321
Restricted cash	11	47,384,885	37,374,905
		<u>442,052,451</u>	<u>413,678,944</u>
<b>Total assets</b>		<u><u>465,154,611</u></u>	<u><u>441,930,763</u></u>
<b>Equity</b>			
Capital	3	10,654,189	10,654,189
Accumulated surplus		355,581,606	335,761,445
<b>Total equity</b>		<u>366,235,795</u>	<u>346,415,634</u>
<b>Liabilities</b>			
<b>Non-current</b>			
Trade and other payables	12	1,101,065	1,572,682
Provision for pension	13	1,821,012	3,146,610
Deferred capital grants	14	824,977	1,420,223
		<u>3,747,054</u>	<u>6,139,515</u>
<b>Current</b>			
Derivative financial instruments	8	63,171	–
Trade and other payables	12	53,324,253	46,185,437
Provision for pension	13	34,694	34,694
Contribution to Government Consolidated Fund	15	4,384,614	7,714,286
Provision for Assurance Fund	16	37,365,030	35,441,197
		<u>95,171,762</u>	<u>89,375,614</u>
<b>Total liabilities</b>		<u>98,918,816</u>	<u>95,515,129</u>
<b>Total equity and liabilities</b>		<u><u>465,154,611</u></u>	<u><u>441,930,763</u></u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement of Comprehensive Income

For the financial year ended 31 March 2019

	Note	2018/2019	2017/2018
		\$	\$
<b>Income</b>			
Agency fees		92,218,346	88,329,827
Regulatory fees and charges		47,877,402	83,603,792
Processing and other fees		11,001,502	10,296,177
Total income		151,097,250	182,229,796
<b>Expenditure</b>			
Expenditure on manpower	17	(60,550,712)	(58,818,959)
Maintenance of IT systems and services		(23,640,589)	(23,729,847)
Expenditure relating to agency functions	18	(29,848,651)	(36,079,227)
Rental expenses		(8,016,764)	(7,869,418)
Depreciation expense	4	(2,501,937)	(2,291,427)
Amortisation expense	5	(5,949,156)	(5,950,241)
Office maintenance, supplies and services		(4,056,197)	(3,887,404)
Project and professional fees		(3,835,695)	(3,531,855)
Assurance Fund Contribution	16	(1,923,833)	(1,953,071)
Other operating expenses	19	(1,666,348)	(2,232,306)
Total expenditure		(141,989,882)	(146,343,755)
<b>Operating surplus</b>		9,107,368	35,886,041
<b>Non-operating income - net</b>	20	8,189,323	5,654,098
<b>Surplus before grants</b>		17,296,691	41,540,139
<b>Government grants</b>			
Operating grants		7,799,909	3,173,639
Deferred capital grants amortised	14	595,246	614,374
Total government grants		8,395,155	3,788,013
<b>Surplus before contribution to Government Consolidated Fund</b>		25,691,846	45,328,152
Contribution to Government Consolidated Fund	15	(4,384,614)	(7,714,286)
<b>Net surplus for the financial year</b>		21,307,232	37,613,866
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to income and expenditure:			
Remeasurement gain/(loss) on defined benefit plan obligations	13	1,047,929	(1,407,349)
<b>Other comprehensive income, net of tax</b>		1,047,929	(1,407,349)
<b>Total comprehensive income for the financial year</b>		22,355,161	36,206,517

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

## Statement of Changes in Equity

For the financial year ended 31 March 2019

	Note	2018/2019	2017/2018
		\$	\$
<b>Capital</b>			
Balance at beginning and end of the financial year	21	10,654,189	10,654,189
<b>Accumulated surplus</b>			
Balance at beginning of the financial year		335,761,445	308,568,928
Total comprehensive income for the financial year		22,355,161	36,206,517
Dividend paid to Government	21	(2,535,000)	(9,014,000)
Balance at end of the financial year		355,581,606	335,761,445
<b>Total equity</b>		<b>366,235,795</b>	<b>346,415,634</b>

*The accompanying accounting policies and explanatory notes form an integral part of the financial statements.*

