

2019/20

Annual Report



2019/20



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CORPORATE PROFILE

ABOUT SLA

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

"Limited Land • Unlimited Space" — this creative paradox aptly highlights the nation's constraints and SLA's commitment in addressing them. The word "space" is multi-dimensional, encompassing realms from the physical to the digital. "Unlimited" represents the extent of our commitment in our quest for solutions and innovations that will contribute to the economic and social development of Singapore.

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

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.



CHAIRMAN & CE'S MESSAGE

No one could have foreseen how the first half of 2020 would turn out. The Covid-19 pandemic came upon the world in an instant, and without warning. Countries closed borders, shut down the economy and isolated their people. Singapore was no different. For close to two months, we entered a "circuit breaker" period. Many businesses closed following the imposition of government restrictions, and movements of the population were minimised. It was a period of time unlike any Singapore had ever encountered, and it caused anxiety and worry amongst many of us. The social and economic impact caused by Covid-19 on the world, and on Singapore, will take years to unravel.

In the midst of this crisis, however, the Singapore Land Authority (SLA), as with all government organisations and agencies, continued its mission steadfastly and without fail. SLA adapted, and found innovative and alternative ways to continue its roles and responsibilities. We took our services online, and work from home and telecommuting arrangements became the default. We have been able to do so largely because much of the transformation which the organisation had been undergoing in the past few years had prepared us to navigate a future much more volatile, and uncertain, than the past.

In this year's Annual Report, we have highlighted SLA's various transformations and innovations, but they are all representative of the evolutionary organisational transformation which the organisation began several years back, focusing on innovation, technology, a service-centric mindset and a pro-enterprise approach to working with stakeholders. We are heartened that, even as we steered our way through these unprecedented times, many of the initiatives we had embarked upon are now bearing fruit. This serves as motivation to continue innovating and transforming, and thus further prepare ourselves for the challenges the future may bring.

It is notable that in the fight against the spread of Covid-19, SLA has been able to play a role together with many other agencies — not only as ambassadors on the ground ensuring compliance with safe distancing measures, but also working as one government to procure and manage accommodation and other facilities to house both returning overseas Singapore residents and migrant workers alike. A crisis such as Covid-19 displays the strength and unity of Singapore and its people, working hand in hand with public service agencies during this period. We are proud to do our small part, and we thank all those who have joined us thus far on this journey.

No one knows what the future will bring for SLA post-Covid-19. Nevertheless, we must never lose sight of the fact that our work is for Singapore and its people. The last year, and the crisis brought about by Covid-19, tested our resilience as an organisation and as a country.

But it also strengthened our resolve as an organisation, and as one public service. No matter the challenges that arise or the unexpected adversities that we are called upon to face, SLA will ensure that we deliver nothing but excellence in service to stakeholders and customers. That is our promise to all of you, our stakeholders and customers, from each and every one of us in SLA.

We hope you will enjoy going through our Annual Report.



Mr Lim Sim Seng

Chairman

(1 August 2014 to 31 July 2020)

Mr Tan Boon Khai

Chief Executive

(1 May 2015 to 31 August 2020)

MESSAGE OF THANKS TO OUTGOING CHAIRMAN

Lim Sim Seng, better known as Sim to many of us, stepped down from SLA after six years as Chairman (from 2014 to 2020), and three years as a Board member (2011 to 2014). During his tenure as Chairman, Sim oversaw many of SLA's transformative agendas, and guided many of SLA's technological innovations, particularly in digital services and data exploitation. Sim will however be best remembered for his constant challenge to SLA to "do the right thing", rather than "doing the thing right", for the greater good of Singapore. Many of the principles he often expounded, such as courage, integrity and excellence – were shaped by his vast and multi-faceted career as a banker, and his experience of residing in many countries. SLA has truly benefited from Sim's broad experience and kind generosity, and on behalf of the Board and all of us at SLA, we thank him for his exemplary service as Board member and Chairman, from 2011 to 2020.

Thank you Sim, and we wish you the very best in your future endeavours.

Mr Yeoh Oon Jin

Chairman (from 1 August 2020)

Mr Tan Boon Khai

Chief Executive (1 May 2015 to 31 August 2020)

BOARD MEMBERS



CHAIRMAN

(from 1 August 2020)

Mr Yeoh Oon Jin

Executive Chairman
PwC Singapore

Mr Yeoh is also a member of the PwC Executive Board for the CaTSH firm, which comprises the PwC firms in Singapore, China, Hong Kong and Taiwan.

He serves as a council member and Chair of the Audit Committee of the Singapore Business Federation, as well as a council member of Singapore Institute of International Affairs. He is also a member of the Institute of Chartered Accountants in England and Wales, as well as the Immediate Past President of CPA Australia, Singapore Chapter. He was previously the Vice Chairman of the Singapore Institute of Directors, Council Member of the Institute of Singapore Chartered Accountants (ISCA) and Chairman of the Auditing & Assurance Standards Committee of ISCA.



DEPUTY CHAIRMAN

(from 1 August 2020)

Mr Loh Lik Peng

Founder & Owner
Unlisted Collection

Mr Loh runs the Unlisted Collection, an umbrella brand comprising seven boutique hotels and 20 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 has successfully set up various ventures across Singapore, Shanghai and London. Mr Loh is also the Chairman of Shatec Institutes, Asian Civilisations Museums, Singapore Arts School Ltd, and Singapore Cruise Centre Pte Ltd.

BOARD MEMBERS



Mr Simon Ong

Acting Chief Executive
Singapore Land Authority
(from 1 September 2020)

Mr Simon Ong also holds the statutory appointments of Commissioner of Lands and Controller of Residential Property.

He joined SLA in 2003 as Director of Land Resource Business, and was

appointed Assistant Chief Executive in 2007 and Deputy Chief Executive in 2009. Mr Ong previously held the appointments of Commandant SAFTI Military Institute, and Chief of Staff, Naval Staff of the Republic of Singapore Navy.

Mr Ong was awarded the Silver and Gold Public Administration Medals in 1997 in 2016 respectively.



Dr Chong Yoke Sin

President
Singapore Computer Society

Dr Chong previously led the enterprise business group at StarHub and was also the CEO of Integrated Health Information Systems that manages medical and administrative systems

across Singapore's public healthcare sector. She was also the CEO of NCS, and 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 and National Kidney Foundation (NKF).



Mr Philip Yuen

Chief Executive Officer
Deloitte Southeast Asia

Mr Yuen is also the Chairman of Deloitte Singapore.

He is a member of the Singapore Accountancy Commission, Singapore Institute of Technology's

Industry Advisory Committee and Singapore Management University's School of Accountancy Advisory Board. He is also a board member and audit committee chair of the Institute of Technical Education and Chairman of the Board of Governors of NorthLight School. Mr Yuen is a Member of the Institute of Chartered Accountants in England and Wales, and a Fellow Member of CPA Australia.



Mr Mok Wei Wei

Managing Director
W Architects Pte Ltd

Mr Mok's numerous architectural projects have received critical acclaim and have been featured in many regional and international publications. Mr Mok's works have also been

exhibited at the Venice Architectural Biennale (2005 and 2006) and at the Aedes Gallery (2006 and 2013). He was conferred the President's Design Award in 2007, the nation's highest honour for design.

Mr Mok is also the Professor in Practice at the Department of Architecture, National University of Singapore.

BOARD MEMBERS



Mr Ho Chee Pong
Director-General
Singapore Customs

Mr Ho is the Director-General, Singapore Customs, Ministry of Finance.

He has held this appointment since 1 Jan 2014. Prior to that, Mr Ho

was Senior Director of Human Capital at the Public Service Division (PSD), Prime Minister's Office (2011 to end 2013), and concurrently was Senior Director (HR Systems) at the Legal Service Commission Secretariat (June 2011 to March 2012). He sits on the Executive Committee of the Civil Service Club.



Ms Margaret Goh
Member
Sentosa Cove Committee

Ms Goh served in various senior appointments in the real estate industry before she retired. Her last appointment was Group Managing Director, GuocoLand Singapore. Ms Goh also served as the

Chief Executive Officer of Special Projects at Capitaland Singapore, where she managed cross-strategic business unit projects. Ms Goh had also 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 Marina Chin
Joint Managing Partner
Tan Kok Quan Partnership

Ms Chin is also the Co-head of the law firm's Disputes practice. She has been an Advocate & Solicitor of the Supreme Court of Singapore since 1990. She has over 30 years of experience handling

litigation and arbitration. 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.



Mr Eric Sandosham
Founder and Partner
Red and 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.

BOARD MEMBERS



Ms Angeline Poh
Chief Corporate
Development Officer
Mediacorp

Ms Poh is responsible for developing Mediacorp's strategy and driving organisational transformation.

She was previously 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. Prior to joining IMDA, Ms Poh was the Managing Director of McGraw-Hill Education (Asia). She started her career at the Singapore Economic Development Board (EDB).



Mr Calvin Phua
Deputy Secretary
Ministry of Law

Prior to his current role, Mr Phua was Deputy Secretary at the Ministry of Transport, where he helped to strengthen Singapore's aviation and maritime connectivity. Mr Phua has also served in various other positions in

the Public Service, including as a teacher. He also worked in financial services consulting in New York, USA. Mr Phua currently sits on the board of various organisations, including Singapore Pools Pte Ltd.



Mr Lim Soon Chong
Regional Head of Investment
Products & Advisory,
Consumer Banking Group
& Wealth Management
DBS (from 1 August 2020)

Mr Lim is also the business leader responsible for DBS's Wealth & Investment services platform and digital investing transformation agenda.

Prior to this, he headed the Regional Balance Sheet Management function within DBS Corporate Treasury. Before joining DBS in 2006, Mr Lim worked at Algorithmics Inc (now part of IBM) as well as the Monetary Authority of Singapore.



Mr Jerry Koh
Joint Managing Partner,
Allen & Gledhill
(from 1 August 2020)

Mr Koh heads the firm's REITs Practice and is the leading authority on REITs and business trusts. Mr Koh has been cited as a leading practitioner in Chambers Global, Chambers Asia-Pacific,

IFLR1000, The Legal 500 Asia-Pacific and Who's Who Legal. He has also been recognised as a thought leader by Who's Who Legal. He serves as a Director of The National Kidney Foundation (Singapore), the Secretary of the REIT Association of Singapore and an editorial board member of Business Law International.

RETIRED BOARD MEMBERS



Mr Lim Sim Seng
Chairman
Singapore Land Authority
(till 31 July 2020)

Mr Lim is currently the Head of Consumer Banking / Wealth Management at DBS Bank.

He is also the Chairman of DBS Vickers Securities Holdings Pte Ltd. Prior to joining DBS in 2010, he was the President and CEO of Nikko Citigroup Limited (June 2008 to December 2009). In 2007/2008, he was Citigroup Country Officer, Hong Kong and served as Chairman of Citibank Hong Kong Limited.

Mr Lim is Singapore's High Commissioner (Non-Resident) to the Federal Republic of Nigeria since March 2018. He has been appointed to the Board of the Building and Construction Authority effective 1 April 2020.

He is currently a Director of ST Engineering, a Board Governor for Nanyang Polytechnic, an Alternate Member for DBS to the Association of Banks in Singapore, as well as the Vice Chairman of ASEAN Business Group and Singapore Business Federation. He sits on the Board of Nikko Asset Management Co. Ltd in Japan.