## Statement of Cash Flows

For the financial year ended 31 March 2019

	Note	2018/2019	2017/2018
		\$	\$
<b>Cash flows from operating activities</b>			
Net surplus		21,307,232	37,613,866
Adjustments for:			
Depreciation of property, plant and equipment	4	2,501,937	2,291,427
Amortisation of intangible assets	5	5,949,156	5,950,241
Loss on disposal of property, plant and equipment and intangible assets - net	19	1,424	749
Investment income - net	20	(8,189,323)	(5,654,098)
Government grants		(8,395,155)	(3,788,013)
Provision for pension	13	64,155	64,202
Contribution to Government Consolidated Fund Assurance Fund Contribution	15	4,384,614	7,714,286
	16	1,923,833	1,953,071
		19,547,873	46,145,731
Change in operating assets and liabilities:			
Trade debtors, prepayments and other receivables		(29,293,646)	20,541,030
Trade and other payables		11,146,200	3,814,770
Provision for pension	13	(341,824)	(34,694)
Deposits relating to provision for Assurance Fund		(1,923,833)	(1,953,071)
Cash (used in)/generated from operations		(865,230)	68,513,766
Contribution to Government Consolidated Fund		(7,714,286)	(15,429,338)
<b>Net cash (used in)/generated from operating activities</b>		(8,579,516)	53,084,428
<b>Cash flows from investing activities</b>			
Receipts from matured statutory board bonds		2,750,000	–
Interest received		3,721,417	3,944,872
Proceeds from disposal of property, plant and equipment		234	280
Payments for purchase of property, plant and equipment		(2,499,662)	(2,804,486)
Payments for purchase of intangible assets		(5,221,214)	(2,640,930)
<b>Net cash used in investing activities</b>		(1,249,225)	(1,500,264)
<b>Cash flows from financing activities</b>			
Dividend paid to Government	21	(2,535,000)	(9,014,000)
Government grants received		6,134,782	1,814,994
<b>Net cash provided by/(used in) financing activities</b>		3,599,782	(7,199,006)
Net (decrease)/increase in cash and cash equivalents		(6,228,959)	44,385,158
Cash and cash equivalents at beginning of the financial year		246,383,321	201,998,163
<b>Cash and cash equivalents at end of the financial year</b>	10	240,154,362	246,383,321

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

# Notes to the Financial Statements

For the financial year ended 31 March 2019

## 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, land 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.

## 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") under the historical cost convention, except as disclosed in the accounting policies below.

### 2.2 *Significant accounting estimates and judgements*

The preparation of these financial statements in conformity with SB-FRS requires management to exercise judgement in the process of applying the Authority's accounting policies. It also requires the use of certain accounting estimates and assumptions.

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. The Authority did not make any material judgements and there are no estimation uncertainties that have significant effect on the amounts recognised in the financial statements.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.3 *Interpretations and amendments to published accounting standards effective in 2018/2019*

On 1 April 2018, 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.

#### 2.4 *Income recognition*

Revenue is measured based on the consideration to which the Authority expects to be entitled in exchange for transferring promised services to a customer. Revenue is recognised when the Authority satisfies a performance obligation by transferring a service to the customer, which is when the customer obtains control of the service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. The following specific recognition criteria must be met before revenue is recognised.

- (a) Income from agency fees is recognised over time when services are rendered.
- (b) Regulatory fees and charges includes registration fees and extension charges. Income from registration fees are recognised at a point in time when services are rendered. Extension charges are recognised over time in the financial period based on the terms of the extension.
- (c) Income from processing and other fees are recognised at a point in time when services are rendered.

#### 2.5 *Property, plant and equipment and depreciation*

Property, plant and equipment are initially recognised at cost and subsequently carried 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 include 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. All other repair and maintenance expenses are recognised in income and expenditure when incurred.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.5 *Property, plant and equipment and depreciation (cont'd)*

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	-	3 - 7 years

The residual values, 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.

#### 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 enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are 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 one 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 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.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.7 *Impairment of non-financial assets*

At each balance sheet date, 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.

An impairment loss for an asset is reversed 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 109 in the following categories: at amortised cost and fair value through profit or loss. The classification depends on the business model for managing the financial assets and whether the contractual cash flows represent solely payments of principal and interest (SPPI). Management determines the classification of its financial assets at initial recognition.

##### Investments in debt instruments

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

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.



## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.8 Financial assets (cont'd)

##### (a) Classification (cont'd)

##### (ii) Financial assets carried at amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

##### Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of derivatives are recognised in profit or loss.