Mr Tan Boon Khai
Chief Executive
Singapore Land Authority
(till 31 August 2020)

Mr Tan was the Chief Executive of the Singapore Land Authority from 1 May 2015 till 31 August 2020. He has been appointed as Chief Executive of JTC Corporation effective 1 September 2020.

Mr Tan joined SLA from CapitaLand Limited, which he was with since 2010. At CapitaLand, he held several portfolios, including as Regional General Manager (Singapore and Malaysia) for The Ascott Limited from April 2011 to 2014. Prior to this, he served as a Justice's Law Clerk and Assistant Registrar of the Supreme Court, as well as District Judge in the then Subordinate Courts of Singapore. He is also called as an advocate and solicitor in Singapore. In 2006, he was seconded to the Ministry of Health as General Counsel and Company Secretary of Ministry of Health Holdings Pte Ltd. His last public service appointment was Deputy Senior State Counsel/Deputy Public Prosecutor in the Attorney-General's Chambers. When he was a District Judge, he held concurrent appointments of Coroner and Deputy Registrar of the Subordinate Courts, as well as Referee in the Small Claims Tribunal.



Ms Lock Yin Mei
Partner
Allen & Overy LLP
(till 31 July 2020)

Ms Lock is qualified to practise law in Singapore, England and Wales and the State of New York. 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.





Tan Boon Khai
Chief Executive/
Commissioner of Lands
(till 31 August 2020)



Bryan Chew
Assistant Chief Executive
(Legal & Regulatory)/
Registrar of Titles & Deeds



Ng Siau Yong
Director, GeoSpatial &
Data/Chief Data Officer



Victor Khoo
Director, Survey & Geomatics



Simon Ong
Deputy Chief Executive
(GeoSpatial & Corporate)/
Controller of Residential Property
(till 31 August 2020),

Acting Chief Executive/
Commissioner of Lands/
Controller of Residential Property
(from 1 September 2020)



Thong Wai Lin
Assistant Chief Executive
(Land Operations)/Assistant
Commissioner of Lands



June Celine Low
Director, Land Titles
Registry/Senior Deputy
Registrar of Titles & Deeds



Soh Kheng Peng
Chief Surveyor

EXECUTIVE MANAGEMENT



Kevin Teoh
Director, Land Transfer &
Land Sale



Er Chye Har
Director, Human Resource



Nooraini Hamzah
Director, Corporate
Communications



Chiam Mong Luan
Director (Advisory),
Legal Division
(from 1 April 2020)



Chin Li Theng
Director, Internal Audit



Yap Eai-sy
Director, Business Planning &
Development and Leasing



Tang Kwang Boon
Director, Finance &
Corporate Services/QSM/
Corporate Secretary



Wee Wern Chau
Director,
Information Technology



Manimegalai Vellasamy
Director (Legislation & Projects),
Legal Division



Jennifer Lin
Director, CE's Office



CORPORATE REVIEW

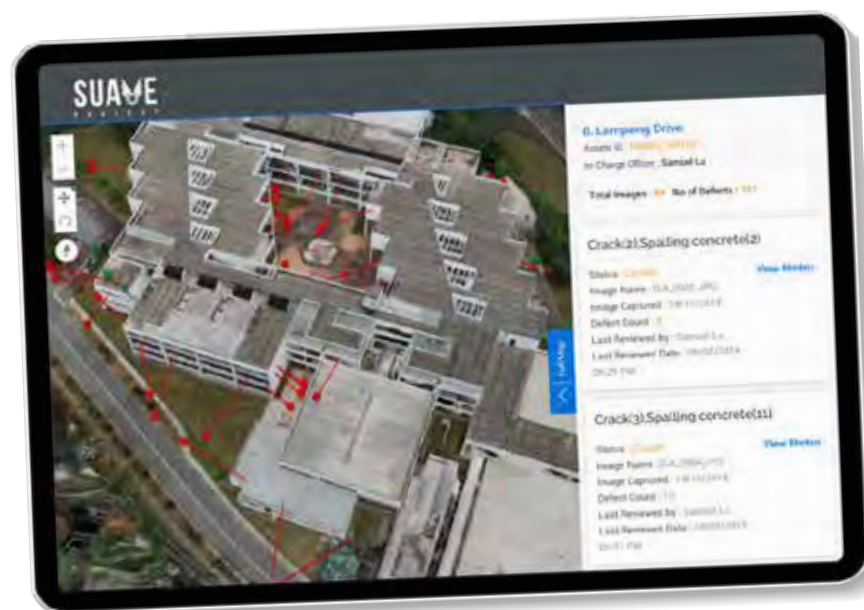
Driving Digitisation and Digitalisation

SLA ensures that it remains efficient and future-ready through digitisation and digitalisation in estate and land management, rental of State land and properties, and land title registration, as well as land and space data programmes and initiatives.

PROJECT ASCEND

2019 saw the completion of the first phase of Project ASCEND, a project that aims to overturn SLA's manual maintenance practices and leverage new technologies to improve and enhance work processes. Phase 1 of this journey included milestones such as the implementation of new systems and technologies, including the Smart Unmanned Aerial Vehicle Enhanced (SUAVE), SmartLAMBD, CCTV Viewer and Contractor App.

With SUAVE, a machine learning algorithm programmed to detect potential maintenance issues as small as cracks, debris, water ponding and even plant growth on State properties, maintenance issues are automatically sent to SLA's "SmartLAMBD" app for follow-up action and tracking.



Relying on drones instead of physical inspections, officers now use only 12.5% of the original conventional inspection time to review and address potential maintenance issues, which has also significantly reduced inspection and repair costs.

The SmartLAMBD App is SLA's in-house app featuring geospatial information, project history and best practices information on the go, which aids in efficient work management processes. CCTV On-the-go, on the other hand, is an app that allows SLA staff to have access to live CCTV footage of a site, anytime and anywhere, which provides land management staff with real-time awareness of the conditions of selected State properties. Lastly, the Contractor App is a virtual management tool that helps SLA officers monitor contractors' performance electronically. It leverages geospatial technology to ensure adherence to contract requirements and best practices by making sure that contractors can only submit reports when they are on-site.





The trial tested drone flights with TVWS connectivity



Behind-the-scenes of flying the drone

TV WHITE SPACE CONNECTIVITY

SLA worked with GovTech and the Civil Aviation Authority of Singapore (CAAS) to conduct trials to provide low-cost, reliable and long-range wireless connectivity using a broadcast band known as TV White Space (TVWS). The test, which was conducted on five southern islands, is part of the Smart Nation Sensor Platform project. TVWS connectivity can potentially support sensor and Internet of Things (IoT) deployments on the islands, which could save maintenance time and effort.

DIGITAL UNDERGROUND UTILITY MAPPING

The Digital Underground Project, which focuses on underground utility networks, is aimed at developing guidelines for data acquisition of new and existing utility infrastructure and maintaining a permanent digital record of the 3D utility information in a consolidated database. The project completed its Road Mapping Phase in June 2019 and is a collaboration between SLA and the Singapore ETH Centre (SEC). The Road-Mapping Phase saw the delivery of a roadmap document, along with a list of recommended actions and activities proposed to government agencies. The team then started the Prototyping Phase in July last year to develop a prototype system for digital record of consolidated 3D utility information, and to put in place a functional utility mapping ecosystem that continuously provides reliable 3D utility map information to both government and the industry. This phase is scheduled for completion in June 2021.



The team inspecting the sensors.

Showcase during Underground Exhibition at URA Centre

IoT APPLICATIONS

SLA has been working with its managing agent, Cushman and Wakefield Services (C&W) to testbed the use of the Internet-of-Things (IoT) systems at the State property at 2 Bukit Merah Central.

SLA and C&W Services installed 55 different sensors to better track the performances of mechanical and electrical (M&E) systems such as air-conditioning chiller systems, fire protection systems and electrical systems within the building.



PLANNING LAND USE (PLUS)

PLUS was developed as an end-to-end system for evaluation and approval of land use proposals on State land. Some of the following benefits the new planning system will provide include enhanced productivity by removing time-consuming and paper-driven work processes, knowledge management, and sense-making capabilities to derive insights for better and faster decision-making.



ENHANCEMENT TO E-LODGE MENT SYSTEM

In 2019, SLA's E-Lodgement System (ELS) was enhanced to auto-register caveats lodged against properties under development, following an earlier round of improvements in 2018. With the latest enhancements, the percentage of caveats lodged that are now auto-registered by the system has increased from 50% to 80%. The system has also been enhanced to enable more ELS forms to be digitally signed, which expedites the processing of such applications lodged for registration. With this enhancement, hardcopy lodgement is dispensed with for 41% of the ELS forms (comprising 61% of total lodgements).

TOL2 PORTAL

Phase 1 saw the roll-out of instantly approved TOLs in April 2019. The key benefit reaped is time savings in search time, processing time and travelling time. Phase 2 saw the roll out of the new issuance of non-instant TOLS by SLA in November 2019. Beyond time-savings in processing time from eight weeks to five weeks, applicants enjoy simplified application due to a redesigned workflow. SLA will also be opening the portal to other government agencies for TOL applications on government-owned land. Under two models, SLA will process TOL applications on behalf of some agencies, while other agencies will use the portal to process their own TOL applications.



Exhibition of TOL2 Portal at the Public Service Transformation exhibition held at One Tampines Hub.



Driving Initiatives to meet Business Needs

SLA introduced various new initiatives to meet business needs and maximise the potential of State land and properties.



POWER-UP PASIR PANJANG

SLA and URA launched an Ideas Competition called "Power-Up Pasir Panjang", seeking creative new ideas for the transformation of the heritage-rich Pasir Panjang power district into a waterfront destination along the Greater Southern Waterfront. Held from April to June 2019, the competition garnered a total of 79 submissions across the Open, Tertiary and Professional categories. Ten proposals were selected for their originality, creativity, and appreciation for the heritage of the Pasir Panjang area, and were showcased at an exhibition at the URA Centre from January to February 2020.

Interior of Pasir Panjang Power Station.

EXEMPTION OF PUBLICLY LISTED HOUSING DEVELOPERS WITH SUBSTANTIAL CONNECTION TO SINGAPORE FROM THE QUALIFYING CERTIFICATE (QC) REGIME

The Ministry of Law and the SLA jointly announced on 6 February 2020 that they would allow for the exemption of publicly listed housing developers with a substantial connection to Singapore from the QC regime. Under the Residential Property Act (RPA), the QC regime requires a housing developer that is not considered a Singapore company to complete the development within five years and dispose of all units within two years of completion.

A housing developer that is exempted will be treated as a Singapore company within the meaning of the RPA when it acquires residential land for development. This will better align the QC regime and the objectives of the RPA.

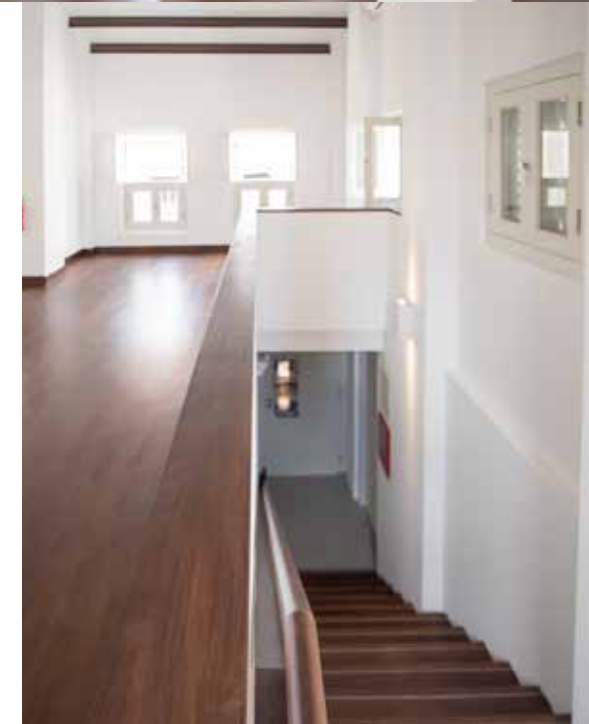


Interior of 45 Sultan Gate.

RSVP

Reinventing Spaces for Vibrant Places (RSVP) called for innovative proposals to transform vacant State properties into attractive places that would add to their unique charm and benefit the local community. Through this platform, business owners, architects and designers can also team up to test creative business concepts.

The first State properties launched for tender under RSVP were two conserved shophouses at 45 Sultan Gate, which were restored by SLA. Envisaged as a community node in the heart of the Kampong Glam Historic District, the tender for the shophouses were launched in May 2019 and closed in July 2019. After 45 Sultan Gate, other areas that will be opened for proposal under the RSVP programme include Old Kallang Airport and Hindoo Rd.



FORMER BUKIT TIMAH FIRE STATION IN C40 REINVENTING CITIES

SLA, together with the URA, BCA and NParks, put in a joint submission for the C40 Reinventing Cities competition, a global competition which aims to transform underutilised sites through sustainable, community-focused projects, and selected the former Bukit Timah Fire Station as the testbed for this project. Entries will have to conceptualise the "Live, Work and Play" principle, and will have to take into consideration holistic environmental sustainability indicators such as indoor environmental quality, the use of sustainable materials, and energy efficiency.

Former Bukit Timah Fire Station.





BUGIS VILLAGE AND BUGIS STREET MASTER TENANCY

When Bugis Village and Bugis Street, which were previously owned by CapitaLand, was returned to the State in April 2019, SLA, STB and the URA conducted a joint tender to appoint a single operator to take on the integrated management of the consolidated site. The integrated management of Bugis Village and Bugis Street would create more opportunities for comprehensive place-making and would allow for more efficient upgrades and enhancements to be made to the entire area, such as transforming the service areas in the back lanes into more delightful laneways.



TRANSFORMING GRANGE ROAD CAR PARK

SLA, together with the Singapore Tourism Board (STB), called for a Price Quality tender in October 2019 to transform the carpark at Grange Road into a new plug-and-play event space, as part of ongoing efforts to strengthen the current suite of lifestyle offerings on Orchard Road. This tender followed STB and URA's trial for innovative lifestyle concepts through various pop-up events at the car park. With a site area of about 4,482 square metres, the Grange Road site will be a centrepiece in the Somerset area, where visitors can look forward to events and activities throughout the year as the event space plays host to both commercial and non-commercial events.



Footpaths and improved lighting installations in Tanglin Village.

ESTATE ENHANCEMENT WORKS AT TANGLIN VILLAGE

SLA took the opportunity to enhance Tanglin Village with tenancy refreshes and infrastructural upgrades, including the construction of pedestrian footpaths, the installation of more street lights in carparks and common areas, and the construction of pick-up/drop-off points at various locations across Tanglin Village. Besides infrastructural upgrades, SLA will also be working on innovative solutions, such as the installation of smart lightings and smart meters to enhance the estate.



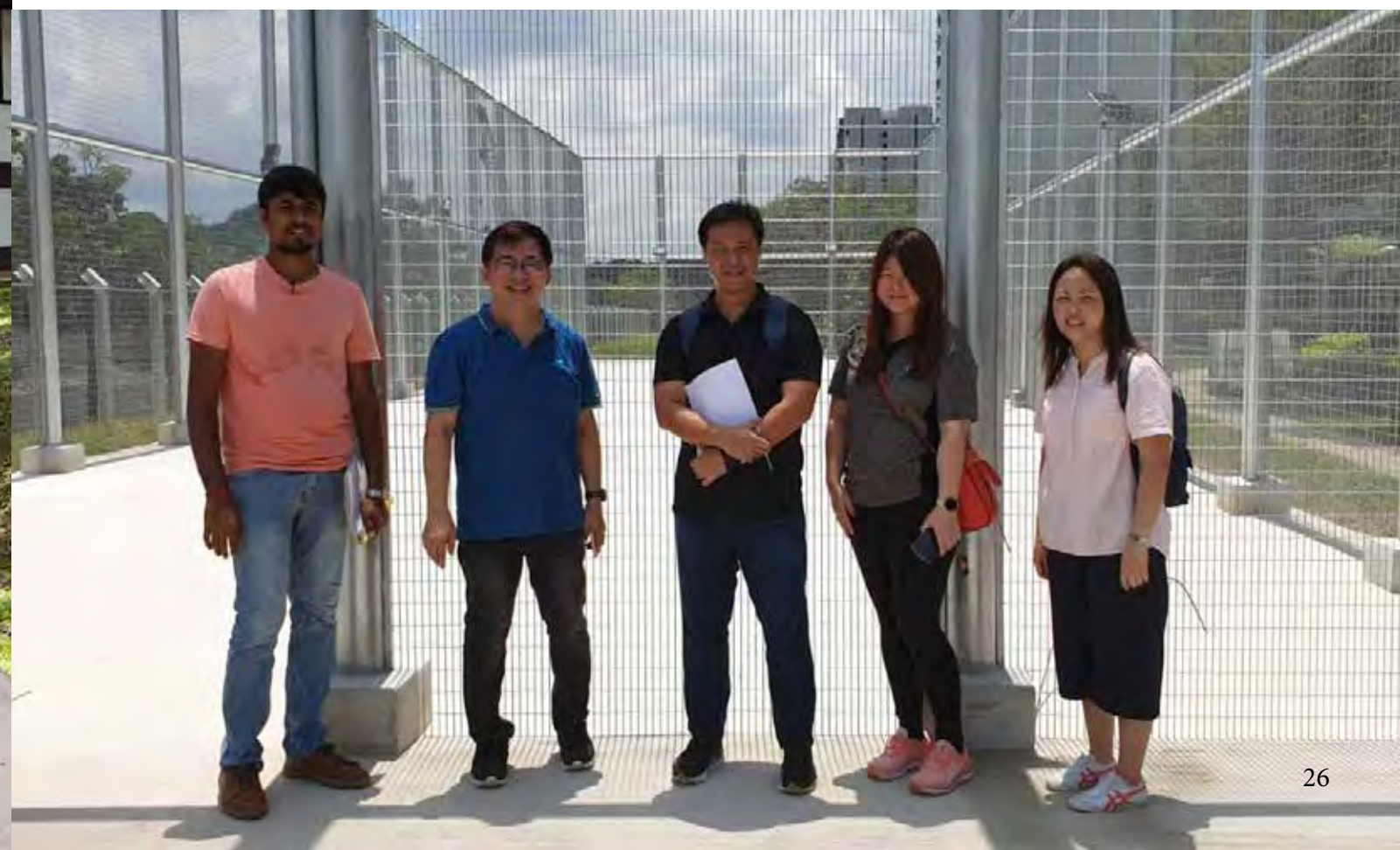
Driving Initiatives to meet Community Needs

To cater to the diverse and evolving social needs of the community, SLA constantly thinks outside the box to reinvent vacant State properties and make improvements to State land.



COMMUNITY PROJECTS IN UNDERUTILISED LAND

SLA worked with Zhenghua Consultative Committee (CCC) to convert the underutilised land at Segar Close for community and sports use, as well as a dog run area, estimated to be completed by Q32020. In addition, it collaborated with Moulmein-Cairnhill CCC to encourage community and arts uses at Kampong Java Flyover. Other projects include an ongoing community project at Tanglin Road, which will involve the installation of amenities like a playground, garden swings, benches, an earth trail with lights and even a bee hotel.





ONLINE BOOKING FOR ST JOHN'S ISLAND LODGE

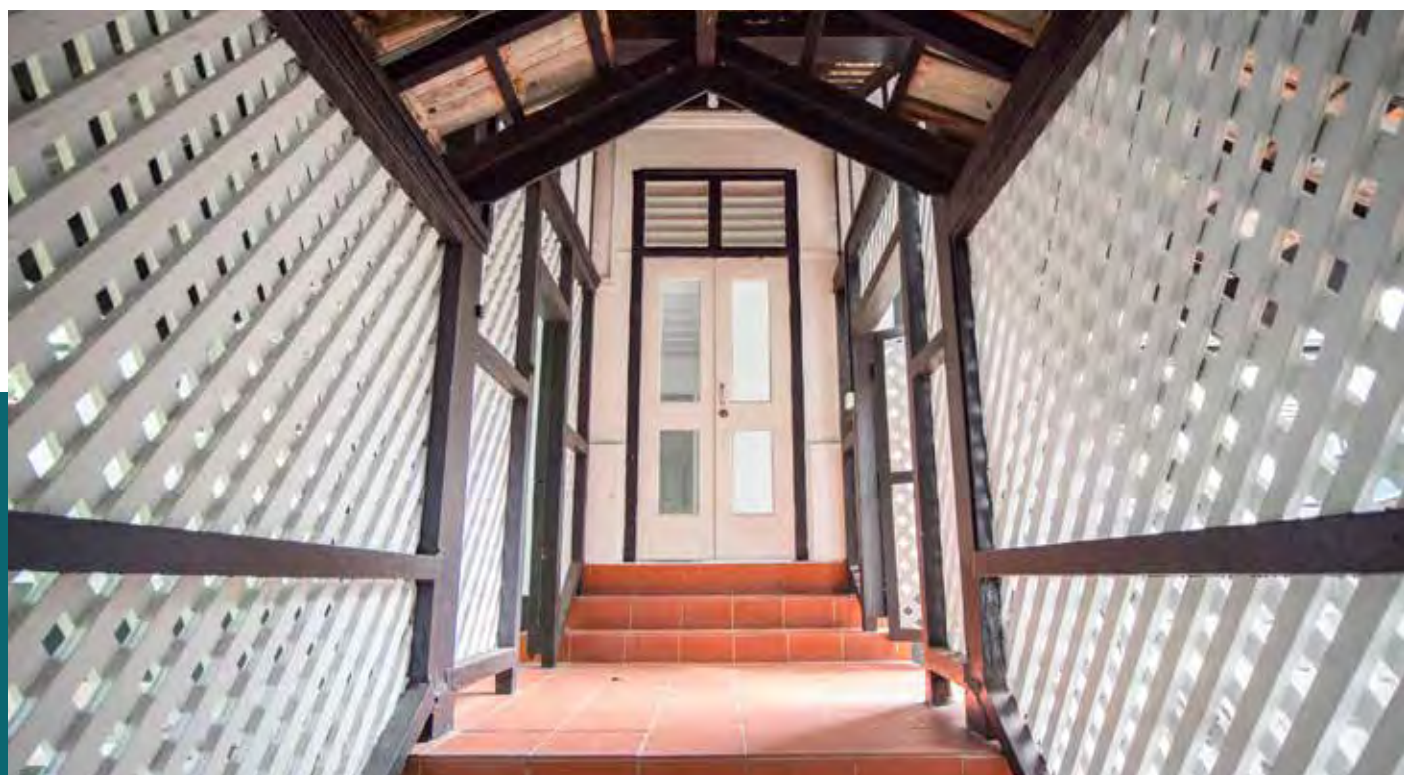
Various improvements have been made to the renamed St John's Island Lodge on St John's Island, including new kitchenware, electric hobs, and furniture, as well a smart lock system. Since April 2019, members of the public can also make online bookings of the Lodge through SLA's TOL platform.