##### (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 previously recognised in other comprehensive income relating to that asset is reclassified to income and expenditure.

##### (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.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.8 Financial assets (cont'd)

##### (d) Subsequent measurement

Financial assets at fair value through profit or loss are subsequently carried at fair value. Financial assets carried at amortised cost are measured 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.

##### (e) Impairment

The Authority recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Authority expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade debtors and other receivables, the Authority applies a simplified approach in calculating ECLs. Therefore, the Authority does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Authority considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Authority may also consider a financial asset to be in default when internal or external information indicates that the Authority is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Authority. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

#### 2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, and 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.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 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 carried 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) *Defined contribution plans*

Contributions on the employees' salaries are made to the Central Provident Fund ("CPF") as required by law. The CPF contributions are recognised as expenses in the period when the employees rendered their services. The Authority has no further payment obligations once the contributions have been paid.

##### (b) *Defined benefit plans*

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Pensionable employees who are transferred from the Civil Service to the Authority when it was established on 1 June 2001 are entitled to pension benefits in accordance with the provisions of the Pensions Act (Cap. 225, 2004 Revised Edition). Pension liability attributable to the services rendered by these employees prior to the establishment of the Authority will be paid by the Government and are excluded from the Authority's provision of pension.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 2.12 Employee benefits (cont'd)

##### (b) Defined benefit plans (cont'd)

The defined benefits obligations due to the pensionable officers are determined based on the last drawn salaries of the respective officers and the officers' cumulative service period served with the Authority at the time of retirement.

Provision for pension benefits recognised in the balance sheet is estimated by management based on the valuation of the defined benefits obligations performed by an independent firm of professional actuaries. The Authority's net obligation in respect of defined pension benefits due to the pensionable officers is calculated separately for defined pension 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 has been used by reference to the market yields on Singapore Government Bonds and the calculation is performed taking into account factors such as mortality rates, retirement options and salary growth rate. As these assumptions may not be satisfied exactly as the fund progresses, a review is conducted once every three years.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

##### (c) 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.

#### 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 the functional currency 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.

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

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 2. Significant accounting policies (cont'd)

#### 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 income and classified as liability. The amount is released to income and expenditure over the expected useful life of the relevant asset.

#### 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 capital projects, in accordance with 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 capital 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"), the Authority will draw on accumulated surpluses and existing equity, debt, or additional equity injection from the Government, to fund capital projects. 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.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 3. Capital (cont'd)

#### *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 its 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 2019

### 4. Property, plant and equipment

	Furniture and fittings, office equipment and office renovation	IT equipment	Motor vehicles	Plant and machinery	Assets under construction	Total
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
At 1 April 2017	7,203,770	13,947,785	460,316	1,630,904	442,600	23,685,375
Additions	11,634	498,644	–	–	2,968,198	3,478,476
Disposals	(39,336)	(1,162,712)	–	–	–	(1,202,048)
Reclassifications	88,230	760,627	–	161,535	(1,010,392)	–
At 31 March 2018	7,264,298	14,044,344	460,316	1,792,439	2,400,406	25,961,803
Additions	156,510	47,915	–	4,533	789,884	998,842
Disposals	(23,625)	(961,295)	–	–	–	(984,920)
Reclassifications	2,259,456	851,496	–	79,338	(3,190,290)	–
At 31 March 2019	9,656,639	13,982,460	460,316	1,876,310	–	25,975,725
<b>Accumulated depreciation</b>						
At 1 April 2017	7,137,930	8,846,378	365,580	1,153,648	–	17,503,536
Additions	32,776	2,039,485	43,123	176,043	–	2,291,427
Disposals	(39,336)	(1,162,712)	–	–	–	(1,202,048)
At 31 March 2018	7,131,370	9,723,151	408,703	1,329,691	–	18,592,915
Additions	374,703	1,899,749	40,050	187,435	–	2,501,937
Disposals	(23,625)	(961,039)	–	–	–	(984,664)
At 31 March 2019	7,482,448	10,661,861	448,753	1,517,126	–	20,110,188
<b>Net book value</b>						
At 31 March 2019	2,174,191	3,320,599	11,563	359,184	–	5,865,537
At 31 March 2018	132,928	4,321,193	51,613	462,748	2,400,406	7,368,888

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 5. Intangible assets

	Software and application systems	Software and application systems under construction	Total
	\$	\$	\$
<b>Cost</b>			
At 1 April 2017	53,484,920	5,011,351	58,496,271
Additions	908,821	5,646,767	6,555,588
Disposals	(1,549,417)	–	(1,549,417)
Reclassifications	10,641,118	(10,641,118)	–
At 31 March 2018	63,485,442	17,000	63,502,442
Additions	1,270,534	971,554	2,242,088
Disposals	(192,569)	–	(192,569)
Reclassifications	508,103	(508,103)	–
At 31 March 2019	65,071,510	480,451	65,551,961
<b>Accumulated amortisation</b>			
At 1 April 2017	41,667,939	–	41,667,939
Additions	5,950,241	–	5,950,241
Disposals	(1,548,388)	–	(1,548,388)
At 31 March 2018	46,069,792	–	46,069,792
Additions	5,949,156	–	5,949,156
Disposals	(191,167)	–	(191,167)
At 31 March 2019	51,827,781	–	51,827,781
<b>Net book value</b>			
At 31 March 2019	13,243,729	480,451	13,724,180
At 31 March 2018	17,415,650	17,000	17,432,650



## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 6. Statutory board bonds

	31 March 2019	31 March 2018
	\$	\$
Statutory board bonds	3,000,000	5,750,000
	<u>3,000,000</u>	<u>5,750,000</u>
Balance is made up of:		
Financial assets maturing within one year	–	2,750,000
Financial assets maturing after one year	3,000,000	3,000,000
	<u>3,000,000</u>	<u>5,750,000</u>
Classified as:		
Debt Instruments at amortised cost	3,000,000	–
Held-to-maturity financial assets	–	5,750,000
Effective yields at the balance sheet date:		
Bonds	<u>2.65%</u>	<u>2.51%</u>

The maturity date of the bonds held is 18 March 2021. They are classified as debt instruments at amortised cost under SB-FRS 109 and the accounting policies of these financial assets are stated in Note 2.8.

At the balance sheet date, the fair value of the debt instruments at amortised cost amounted to \$3,059,700 (31 March 2018: \$5,824,950). The fair values are based on quoted market prices from brokers and are within level 2 of fair value hierarchy (see Note 24.4).

### 7. Financial assets at fair value through profit or loss

As at 31 March 2019, 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 principal-protected investment mandate.

	31 March 2019	31 March 2018
	\$	\$
<b>Financial assets designated as at fair value through profit or loss at inception</b>		
<b>Quoted securities:</b>		
Fixed income	78,442,677	84,065,476
Equities	17,646,465	18,503,247
Others	4,153,669	2,537,820
Financial assets at fair value through profit or loss	<u>100,242,811</u>	<u>105,106,543</u>
<b>Others:</b>		
Derivative financial instruments (Note 8)	(23,247)	324,678
Interest and dividend receivables (Note 9)	572,760	522,070
Cash and deposits held in trust by the fund manager (Note 11)	10,019,855	1,933,708
Net carrying amounts under fund management	<u>110,812,179</u>	<u>107,886,999</u>

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 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. The foreign currency contracts are not designated as hedging instruments in the financial statements. As at balance sheet date, the notional amounts of the foreign currency contracts held by the fund manager are as follows:

	31 March 2019	31 March 2018
	\$	\$
Contract notional amounts	77,725,880	82,101,735
Fair value:		
Assets	39,924	324,678
Liabilities	(63,171)	–
	(23,247)	324,678

### 9. Trade debtors, prepayments and other receivables

	31 March 2019	31 March 2018
	\$	\$
Trade debtors	34,691,692	15,500,944
Other receivables	12,273,926	619,786
Interest and dividend receivables managed by the fund manager (Note 7)	572,760	522,070
Prepayments	2,047,247	1,927,801
Advance to managing agents	1,300,000	1,300,000
Interest receivable	3,497,698	1,954,027
Deposits	359,589	365,150
	54,742,912	22,189,778
Not later than one year	54,230,469	21,739,497
Later than one year but not more than five years	512,443	450,281
	54,742,912	22,189,778

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 10. Cash and cash equivalents

	31 March 2019	31 March 2018
	\$	\$
Cash and deposits held by Accountant-General's Department	240,154,362	246,383,321
Cash and cash equivalents per the statement of cash flows	240,154,362	246,383,321

Deposits held by the Accountant-General's Department earn interest at respective short-term deposit rates, ranging from 1.44% to 1.98% (2017/2018: 1.21% to 1.28%) per annum.