The self-check-in and check-out system has also made it easier for campers, while communication through WhatsApp provides a personalised touchpoint, and has led to faster response times in addressing queries.



DIRECT MANAGEMENT OF PROPERTIES

SLA took over the direct management of 69 black and white houses located in areas such as Goodwood Hill and Malcolm Estate to better maintain the unique beauty of some of our heritage State properties. This allowed SLA to directly enhance the marketability and functionality of these properties and are part of a wider initiative by SLA in our commitment towards ensuring that these pieces of architectural heritage remain in good condition.

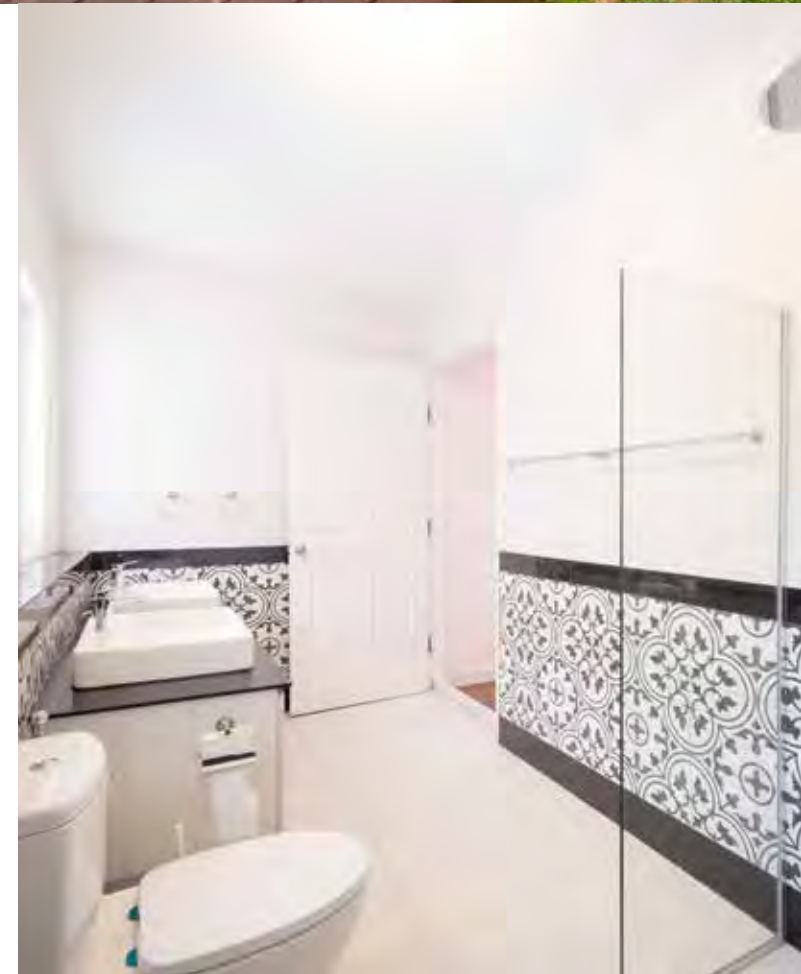


ASSET ENHANCEMENT INITIATIVES

SLA completed Asset Enhancement Initiatives (AEI) works for 36 new semi-furnished terrace units and one bungalow in the past year, thus allowing SLA to better meet consumers' expectations.

Enhancement works were also carried out to improve a bungalow at 30 Malcolm Road. The extensive works included roof waterproofing works, full electrical re-wiring and the reparation of the existing sewer lines to extend the building's life span. Improvements were also made to the bathroom and internal and external driveways, and new street lightings and bollard lights were installed to improve the safety of the tenants.

Finally, to enhance the facilities of the house, SLA overhauled the tennis courts and added a new swimming pool.



Driving Land and Geospatial Data

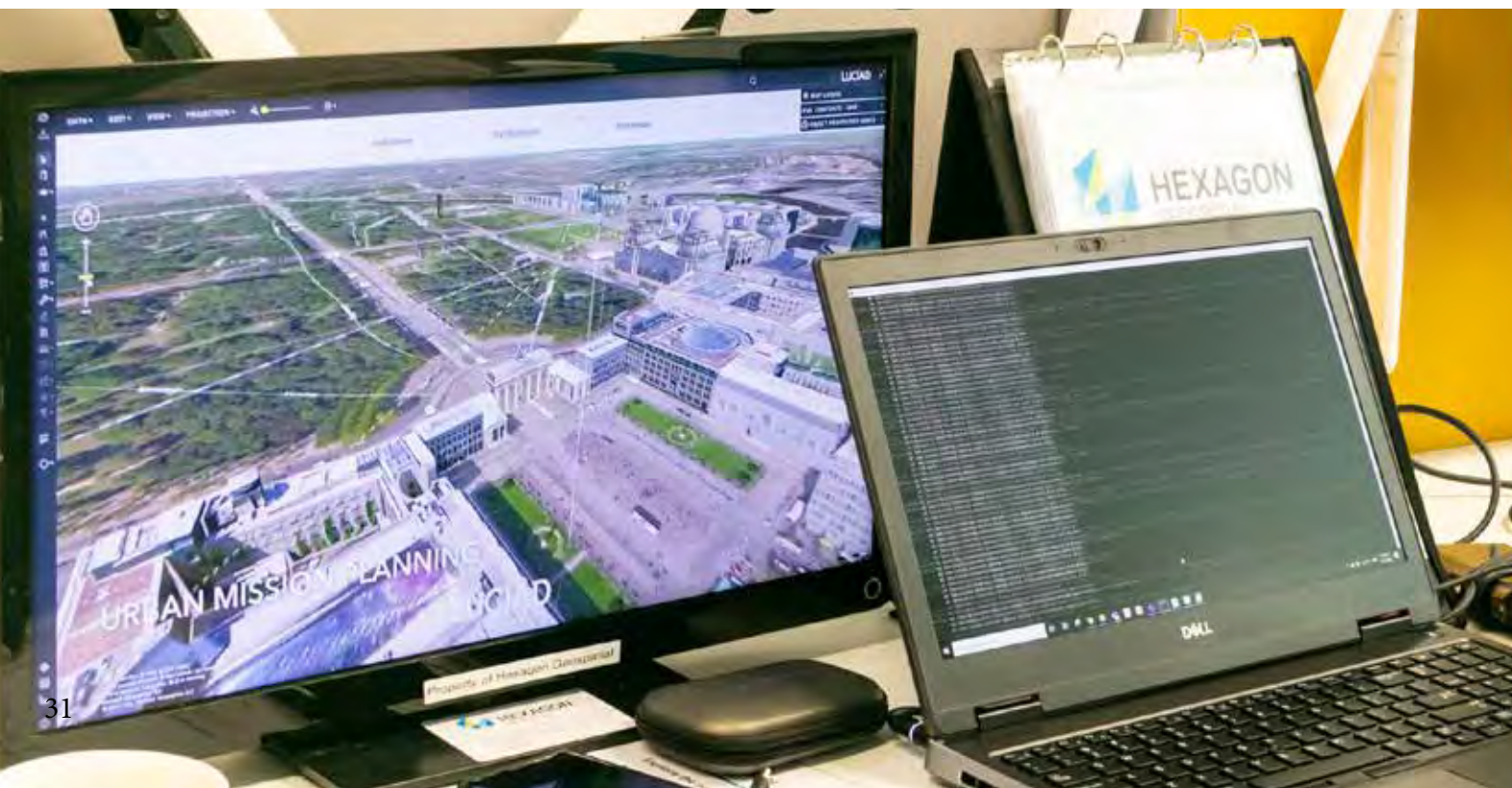
SLA promotes the use of invaluable land and geospatial data to support Singapore's journey towards becoming a Smart Nation.

3D SINGAPORE SANDBOX

3D geospatial data, including the models of over 160,000 buildings mapped nationwide, have been made available through the 3D Singapore Sandbox at GeoWorks.

A collaborative environment which allows industry partners and developers to leverage on 3D geospatial data, Sandbox users will have access to geospatial solutions provided by established industry partners to enhance their own business operations.

The Sandbox's 3D geospatial data, models, and tools can interface with location intelligence data, and can even be used to visualise how new construction projects will synergise with the surrounding urban environment to improve the overall liveability of a neighbourhood.





Delegates also met several Geospatial companies at GeoWorks, and visited the headquarters of Garuda Robotics and Grab to understand how Geospatial information and technology could be applied across various sectors.

The Geospatial Week also featured the inaugural Regional GeoSpatial Youth Forum, where 60 young geospatial professionals from the ASEAN region came together to share their experiences through a series of interactive activities aimed at building a community of passionate Geospatial champions.



SINGAPORE GEOSPATIAL WEEK 2019

SLA's GeoWorks launched Singapore's first ever Geospatial Week in September 2019, which also coincided with GeoWorks' first birthday, with events and activities aimed at bringing together the geospatial community. GeoWorks is the first geospatial industry centre in Southeast Asia, set up by SLA in 2018 to promote business growth, drive innovation, and foster a well-connected community in Geospatial Information and Technology. Under the GeoWorks GeoInnovation Programme, GeoWorks currently houses 30 GeoTechs and works with 13 GeoPartners.

To kick off the Geospatial Week, SLA organised visits for the various ASEAN Geospatial Agencies (AGA) to GeoWorks. With the theme "Advancing Towards a Digital ASEAN Using Geospatial Information & Technology", these meetings invited the AGA to exchange views on topics ranging from industry development to opportunities for partnerships and collaborations.





ONEMAP

SLA announced its partnership with Foursquare at the GeoWorks' first anniversary. Through this partnership, OneMap users are now able to find food & beverage stores, supermarkets, cafes and other lifestyle locations in addition to OneMap's existing information of key locations and amenities such as government buildings, properties, schools, childcare centres and services including ATMs. This partnership brings about a richer set of location information to better service Singapore businesses and residents.

The OneMap 3D prototype was also launched at GeoWorks' first anniversary.

Meanwhile, in the collective fight against Covid-19, OneMap came to good use. When the Government announced a mass mask collection exercise in February, Geospatial & Data Division worked with GovTech on the technical implementation of MaskGoWhere's enhanced features. FluGoWhere, on the other hand, helped members of the public locate their nearest Public Health Preparedness Clinics (PHPCs). The OneMap base map was also used by various agencies to provide location-based updates to the public. This included URA's SpaceOut, a map which helped indicate crowd levels in retail malls, and a similar map by NParks, which reflected crowd levels in Singapore's parks. This helped members of the public adhere to safe distancing measures.

GEOWORKS AT INNOVFEST UNBOUND

GeoWorks hosted its first geospatial innovation exhibition at InnovFest Unbound held at Marina Bay Sands on 27 and 28 June 2019. SLA's Chief Executive Tan Boon Khai, as well as Chief Data Officer Ng Siau Yong, were among the speakers at several sessions of the anchor event of Smart Nation Innovations, a week-long series of events that showcases Asia's most innovative developments and aims to bridge the gaps between entrepreneurs, corporate businesses, government and trade agencies to fuel a sustainable digital future.

In addition, 13 GeoPartners and GeoTechs joined us to showcase their technologies at the exhibition.



Driving Stakeholder Engagement

SLA regularly holds outreach events to create meaningful and long-lasting relationships within communities.