### 11. Restricted cash

	31 March 2019	31 March 2018
	\$	\$
Deposits relating to Provision for Assurance Fund [Notes 11(a) and 16]	37,365,030	35,441,197
Cash and deposits held in trust by the fund manager [Notes 7 and 11(b)]	10,019,855	1,933,708
	47,384,885	37,374,905

- (a) 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 (Note 16) at 31 March 2019 amounted to \$37,365,030 (31 March 2018: \$35,441,197) 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.
- (b) Cash and deposits are held in trust and managed by the fund manager in accordance with the approved principal-protected investment mandate. The Authority does not have intention to make any withdrawal.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 12. Trade and other payables

	31 March 2019	31 March 2018
	\$	\$
Trade payables	23,939,602	23,579,048
Other payables and accruals	24,598,602	18,220,794
Retention payable	1,102,902	1,803,882
Deferred income and grants	3,502,968	3,377,296
Deposits payable	1,281,244	777,099
	<u>54,425,318</u>	<u>47,758,119</u>
Not later than one year	53,324,253	46,185,437
Later than one year but not more than five years	1,101,065	1,572,682
	<u>54,425,318</u>	<u>47,758,119</u>

At 31 March 2019, included in trade and other payables are payables for additions of property, plant and equipment and intangible assets of \$145,280 (31 March 2018: \$1,646,100) and \$2,070,522 (31 March 2018: \$5,049,648) respectively.

### 13. Provision for pension

	31 March 2019	31 March 2018
	\$	\$
Present value of unfunded obligations	1,855,706	3,181,304
Balance at beginning of the financial year	3,181,304	1,744,447
Provision for the financial year (Note 17)	64,155	64,202
Remeasurement of defined benefit obligations recognised in other comprehensive income	(1,047,929)	1,407,349
Payments during the financial year	(341,824)	(34,694)
Balance at end of the financial year	<u>1,855,706</u>	<u>3,181,304</u>
Not later than one year	34,694	34,694
Later than one year but not more than five years	1,821,012	3,146,610
	<u>1,855,706</u>	<u>3,181,304</u>
The amounts recognised in income and expenditure are as follows:		
Current service cost	–	32,713
Interest cost	64,155	31,489
	<u>64,155</u>	<u>64,202</u>

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 13. Provision for pension (cont'd)

Based on the latest actuarial valuation report issued by an independent firm, the principal assumptions used in determining the Authority's pension obligations are:

- (a) all pensioners under the Civil Service Pension Fund ("CSPF") scheme will retire at the exact age of 62,
- (b) the discount rate of the pension fund is 1.90% for active members and 2.40% for retirees (2017/2018: 1.90% for active members and 2.40% for retirees) per annum and the expected rate of salary increase is 4% (2017/2018: 4%) per annum; and
- (c) the mortality rate is based on Singapore 04-08 Mortality Table.

A 25 basis point (2017/2018: 25 basis point) change in discount rate or rate of salary increase would not have a material impact on the statement of comprehensive income or the defined benefit obligation as at balance sheet date.

### 14. Deferred capital grants

	31 March 2019	31 March 2018
	\$	\$
Balance at beginning of year	1,420,223	1,801,070
Grants received during the year	–	233,527
Amortisation to income and expenditure	(595,246)	(614,374)
Balance at end of year	824,977	1,420,223

### 15. 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 financial year 2018/2019 (2017/2018: 17%).

### 16. Provision for Assurance Fund

	31 March 2019	31 March 2018
	\$	\$
Balance at beginning of the financial year	35,441,197	33,488,126
Provision for the financial year	1,923,833	1,953,071
Balance at end of the financial year [Note 11(a)]	37,365,030	35,441,197

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 17. Expenditure on manpower

	2018/2019	2017/2018
	\$	\$
Salaries and bonuses	50,578,635	49,319,285
CPF and medisave contributions	7,302,954	7,187,345
Staff benefits	853,068	896,700
Staff development and scholarship expenditure	1,751,900	1,351,427
Pension contributions (Note 13)	64,155	64,202
	60,550,712	58,818,959

### 18. Expenditure relating to agency functions

	2018/2019	2017/2018
	\$	\$
Gross expenditure:		
Maintenance of state land	8,233,136	9,271,930
Maintenance of buildings	40,140,173	37,655,332
Valuation service	2,710,967	2,496,550
Miscellaneous services	16,264,259	10,153,572
	67,348,535	59,577,384
Reimbursement of pass-through costs	(37,499,884)	(23,498,157)
	29,848,651	36,079,227

Reimbursement of pass-through costs relates to reimbursement received by the Authority from MinLaw for certain direct expenditure relating to management of state land and buildings, as provided for under the agency agreement with MinLaw.

### 19. Other operating expenses

	2018/2019	2017/2018
	\$	\$
Included in other operating expenses are:		
Net loss on disposal of property, plant and equipment and intangible assets	1,424	749
Goods & Services Tax expenses	1,241,247	1,606,500
Corporate development and communication expenses	101,766	246,404
Bank charges	63,858	97,112

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 20. Non-operating income - net

	2018/2019	2017/2018
	\$	\$
<b><i>Income from funds with fund manager:</i></b>		
Gain from sale of investments	81,182	767,791
Interest income	2,436,135	2,321,196
Dividends	329,520	300,398
Realised (losses)/gains on foreign exchange hedges	(3,087,977)	5,307,684
Net fair value gains/(losses) on investments	3,496,448	(6,119,667)
	3,255,308	2,577,402
<b><i>Other interest income:</i></b>		
Statutory board bonds	126,453	144,525
Deposits with Accountant-General's Department	5,138,636	3,185,537
	8,520,397	5,907,464
Fund management expenses	(331,074)	(253,366)
	8,189,323	5,654,098

### 21. Equity injection and dividend

The Capital Management Framework is extended to the Authority in 2008/2009 through an equity injection of \$1,000. In 2018/2019, nil (2017/2018: nil) 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 \$2,535,000 (2017/2018: \$9,014,000) to the Government.

### 22. 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 2019	31 March 2018
	\$	\$
Amount approved and contracted for	297,569	1,089,226

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 22. Commitments (cont'd)

#### (b) *Operating lease commitments*

Where the Authority is the lessee

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

	31 March 2019	31 March 2018
	\$	\$
Not later than one year	7,749,576	8,340,625
Later than one year but not more than five years	5,258,545	12,901,148
	13,008,121	21,241,773

#### (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 \$1,178,701 (2017/2018: \$1,277,473).

### 23. Related party transactions

#### (a) *Remuneration of key management personnel*

	2018/2019	2017/2018
	\$	\$
Salaries and employee benefits	4,883,492	4,304,408
CPF Contributions	208,818	182,710
Board members' allowances	188,455	184,233
	5,280,765	4,671,351

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Authority. The Chairman, Board Members and Executive Management (Chief Executive, Deputy Chief Executive, Assistant Chief Executives and Directors) are considered key management personnel of the Authority.



## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 23. Related party transactions (cont'd)

#### (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.

During the financial year, the Authority had significant transactions with its parent Ministry, Ministry of Law, and other related parties listed below:

	2018/2019	2017/2018
	\$	\$
<u>Income</u>		
Agency fees/grants/reimbursements		
- Ministry of Law	131,770,227	110,675,930
- Land Transport Authority	3,972,821	3,725,106
Title registration, search and survey fees		
- Housing and Development Board	7,330,246	9,703,540
- Civil Aviation Authority of Singapore	4,206	1,296,168
<u>Expenditure</u>		
Rental of premises and valuation services		
- Inland Revenue Authority of Singapore	9,269,937	9,900,667
Land/properties management and maintenance services		
- Housing and Development Board	4,966,684	5,262,544
- Sentosa Development Corporation	-	66,782
- National Parks Board	1,649,252	1,067,133
- Jurong Town Corporation	-	122,261
IT services		
- Government Technology Agency	4,439,597	4,185,593
Trade amount due from related parties as at 31 March	33,411,897	14,302,601
Trade amount due to related parties as at 31 March	3,211,618	2,417,600

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 24. 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 and credit risk is minimal, 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:

#### 24.1 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 residual exposure to the foreign currency risk is not expected to have any material impact on the net surplus for the financial year.

A 5% change in foreign currencies exchange rates (on the residual foreign currencies not hedged) would not have a material impact on the net surplus for the years ended 31 March 2019 and 31 March 2018.