NATIONAL DAY OPEN HOUSE AT 5 KADAYANALLUR

In a collaboration between the SLA and local art market organiser, The Local People, the State building at 5 Kadayanallur Street hosted "I AM CITIZEN", an alternative cultural celebration on 9 August 2019.

This is SLA's first National Day Open House. The landmark was transformed for this special occasion by local artists with site-specific and Singapore-inspired art installations, and even hosted an art market featuring handmade wares from local designers and makers. Visitors were also treated to a live telecast of the National Day Parade at the rooftop of the State property.



National Day celebration at 5 Kadayanallur Street.



ART MARKET ON STATE LAND

SLA partnered the Photographic Society of Singapore for the launch of a marketplace for art – Selegie Artlane. The marketplace was launched in support of the community of amateur artists by Guest-of-Honour Ms Denise Phua on 28 September 2019. Held on the State land located beside Selegie Arts Centre, the marketplace showcased the creative use of vacant State land in support of local arts and was slated to continue as a quarterly event.

Capturing memories at Singapore's heritage properties.



Participants exploring 10 View Road.



DISCOVERING SINGAPORE'S BEST-KEPT SECRETS

In collaboration with Jerome Lim of "The Long and Winding Road", SLA conducted a series of visits to selected State properties to inculcate a deeper understanding of SLA's role in managing State properties, such as the Old Kallang Airport, the Pasir Panjang Power Station and several black and white houses across the island.

SLA also supported the National Heritage Board in their annual run of their "Battle for Singapore" initiative, which featured signature tours to the Former Admiralty House & Bunker, Former View Road Hospital, and the Former Communicable Disease Centre.

The former Communicable Diseases Centre.



A group shot on the rooftop of the Old Kallang Airport.

COMMUNITY-SPECIFIC ACTIVITIES

As part of SLA's continued efforts to transform spaces to bring communities closer together, SLA organised for different communities across Singapore.

POSTCARDS FROM CHIP BEE GARDENS

Ms Su-Ann, a resident of Chip Bee Gardens since 2012, started making drawings of her neighbourhood in March 2018. When residents started asking for a book of her drawings, Su-Ann decided to come up with a set of postcard-sized sketches – and Postcards from Chip Bee was born!



ACTIVITIES FOR TENANTS AT 2 BUKIT MERAH CTRL

SLA introduced various tenant engagement activities at 2 Bukit Merah Central. These included regular organic fruit and nut sales, a mooncake roadshow during 2019's Mid-Autumn Festival, and complimentary weekly aerobic classes for the community.



VIDEO TO ASSIST LANDOWNERS

SLA produced a video about the process of land acquisition.

The video was aimed at helping affected landowners and members of public understand the land acquisition process and the various assistance schemes available, and this aided in SLA's delivery of excellent service.



BLAST FROM THE PAST AT CHIP BEE GARDENS

On 3 August 2019, residents experienced a blast from the past as No. 76 and 78 Jalan Hitam Manis were transformed into a kampung – "village" in Malay – where residents and visitors could indulge in retro snacks and take part in fun and family-oriented games.



HALLOWEEN AT CHIP BEE GARDENS

Three units at Chip Bee Gardens were transformed into Spooktacular zones, including Madhatter's Tea Party and a Chinese zombie-inspired set.



SHUTTLE BUS FOR TENANTS AT 1 KAY SIANG RD

To improve customer journey satisfaction, SLA implemented a daily lunchtime shuttle bus service at 1 Kay Siang Road to ferry tenants from the State property to various popular food destinations.



SLA Events

Professor Lui Pao Chen was the Guest-of-Honour at 3D GeoInfo 2019.

3D GEOINFO CONFERENCE

SLA and the National University of Singapore (NUS) co-organised 3D GeoInfo Conference from 24 to 27 September last year to bring together geomatics and geospatial professionals from governments, academics, and industries around the world to discuss inter-disciplinary fields such as 3D data collection and 3D data analysis and visualisation.

The event held in Singapore for the first time, saw top international researchers exchange knowledge around the theme of "Sustainable. Resilient. Smart.", which emphasised data as a platform to improve the lives of people around the world.



INTERNATIONAL VISITORS

SLA hosted visits from several countries over the past year, with delegations coming from Asia, Europe and Africa.

Some of the visitors, such as the delegation from the Seoul Metropolitan Government in Korea, are working on projects similar to SLA's own developments, while other visitors, such as the delegations from the Turkmenistan Ministry of Justice and the High Commission of Rwanda in Singapore, wished to establish relations with SLA in anticipation of future collaboration with similar agencies back home.



HCS VISIT

Leo Yip (Head, Civil Service) visited the Ministry of Law, SLA, and IPOS at GeoWorks on 11 September 2019. Together with his Centre-of -Government Team that included members from MOF, GovTech and PSD, the visit was part of HCS' efforts to understand and engage with agencies in their Public Service Transformation journey.



WORKPLAN SEMINAR 2019

The SLA Workplan seminar, held on 21 Mar 2019 at MDIS, was a good opportunity for SLA staff to come together at the start of the year.

Both SLA's Chairman and CE spoke about SLA's ongoing efforts to align with the transformation of the Public Service, and individuals and teams were also recognised for their efforts and achievements in transformation and service excellence.



SLA TOWNHALL 2019

SLA had its annual Townhall on 26 November 2019. As the year wound to a close, Chief Executive Tan Boon Khai took the opportunity to highlight achievements and initiatives that SLA had accomplished over the past year.

He also emphasised that transformation would always be an ongoing journey, and applauded staff for the great efforts made thus far. The Townhall ended on a high note with the presentation of the SLA Transformation Awards.



MANAGEMENT RETREAT

SLA's Management Retreat, held on 25 July 2019, was a good opportunity for a mid-way review of the year. SLA's CE's opening remarks on areas of focus for the new year paved the way for focus group discussions where staff bounced fresh ideas off each other.

Ms Jennie Chua, a successful businesswoman with a wealth of experience in hospitality and management, was also invited to share insights on service excellence with the management staff in attendance.



SLA D&D: BLAST FROM THE PAST

Themed "Blast from the Past", SLA held its D&D on 30 August 2019. Always game for some fun, SLA staff dressed in a myriad of interesting and vibrant outfits from different eras.

Staff were treated to a wide range of entertainment throughout the programme, while the ever-lively emcee Justin Misson hosted staff to a night of song and laughter.





Awards and Accolades

SLA strives for the highest quality in business and service delivery, and puts in the utmost effort to achieve organisational excellence.

BUSINESS EXCELLENCE RECERTIFICATION

SLA successfully achieved our Business Excellence re certification with significant improvements in points. We were also awarded the Singapore Quality Class Star with innovation and service niches.

INTERNATIONAL AWARDS



- GeoSpatial World Excellence Award 2019 - Cadastral Survey Management System (CSMS)
- ESRI Special Achievement in GIS Award - 3D National Map and Singapore Advanced Map



PUBLIC SERVICE TRANSFORMATION AWARDS

Mr Syed Othman bin Syed Ahmad Kamal, a Land Management Executive, received the Exemplary Service Excellence Award for working with several other government agencies to re-home an elderly squatter who had been living under the Thomson Flyover.

WORLD BANK QUALITY OF LAND ADMINISTRATION INDEX 2019

Singapore continues to obtain a high score of 28.5/30, joint first with several other countries.



EXCELLENCE IN MUNICIPAL SERVICES

SLA clinched two Team awards at the Municipal Services Award for FY19.

- SLA was part of a multi-agency taskforce formed to provide assistance to a squatter living under the Thomson Flyover
- SLA also spearheaded a multi-agency taskforce to tackle a recurrent illegal parking issue on State Land



COMMUNITY CHEST

SLA obtained a Platinum Award.



HOSTING OF SERVICE DELIVERY OFFICERS AT THE ISTANA

#ServingSG, an initiative launched by President Halimah Yacob, recognises workers who contribute tirelessly to serving Singapore on the frontline as well as behind the scenes. As part of this initiative, the President hosted over 400 service delivery officers at the Istana on 21 Jan 2020, including five SLA officers who had displayed service delivery excellence in their duties.

These officers had provided proactive back-end support or handled enquiries from both customers and stakeholders, and included the SLA Annual Achiever Award 2018 and 2019 award recipients among their number.



Financial Review

5-YEAR FINANCIAL SUMMARY



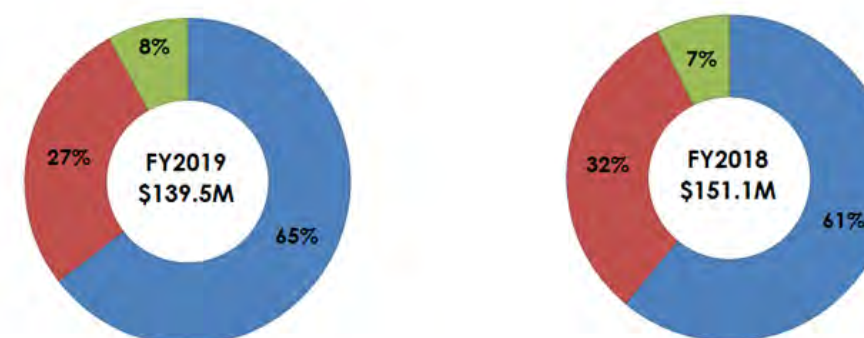
5-Year Financial Summary (\$'m)	FY2019	FY2018	FY2017	FY2016	FY2015
Operating Surplus	2.4	11.0	35.9	81.9	19.7
Gross Surplus (after Government grants)	18.9	27.6	45.3	90.7	28.1
Net Surplus	15.7	23.2	37.6	75.2	23.3

FINANCIAL HIGHLIGHTS

For FY2019, the Authority recorded a net surplus of \$15.7 million, a decrease of 32% over the \$23.2 million in FY2018.

OPERATING INCOME

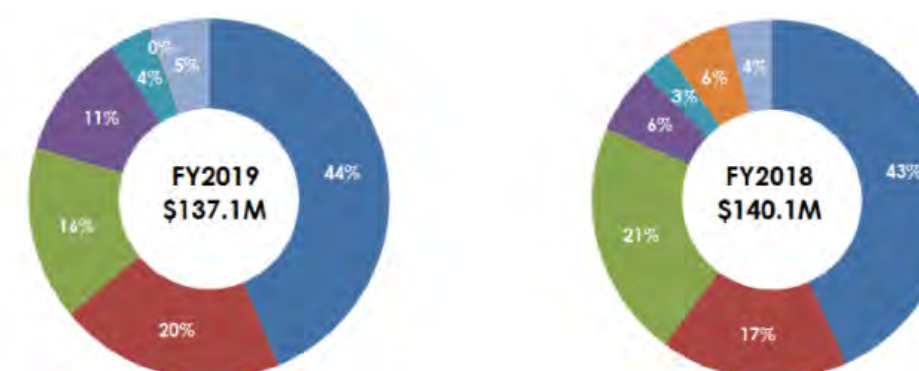
The Authority's operating income comprised agency fees, regulatory fees, processing fees and other fees and charges. FY2019 operating income of \$139.5 million was lower by 8% (or \$11.6 million).



Operating Income	FY2019 \$'m	FY2018 \$'m	Increase / (Decrease)	
			\$'m	%
Agency Fees	90.0	92.2	(2.2)	(2%)
Regulatory Fees & Charges	38.3	47.9	(9.6)	(20%)
Other Fees & Charges	11.2	11.0	0.2	2%
Total	139.5	151.1	(11.6)	(8%)

OPERATING EXPENDITURE

Operating expenditure of the Authority for FY2019 dropped by 2% (or \$3.0 million) to \$137.1 million.

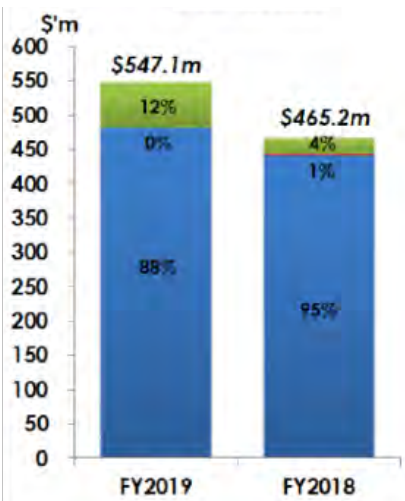


Operating Expenditure	FY2019 \$'m	FY2018 \$'m	Increase / (Decrease)	
			\$'m	%
Expenditure on Manpower	60.0	60.6	(0.6)	(1%)
Maintenance of IT Systems & Services	27.7	23.6	4.1	17%
Expenditure relating to Agency Functions	21.4	29.8	(8.4)	(28%)
Depreciation & Amortisation of Assets	15.6	8.5	7.1	84%
Project & Professional Fees	5.1	3.8	1.3	34%
Rental Expenses	0.1	8.0	(7.9)	(99%)
Others	7.2	5.8	1.4	24%
Total	137.1	140.1	(3.0)	(2%)

FINANCIAL POSITION

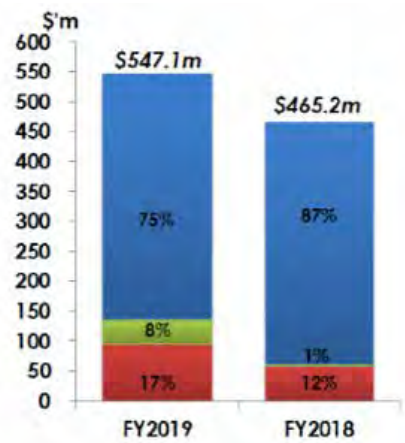
As at 31 March 2020, the Authority's financial position strengthened, with total equity at \$411.0 million, an increase of \$7.4 million from a year ago. This was main attributable to the net surplus of \$15.7 million for FY2019, offset by the dividend paid to Government of \$8.3 million in FY2019. Total assets of the authority stood at \$547.1 million, whilst liabilities totalled \$136.1 million.

TOTAL ASSETS



Assets	FY2019 \$'m	FY2018 \$'m	Increase / (Decrease)	
			\$'m	%
Property, Plant & Equipment, Intangible & Right-of-Use Assets	64.3	19.6	44.7	228%
Other Non-Current Assets	0.6	3.5	(2.9)	(83%)
Current Assets	482.2	442.1	40.1	9%
Total	547.1	465.2	81.9	18%

TOTAL EQUITY AND LIABILITIES



Equity & Liabilities	FY2019 \$'m	FY2018 \$'m	Increase / (Decrease)	
			\$'m	%
Equity	411.0	403.6	7.4	2%
Non-Current Liabilities	41.4	3.8	37.6	989%
Current Liabilities	94.7	57.8	36.9	64%
Total	547.1	465.2	81.9	18%





Singapore Land Authority

Statement by the Board
For the financial year ended 31 March 2020

In our opinion,

- (a) the accompanying financial statements of Singapore Land Authority (the "Authority") set out on pages 62 to 104 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Public Sector (Governance) Act"), the Singapore Land Authority Act 2001 (No. 17 of 2001) (the "Act"), and Statutory Board Financial Reporting Standards so as to present fairly, in a material respects, the state of affairs of the Authority as at 31 March 2020 and the results, changes in equity and cash flows of the Authority for the year ended on that date;
- (b) proper accounting and other records have been kept, including records of all assets of the Authority whether purchased, donated or otherwise; and
- (c) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by the Authority during the financial year have been in accordance with the provisions of the Act, the Public Sector (Governance) Act and the requirements of any other written law applicable to moneys of or managed by the Authority.

On behalf of the Board,

Lim Sim Seng
Chairman

Tan Boon Khai
Chief Executive

08 July 2020

Singapore Land Authority

Independent auditor's report
For the financial year ended 31 March 2020

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 2020, 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 Public Sector (Governance) Act 2018, Act 5 of 2018 (the "Public Sector (Governance) Act"), 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 state of affairs of the Authority as at 31 March 2020 and the results, changes in equity and cash flows of the Authority for the 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 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, 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.

Singapore Land Authority

Independent auditor's report
For the financial year ended 31 March 2020

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 the financial statements in accordance with the provisions of the Public Sector (Governance) Act, 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 constitutional 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.

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:

- 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
- 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.

Singapore Land Authority

Independent auditor's report
For the financial year ended 31 March 2020

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

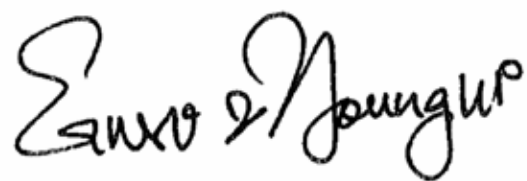
Responsibilities of management for compliance with legal and regulatory requirements

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 Authority, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

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 Authority's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
08 July 2020

Singapore Land Authority

Statement of financial position
As at 31 March 2020

	Note	31 March 2020 \$	31 March 2019 \$
Assets			
Non-current			
Property, plant and equipment	4	7,466,572	5,865,537
Intangible assets	5	10,929,325	13,724,180
Right-of-use assets	6	45,951,070	—
Statutory board bonds	7	—	3,000,000
Trade debtors, prepayments and other receivables	10	643,816	512,443
		64,990,783	23,102,160
Current			
Statutory board bonds	7	3,000,000	—
Financial assets at fair value through profit or loss	8	102,771,528	100,242,811
Derivative financial instruments	9	—	39,924
Trade debtors, prepayments and other receivables	10	66,565,457	54,230,469
Cash and cash equivalents	11	250,661,029	240,154,362
Restricted cash	12	59,152,325	47,384,885
		482,150,339	442,052,451
Total assets		547,141,122	465,154,611
Equity			
Capital	3	10,654,189	10,654,189
Accumulated surplus			
- General funds		360,831,609	355,581,606
- Restricted funds	13	39,505,274	37,365,030
Total equity		410,991,072	403,600,825
Liabilities			
Non-current			
Trade and other payables	14	1,176,385	1,101,065
Lease liabilities	6	39,306,689	—
Provision for pension	15	673,256	1,821,012
Deferred capital grants	16	306,667	824,977
		41,462,997	3,747,054
Current			
Derivative financial instruments	9	2,931,952	63,171
Trade and other payables	14	80,992,682	53,324,253
Lease liabilities	6	7,507,027	—
Provision for pension	15	34,694	34,694
Contribution to Government Consolidated Fund	17	3,220,698	4,384,614
		94,687,053	57,806,732
Total liabilities		136,150,050	61,553,786
Total equity and liabilities		547,141,122	465,154,611

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

Singapore Land Authority

Statement of comprehensive income
For the financial year ended 31 March 2020

	Note	General funds		Restricted funds		Total	
		2019/2020	2018/2019	2019/2020	2018/2019	2019/2020	2018/2019
		\$	\$	\$	\$	\$	\$
Income							
Agency fees		90,076,047	92,218,346	—	—	90,076,047	92,218,346
Regulatory fees and charges		37,267,430	46,684,604	1,020,672	1,192,798	38,288,102	47,877,402
Processing and other fees		10,911,107	10,744,615	272,658	256,887	11,183,765	11,001,502
Total income		138,254,584	149,647,565	1,293,330	1,449,685	139,547,914	151,097,250
Expenditure							
Expenditure on manpower	18	(59,995,742)	(60,550,712)	—	—	(59,995,742)	(60,550,712)
Maintenance of IT systems and services		(27,719,464)	(23,640,589)	—	—	(27,719,464)	(23,640,589)
Expenditure relating to agency functions	19	(21,382,642)	(29,848,651)	—	—	(21,382,642)	(29,848,651)
Rental expenses		(127,568)	(8,016,764)	—	—	(127,568)	(8,016,764)
Depreciation of property, plant and equipment	4	(2,504,174)	(2,501,937)	—	—	(2,504,174)	(2,501,937)
Depreciation of right-of-use assets	6	(7,945,262)	—	—	—	(7,945,262)	—
Amortisation expense	5	(5,179,171)	(5,949,156)	—	—	(5,179,171)	(5,949,156)
Office maintenance, supplies and services		(4,940,013)	(4,056,197)	—	—	(4,940,013)	(4,056,197)
Project and professional fees		(5,050,412)	(3,835,695)	—	—	(5,050,412)	(3,835,695)
Other operating expenses	20	(2,282,359)	(1,666,348)	—	—	(2,282,359)	(1,666,348)
Total expenditure		(137,126,807)	(140,066,049)	—	—	(137,126,807)	(140,066,049)
Operating surplus		1,127,777	9,581,516	1,293,330	1,449,685	2,421,107	11,031,201
Non-operating income (net)							
Investment income	21	6,646,623	7,715,175	753,590	474,148	7,400,213	8,189,323
Interest on lease liabilities	6	(1,601,349)	—	—	—	(1,601,349)	—
Total non-operating income (net)		5,045,274	7,715,175	753,590	474,148	5,798,864	8,189,323
Surplus before grants		6,173,051	17,296,691	2,046,920	1,923,833	8,219,971	19,220,524
Government grants							
Operating grants		10,133,664	7,799,909	—	—	10,133,664	7,799,909
Deferred capital grants amortised	16	518,310	595,246	—	—	518,310	595,246
Total government grants		10,651,974	8,395,155	—	—	10,651,974	8,395,155
Surplus before contribution to Government Consolidated Fund		16,825,025	25,691,846	2,046,920	1,923,833	18,871,945	27,615,679
Contribution to Government Consolidated Fund	17	(3,220,698)	(4,384,614)	—	—	(3,220,698)	(4,384,614)
Net surplus for the financial year		13,604,327	21,307,232	2,046,920	1,923,833	15,651,247	23,231,065
Other comprehensive income							
Items that will not be reclassified subsequently to income and expenditure:							
Remeasurement gain on defined benefit plan obligations	15	—	1,047,929	—	—	—	1,047,929
Other comprehensive income, net of tax		—	1,047,929	—	—	—	1,047,929
Total comprehensive income for the financial year		13,604,327	22,355,161	2,046,920	1,923,833	15,651,247	24,278,994

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

Singapore Land Authority

Statement of changes in equity
For the financial year ended 31 March 2020

	Note	Capital account	Accumulated surplus		Total
		\$	General funds	Restricted funds	\$
Balance at 1 April 2018, as previously presented		10,654,189	335,761,445	—	346,415,634
Reclassification of Provision for Assurance Fund to restricted funds	13	—	—	35,441,197	35,441,197
Balance at 1 April 2018, as re-presented		10,654,189	335,761,445	35,441,197	381,856,831
Total comprehensive income for the financial year		—	22,355,161	1,923,833	24,278,994
Dividend paid to Government	22	—	(2,535,000)	—	(2,535,000)
Balance at 31 March 2019, as re-presented		10,654,189	355,581,606	37,365,030	403,600,825
Total comprehensive income for the financial year		—	13,604,327	2,046,920	15,651,247
Transfer of Assurance Fund to restricted funds		—	(93,324)	93,324	—
Dividend paid to Government	22	—	(8,261,000)	—	(8,261,000)
Balance at 31 March 2020		10,654,189	360,831,609	39,505,274	410,991,072