##### (b) Price risk

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

	31 March 2019	31 March 2018
	\$	\$
Singapore	–	1,220,277
United States	5,316,466	6,004,671
Japan	3,816,229	2,372,693
Other countries	8,513,770	8,905,606
	17,646,465	18,503,247

A 5% change in prices for equity securities would not have a material impact on the net surplus for the financial years ended 31 March 2019 and 31 March 2018.

##### (c) Interest rate risk

The surplus funds are managed internally by the Authority and placed with the external fund manager for investments. These investments include investments in fixed income securities. 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 would not have a material impact on the net surplus for the financial years ended 31 March 2019 and 31 March 2018.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 24. Financial risk management objectives and policies (cont'd)

#### 24.2 *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.

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	Total
	\$	\$	\$
<b>At 31 March 2019</b>			
Trade and other payables	50,080,410	841,940	50,922,350
<b>At 31 March 2018</b>			
Trade and other payables	42,830,889	1,549,934	44,380,823

#### 24.3 *Credit risk*

The Authority's exposure to credit risk is primarily attributable to its cash and cash equivalents, investments, trade debtors 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. The 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 Authority considers the probability of default upon initial recognition of financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

To assess whether there is a significant increase in credit risk, the Authority compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Authority considers available reasonable and supportive forward-looking information which includes indicators such as significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the Authority.

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 24. Financial risk management objectives and policies (cont'd)

#### 24.3 Credit risk (cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 90 days due in making contractual payment.

The Authority determined that its financial assets are credit-impaired when:

- There is significant financial difficulty of the debtor;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery.

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.

None of the financial asset is impaired as at balance sheet date. The age analysis of receivables past due but not impaired is as follows:

	31 March 2019	31 March 2018
	\$	\$
Past due up to 1 month	11,758	86,223
Past due over 1 month to 3 months	7,814	2,849
Past due over 3 months to 6 months	200	7,311
	19,772	96,383

#### 24.4 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 (ie as prices) or indirectly (ie 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:

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 24. Financial risk management objectives and policies (cont'd)

#### 24.4 Fair value measurements (cont'd)

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>At 31 March 2019</b>				
Financial assets at fair value through profit or loss	19,063,594	81,179,217	–	100,242,811
Debt instruments at amortised cost	–	3,059,700	–	3,059,700
Derivative financial instruments	–	(23,247)	–	(23,247)
<b>At 31 March 2018</b>				
Financial assets at fair value through profit or loss	18,503,247	86,603,296	–	105,106,543
Held-to-maturity financial assets	–	5,824,950	–	5,824,950
Derivative financial instruments	–	324,678	–	324,678

The fair value of financial instruments traded in active markets (such as equities securities) 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.

#### 24.5 Financial instruments by category

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

	31 March 2019	31 March 2018
	\$	\$
<b>Financial assets</b>		
Held-to-maturity financial assets	–	5,750,000
Financial assets at fair value through income and expenditure	100,242,811	105,106,543
Derivative financial instruments - financial assets at fair value through profit or loss	39,924	324,678
Financial assets carried at amortised cost	343,234,912	304,020,203
<b>Financial liabilities</b>		
Derivative financial instruments – financial liabilities at fair value through profit or loss	63,171	–
Financial liabilities at amortised cost	50,922,350	44,380,823

## Notes to the Financial Statements

For the financial year ended 31 March 2019

### 25. New or revised accounting standards and interpretations

The mandatory standards and amendments to existing standards that have been published, and are relevant for the Authority's accounting periods beginning on or after 1 April 2019 or later periods and which the Authority has not early adopted are:

Effective for annual periods beginning on or after 1 January 2019

- SB-FRS 116 Leases
- SB-FRS 1002 Impairment of non-cash generating assets

The nature of the impending changes in accounting policy on adoption of SB-FRS 116 are described below:

#### SB-FRS 116 Leases

SB-FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 January 2019.

The Authority has performed a preliminary impact assessment of the adoption of SB-FRS 116 and expects that the adoption of SB-FRS 116 will result in increases in total assets and total liabilities.

The Authority plans to adopt the new standard on the required effective date by applying SB-FRS 116 retrospectively with the cumulative effect of initially applying the Standard recognised at the date of initial application. Lease liability is recognised at the present value of the remaining lease payments. Right-of-use asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. Comparative information will not be restated.