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

Singapore Land Authority

Statement of cash flows
For the financial year ended 31 March 2020

	Note	2019/2020 \$	2018/2019 \$
Cash flows from operating activities			
Net surplus		15,651,247	23,231,065
Adjustments for:			
Depreciation of property, plant and equipment	4	2,504,174	2,501,937
Depreciation of right-of-use assets	6	7,945,262	—
Amortisation of intangible assets	5	5,179,171	5,949,156
Loss on disposal of property, plant and equipment and intangible assets – net	20	107,659	1,424
Investment income – net	21	(7,400,213)	(8,189,323)
Government grants		(10,651,974)	(8,395,155)
(Reversal of)/provision for pension	15	(422,615)	64,155
Contribution to Government Consolidated Fund	17	3,220,698	4,384,614
Interest on lease liabilities	6	1,601,349	—
		17,734,758	19,547,873
Change in operating assets and liabilities:			
Trade debtors, prepayments and other receivables		(8,837,285)	(29,293,646)
Trade and other payables		16,751,050	11,146,200
Provision for pension	15	(725,141)	(341,824)
		24,923,382	1,058,603
Cash generated from operations		(4,384,614)	(7,714,286)
Contribution to Government Consolidated Fund			
Net cash generated from/(used in) operating activities		20,538,768	(6,655,683)
Cash flows from investing activities			
Receipts from matured statutory board bonds		—	2,750,000
Interest received		5,684,657	3,721,417
Proceeds from disposal of property, plant and equipment		2,196	234
Payments for purchase of property, plant and equipment		(1,974,570)	(2,499,662)
Payments for purchase of intangible assets		(3,485,185)	(5,221,214)
Net cash provided by/(used in) investing activities		227,098	(1,249,225)
Cash flows from financing activities			
Increase in cash set aside for restricted funds		(2,140,244)	(1,923,833)
Dividend paid to Government	22	(8,261,000)	(2,535,000)
Repayment of principal portion of lease liabilities	6	(8,683,965)	—
Government grants received		8,826,010	6,134,782
Net cash (used in)/provided by financing activities		(10,259,199)	1,675,949
Net increase/(decrease) in cash and cash equivalents		10,506,667	(6,228,959)
Cash and cash equivalents at beginning of the financial year		240,154,362	246,383,321
Cash and cash equivalents at end of the financial year	11	250,661,029	240,154,362

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

Singapore Land Authority

Notes to the financial statements
For the financial year ended 31 March 2020

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:

- optimise land resources for the social and economic development of Singapore;
- manage all state land and buildings, land acquisitions, land sales and leases;
- develop, maintain and market national land information;
- issue title to land, register instruments and deeds and approve cadastral surveys; and
- 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.

The accounting policies have been consistently applied by the Authority and are consistent with those used in the previous financial year, except as discussed in Note 2.3 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.

2. Significant accounting policies (cont'd)

2.3 Interpretations and amendments to published accounting standards effective in 2019/2020

On 1 April 2019, 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, except as follows:

SB-FRS Guidance Note 1 (revised)

The Authority adopted SB-FRS Guidance Note 1 (revised) on 1 April 2019 and accordingly, the provision for assurance funds of \$37,365,030 has been separately presented as restricted funds within the accumulated surplus (Note 13) upon reassessment using the revised guidance. Comparatives have been amended for comparison purpose.

SB-FRS 116 Leases

SB-FRS 116 requires lessees to recognise most leases on the balance sheet to reflect the rights to use the leased assets and the associated obligations for lease payments.

The Authority adopted SB-FRS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Authority elected to use the transition practical expedient not to reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Authority applied the standard only to contracts that were previously identified as leases applying SB-FRS 17 at the date of initial application.

Lease liability is recognised at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. 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 1 April 2019. Accordingly, there is no change to the opening retained earnings as at 1 April 2019. Comparative information will not be restated.

2. Significant accounting policies (cont'd)

2.3 Interpretations and amendments to published accounting standards effective in 2019/2020 (cont'd)

SB-FRS 116 Leases (cont'd)

The Authority also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Authority applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment on whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use assets at the date of initial application; and
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Based on the above, as at 1 April 2019:

- Right-of-use assets of \$53,812,195 were recognised and presented separately in the balance sheet and
- Lease liabilities of \$53,812,195 were recognised.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as at 31 March 2019, as follows:

	\$
Operating lease commitments as at 31 March 2019	13,008,121
Less:	
- Commitments relating to short-term leases	(40,041)
- Commitments relating to leases of low-value assets	(847,102)
	12,120,978
Weighted average incremental borrowing rate as at 1 April 2019	3.20%
Discounted operating lease commitments representing lease liabilities as at 1 April 2019	11,344,651
Add:	
- Lease payments relating to renewal periods not included in operating lease commitments as at 31 March 2019	42,467,544
Lease liabilities as at 1 April 2019	53,812,195

2. Significant accounting policies (cont'd)

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. Significant accounting policies (cont'd)

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.

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. Significant accounting policies (cont'd)

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.

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. Significant accounting policies (cont'd)

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.

(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.

2. Significant accounting policies (cont'd)

2.8 Financial assets (cont'd)

(c) Initial measurement

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

(d) Subsequent measurement

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.

2. Significant accounting policies (cont'd)

2.8 Financial assets (cont'd)

(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. Significant accounting policies (cont'd)

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.

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. Significant accounting policies (cont'd)

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.

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.

2. Significant accounting policies (cont'd)

2.12 Employee benefits (cont'd)

(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'.

2. Significant accounting policies (cont'd)

2.15 Leases

These accounting policies are applied on and after the initial application date of SB-FRS 116, 1 April 2019:

The Authority assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Operating leases - where the Authority is the lessee

(a) Right-of-use assets

The Authority recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office space	-	2 to 8 years
Office equipment	-	1 to 4 years

If ownership of the leased asset transfers to the Authority at the end of the lease term or the cost reflects the exercise of a purchased option, depreciation is calculated using the estimated useful life of the asset. The right-of-use asset are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7.

The Authority's right-of-use assets are presented in Note 6.

2. Significant accounting policies (cont'd)

2.15 Leases (cont'd)

Operating leases - where the Authority is the lessee (cont'd)

(b) Lease liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Authority and payments of penalties for terminating the lease, if the lease term reflects the Authority exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Authority uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Authority's lease liabilities are included in Note 6.

(c) Short-term leases and leases of low-value assets

The Authority applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2. Significant accounting policies (cont'd)

2.15 Leases (cont'd)

These accounting policies are applied before the initial application date of SB-FRS 116, 1 April 2019:

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. Significant accounting policies (cont'd)

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.

2.19 Assurance Funds

In accordance with the Land Titles Rules, 5% of titles registration fees is required to be set aside for assurance fund. These assurance funds are separately presented as restricted funds within the accumulated surplus.

2.20 Funds

Assets and liabilities of the general funds and restricted funds are pooled in the statement of financial position.

(a) General funds

Income and expenditure relating to the main activities of the Authority are accounted for as "General funds" in the statement of comprehensive income.

(b) Restricted funds

Income and expenditure relating to funds received for specific purposes and for which separate disclosure is necessary as these funds are material and there are legal and other restrictions on the ability of the Authority to distribute or otherwise apply these funds. They are accounted for as "Restricted funds" and are separately disclosed in Note 13 to the financial statements.

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.

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.

4. Property, plant and equipment

	Furniture and fittings, office equipment and office renovation \$	IT equipment \$	Motor vehicles \$	Plant and machinery \$	Assets under construction \$	Total \$
Cost						
At 1 April 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
Additions	13,556	131,429	—	—	4,040,744	4,185,729
Adjustments	(4,590)	—	—	(12,015)	—	(16,605)
Disposals	(5,746,488)	(2,408,985)	(158,460)	(209,414)	—	(8,523,347)
At 31 March 2020	3,919,117	11,704,904	301,856	1,654,881	4,040,744	21,621,502
Accumulated depreciation						
At 1 April 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
Additions	507,663	1,811,573	11,563	173,375	—	2,504,174
Disposals	(5,687,562)	(2,407,369)	(158,460)	(206,041)	—	(8,459,432)
At 31 March 2020	2,302,549	10,066,065	301,856	1,484,460	—	14,154,930
Net book value						
At 31 March 2020	1,616,568	1,638,839	—	170,421	4,040,744	7,466,572
At 31 March 2019	2,174,191	3,320,599	11,563	359,184	—	5,865,537

5. Intangible assets

	Software and application systems \$	Software and application systems under construction \$	Total \$
Cost			
At 1 April 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
Additions	1,432,545	997,712	2,430,257
Disposals	(5,670,497)	—	(5,670,497)
Reclassifications	794,770	(794,770)	—
At 31 March 2020	61,628,328	683,393	62,311,721
Accumulated amortisation			
At 1 April 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
Additions	5,179,171	—	5,179,171
Disposals	(5,624,556)	—	(5,624,556)
At 31 March 2020	51,382,396	—	51,382,396
Net book value			
At 31 March 2020	10,245,932	683,393	10,929,325
At 31 March 2019	13,243,729	480,451	13,724,180

6. Leases

(a) Carrying amounts of right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Office space \$	Office equipment \$	Total \$
As at 1 April 2019	53,677,547	134,648	53,812,195
Addition	—	84,137	84,137
Depreciation expense	(7,875,185)	(70,077)	(7,945,262)
At 31 March 2020	45,802,362	148,708	45,951,070

(b) Carrying amounts of lease liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	\$
As at 1 April 2019	53,812,195
Additions	84,137
Accretion of interest	1,601,349
Payments	(8,683,965)
As at 31 March 2020	46,813,716
Comprising:	
- Current	7,507,027
- Non-current	39,306,689
	46,813,716

(c) Amount recognised in profits and loss

	\$
Depreciation expense of right-of-use assets	7,945,262
Interest expense on lease liabilities	1,601,349
Expense relating to short-term leases (included in rental expenses and project and professional fees)	61,820
Expense relating to leases of low-value assets (included in rental expenses and maintenance of IT systems and services)	430,262
Total amount recognised in profit and loss	10,038,693

(d) Total cash outflow

The Authority had total cash outflows for leases of \$9,176,047 in 2019.

7. Statutory board bonds

	31 March 2020 \$	31 March 2019 \$
Statutory board bonds	3,000,000	3,000,000
Balance is made up of:		
Financial assets maturing within one year	3,000,000	–
Financial assets maturing after one year	–	3,000,000
	3,000,000	3,000,000
Classified as:		
Debt Instruments at amortised cost	3,000,000	3,000,000
Effective yields at the balance sheet date:		
Bonds	3.14%	2.65%

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 \$3,058,200 (31 March 2019: \$3,059,700). The fair values are based on quoted market prices from brokers and are within level 2 of fair value hierarchy (see Note 25.4).