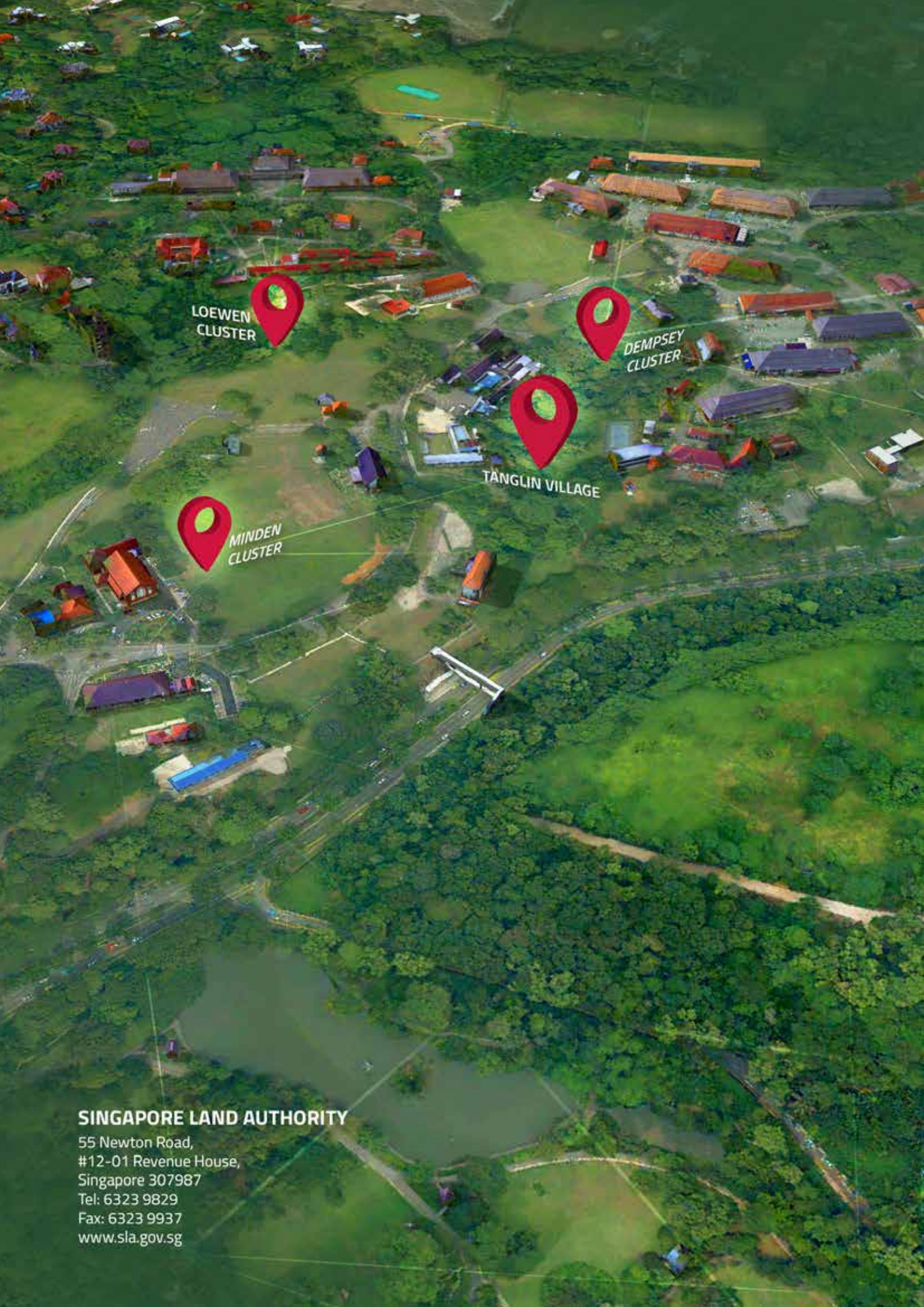
The Authority is currently in the process of analysing the transitional approaches and practical expedients to be elected on transition to SB-FRS 116 and qualifying the impact of adoption.

### 26. Authorisation of financial statements

The financial statements For the financial year ended 31 March 2019 were authorised for issue by the Board of Directors of the Authority on 05 July 2019.

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