8. Financial assets at fair value through profit or loss

As at 31 March 2020, 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 2020 \$	31 March 2019 \$
Financial assets designated as at fair value through profit or loss at inception		
<i>Quoted securities:</i>		
Fixed income	70,628,961	78,442,677
Equities	9,248,982	17,646,465
Funds and REITS	14,900,305	4,153,669
Treasury bills	7,993,280	–
Financial assets at fair value through profit or loss	102,771,528	100,242,811
<i>Others:</i>		
Derivative financial instruments (Note 9)	(2,931,952)	(23,247)
Interest and dividend receivables (Note 10)	2,453,868	572,760
Cash and deposits held in trust by the fund manager (Note 12)	19,647,051	10,019,855
Payables on purchase of investments (Note 14)	(9,850,770)	–
Net carrying amounts under fund management	112,089,725	110,812,179

9. 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 2020 \$	31 March 2019 \$
Contract notional amounts	61,357,345	77,725,880
Fair value:		
Assets	—	39,924
Liabilities	(2,931,952)	(63,171)
	(2,931,952)	(23,247)

10. Trade debtors, prepayments and other receivables

	31 March 2020 \$	31 March 2019 \$
Trade debtors	35,267,880	34,691,692
Other receivables	21,192,860	12,273,926
Interest and dividend receivables managed by the fund manager (Note 8)	2,453,868	572,760
Prepayments	2,555,755	2,047,247
Advance to managing agents	1,300,000	1,300,000
Interest receivable	3,938,012	3,497,698
Deposits	500,898	359,589
	67,209,273	54,742,912
Not later than one year	66,565,457	54,230,469
Later than one year but not more than five years	643,816	512,443
	67,209,273	54,742,912

11. Cash and cash equivalents

	31 March 2020 \$	31 March 2019 \$
Cash and deposits held by Accountant-General's Department	250,661,029	240,154,362
Cash and cash equivalents per the statement of cash flows	250,661,029	240,154,362

Deposits held by the Accountant-General's Department earn interest at respective short-term deposit rates, ranging from 1.67% to 2.13% (2018/2019: 1.44% to 1.98%) per annum.

12. Restricted cash

	31 March 2020 \$	31 March 2019 \$
Deposits relating to Assurance Fund [Notes 12(a)]	39,505,274	37,365,030
Cash and deposits held in trust by the fund manager [Notes 8 and 12(b)]	19,647,051	10,019,855
	59,152,325	47,384,885

- (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 Assurance Fund contribution at 31 March 2020 amounted to \$39,505,274 (31 March 2019: \$37,365,030) 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.

13. Restricted funds

The Authority's restricted funds comprise contributions to the Assurance Fund [Note 12(a)] which is set aside for specific purposes for which there are legal or other restrictions on the ability of the Authority to distribute or otherwise apply its funds, subject to provisions in the Land Titles Act (Cap 157).

The Authority is deemed to have control over the Assurance Fund, and the funds are owned by the Authority. The use of the moneys under the Assurance is restricted to purposes specified in the Land Titles Act (Cap 157) and requires the necessary approval in writing from the Minister or on a determination by the court.

14. Trade and other payables

	31 March 2020 \$	31 March 2019 \$
Trade payables	53,255,452	23,939,602
Other payables and accruals	15,757,769	24,598,602
Payable on purchase of investments managed by the fund manager (Note 8)	9,850,770	—
Retention payable	118,043	1,102,902
Deferred income and grants	1,469,585	3,502,968
Deposits payable	1,717,448	1,281,244
	<u>82,169,067</u>	<u>54,425,318</u>
Not later than one year	80,992,682	53,324,253
Later than one year but not more than five years	1,176,385	1,101,065
	<u>82,169,067</u>	<u>54,425,318</u>

At 31 March 2020, included in trade and other payables are payables for additions of property, plant and equipment and intangible assets of \$2,356,439 (31 March 2019: \$145,280) and \$1,015,594 (31 March 2019: \$2,070,522) respectively.

15. Provision for pension

	31 March 2020 \$	31 March 2019 \$
Present value of unfunded obligations	707,950	1,855,706
Balance at beginning of the financial year (Reversal of)/provision for the financial year (Note 18)	1,855,706 (422,615)	3,181,304 64,155
Remeasurement of defined benefit obligations recognised in other comprehensive income	—	(1,047,929)
Payments during the financial year	(725,141)	(341,824)
Balance at end of the financial year	<u>707,950</u>	<u>1,855,706</u>
Not later than one year	34,694	34,694
Later than one year but not more than five years	673,256	1,821,012
	<u>707,950</u>	<u>1,855,706</u>
The amounts recognised in income and expenditure are as follows:		
Reversal of provision not required	(461,500)	—
Interest cost	38,885	64,155
	<u>(422,615)</u>	<u>64,155</u>

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

- all pensioners under the Civil Service Pension Fund ("CSPF") scheme will retire at the exact age of 62,
- the discount rate of the pension fund is 1.90% for active members and 2.40% for retirees (2018/2019: 1.90% for active members and 2.40% for retirees) per annum and the expected rate of salary increase is 4% (2018/2019: 4%) per annum; and
- the mortality rate is based on Singapore 04-08 Mortality Table.

A 25 basis point (2018/2019: 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.

16. Deferred capital grants

	31 March 2020 \$	31 March 2019 \$
Balance at beginning of year	824,977	1,420,223
Amortisation to income and expenditure	(518,310)	(595,246)
Balance at end of year	306,667	824,977

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 of 17% for the financial year 2019/2020 (2018/2019: 17%).

18. Expenditure on manpower

	2019/2020 \$	2018/2019 \$
Salaries and bonuses	50,209,934	50,578,635
CPF and medisave contributions	7,680,448	7,302,954
Staff benefits	827,629	853,068
Staff development and scholarship expenditure	1,700,346	1,751,900
(Reversal of)/provision of pension contributions (Note 15)	(422,615)	64,155
	59,995,742	60,550,712

19. Expenditure relating to agency functions

	2019/2020 \$	2018/2019 \$
Gross expenditure:		
Maintenance of state land	9,265,108	8,233,136
Maintenance of buildings	45,879,375	40,140,173
Valuation service	2,144,400	2,710,967
Miscellaneous services	9,271,404	16,264,259
	66,560,287	67,348,535
Reimbursement of pass-through costs	(45,177,645)	(37,499,884)
	21,382,642	29,848,651

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

20. Other operating expenses

	2019/2020 \$	2018/2019 \$
Included in other operating expenses are:		
Net loss on disposal of property, plant and equipment and intangible assets	107,659	1,424
Goods & Services Tax expenses	1,606,911	1,241,247
Corporate development and communication expenses	193,521	101,766
Bank charges	68,004	63,858

21. Investment income

	2019/2020 \$	2018/2019 \$
<i>Income from funds with fund manager:</i>		
Gain from sale of investments	1,331,036	81,182
Interest income	2,406,370	2,436,135
Dividends	377,543	329,520
Realised losses on foreign exchange hedges	(1,379,211)	(3,087,977)
Net fair value (losses)/gains on investments	(1,249,150)	3,496,448
	1,486,588	3,255,308
<i>Other interest income:</i>		
Statutory board bonds	94,200	126,453
Deposits with Accountant-General's Department	6,030,771	5,138,636
	7,611,559	8,520,397
Fund management expenses	(211,346)	(331,074)
	7,400,213	8,189,323

22. Equity injection and dividend

The Capital Management Framework is extended to the Authority in 2008/2009 through an equity injection of \$1,000. In 2019/2020, nil (2018/2019: 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 \$8,261,000 (2018/2019: \$2,535,000) to the Government.

23. 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 2020 \$	31 March 2019 \$
Amount approved and contracted for	5,268,592	297,569

23. 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 \$
Not later than one year	7,749,576
Later than one year but not more than five years	5,258,545
	13,008,121

(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 \$1,619,180 (2018/2019: \$1,178,701).

24. Related party transactions

(a) Remuneration of key management personnel

	2019/2020 \$	2018/2019 \$
Salaries and employee benefits	5,458,430	4,883,492
CPF Contributions	289,544	208,818
Board members' allowances	188,457	188,455
	5,936,431	5,280,765

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.

24. 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:

	2019/2020 \$	2018/2019 \$
Income		
Agency fees/grants/reimbursements		
- Ministry of Law	142,724,165	131,770,227
- Land Transport Authority	753,324	3,972,821
- Ministry of Defence	1,338,593	81,302
Title registration, search and survey fees		
- Housing and Development Board	7,993,826	7,330,246
- Civil Aviation Authority of Singapore	2,804	4,206
Expenditure		
Rental of premises and valuation services		
- Inland Revenue Authority of Singapore	9,131,975	9,269,937
Land/properties management and maintenance services		
- Housing and Development Board	4,865,557	4,966,684
- National Parks Board	406,313	1,649,252
IT services		
- Government Technology Agency	4,752,894	4,439,597
Trade amount due from related parties as at 31 March	34,830,217	33,411,897
Trade amount due to related parties as at 31 March	3,713,635	3,211,618

25. 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:

25.1 Market risk

(a) Currency risk

The Authority has exposure to currency risk arising from the investments denominated in foreign currencies (see Note 8). 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 2020 and 31 March 2019.

(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 2020 \$	31 March 2019 \$
United States	4,990,280	5,316,466
Japan	1,603,674	3,816,229
Other countries	2,655,028	8,513,770
	<u>9,248,982</u>	<u>17,646,465</u>

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 2020 and 31 March 2019.

25. Financial risk management objectives and policies (cont'd)**(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 2020 and 31 March 2019.

25.2 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 \$	More than 5 years \$	Total \$
At 31 March 2020				
Trade and other payables	79,915,943	783,539	–	80,699,482
Lease liabilities	8,872,398	31,742,692	10,931,599	51,546,689
At 31 March 2019				
Trade and other payables	50,080,410	841,940	–	50,922,350

25. Financial risk management objectives and policies (cont'd)**25.3 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.

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.

25. Financial risk management objectives and policies (cont'd)**25.3 Credit risk (cont'd)**

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 2020 \$	31 March 2019 \$
Past due up to 1 month	47,209	11,758
Past due over 1 month to 3 months	7,606	7,814
Past due over 3 months to 6 months	—	200
	<u>54,815</u>	<u>19,772</u>

25. Financial risk management objectives and policies (cont'd)**25.4 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:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
At 31 March 2020				
Financial assets at fair value through profit or loss	9,872,608	92,898,920	—	102,771,528
Debt instruments at amortised cost	—	3,058,200	—	3,058,200
Derivative financial instruments	—	(2,931,952)	—	(2,931,952)
At 31 March 2019				
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)

25. Financial risk management objectives and policies (cont'd)**25.4 Fair value measurements (cont'd)**

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.

25.5 Financial instruments by category

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

	31 March 2020 \$	31 March 2019 \$
Financial assets		
Financial assets at fair value through profit or loss	102,771,528	100,242,811
Derivative financial instruments - financial assets at fair value through profit or loss	—	39,924
Financial assets carried at amortised cost	377,466,872	343,234,912
Financial liabilities		
Derivative financial instruments – financial liabilities at fair value through profit or loss	2,931,952	63,171
Financial liabilities at amortised cost	127,513,198	50,922,350

26. 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 2020 or later periods and which the Authority has not early adopted are:

Effective for annual periods beginning on or after 1 January 2020

– Amendments to SB-FRS 109, SB-FRS 39 and SB-FRS 107

Effective for annual periods beginning on or after 1 June 2020

– Amendments to SB-FRS 116

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

27. Subsequent event

As at the date of this financial statements, there is no material adverse effect on the Authority's financial statements for the financial year ended 31 March 2020 as a result of the Coronavirus Disease (COVID-19) outbreak in early 2020. The Authority will continue to assess the impact of COVID-19 to the Authority's results for the financial year ended 31 March 2021.

28. Authorisation of financial statements

The financial statements for the financial year ended 31 March 2020 were authorised for issue by the Board of Directors of the Authority on 08 July 2020.



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