



Singapore Land Authority  
Annual Report  
Financial Year 2008/2009

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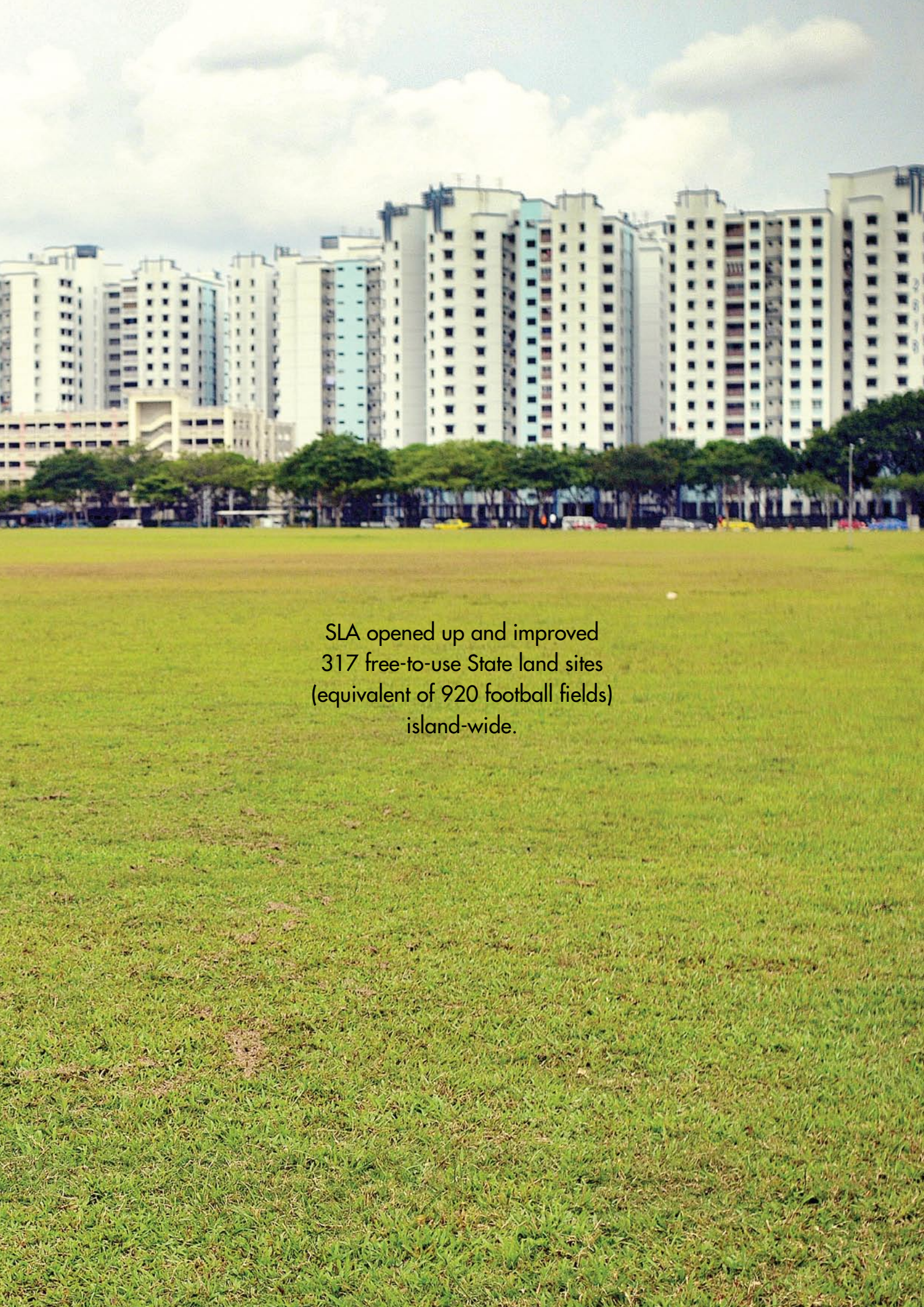
# STATE LAND

This site is for casual community  
and recreational use  
Please exercise caution and be responsible  
for your own safety

SLA  
SINGAPORE  
LAND AUTHORITY







SLA opened up and improved  
317 free-to-use State land sites  
(equivalent of 920 football fields)  
island-wide.

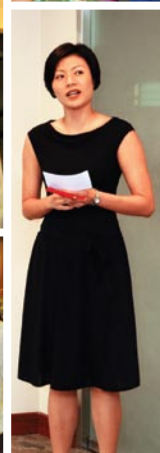




SLA focuses on the needs of our customers and leverages on new technologies for greater customer convenience.

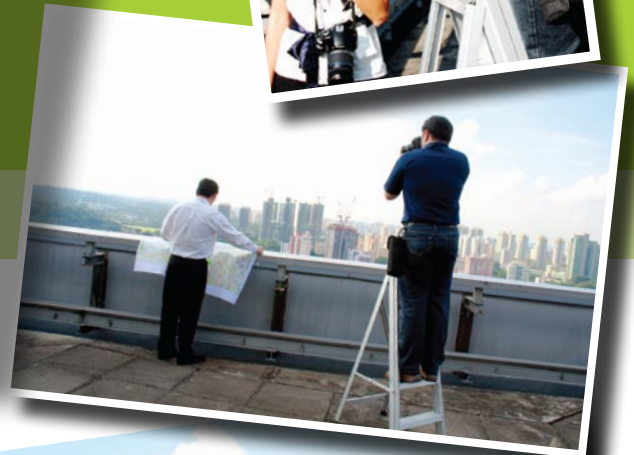








MAKING OF SLA ANNUAL REPORT  
2008 | 2009  
SINGAPORE LAND  
AUTHORITY





## The making of this inhouse annual report

Early this year, our Chief Executive issued us a challenge, to produce the SLA Annual Report inhouse. Through the years, it has always been done by professionals. The global economic crisis provided us with an added impetus as the cost savings were substantial. Also it gives us the opportunity to demonstrate our creativity and potential in presenting our very own “shop window”, i.e. the SLA FY08 Annual Report, to our stakeholders and customers, for a change.

From conceptualisation to writing to photography, this annual report is the brainchild of a team of nine, who worked overtime to put it together. In between our own operational work, efforts in writing, editing and taking pictures all over the island for the report have helped the agency achieve over 80% in savings.

We proudly present to you our final product, SLA FY08 Annual Report. Backed by our long term commitment and relationship with our tenants and customers, we are ready to take on new roles which will create greater value for State properties and open new business opportunities and possibilities with a national collaborative geospatial development.







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# Corporate Profile

The Singapore Land Authority (SLA) was set up as a Statutory Board in June 2001 under Ministry of Law, to optimise land resources for the economic and social development of Singapore. SLA, as the nation's land and mapping authority of over 5,000 State properties and about 14,000 hectares of land, aims to create and unlock best value from the adaptive redevelopment of State properties. SLA also makes available free casual and recreational community sites for all. It upholds a trustworthy and efficient property registration and spearheads the use of geospatial land information through a national collaborative environment where geospatial data, policies and technologies are integrated to foster innovation, knowledge and value creation for the government, enterprises and community.

## Mission

To optimise land resources for the economic and social development of Singapore.

**We balance our economic and social needs while:**

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

## Vision

To be a world-class land authority.

## Core Values

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



# JOINT MESSAGE

**F**inancial Year 08/09 turned out quite challenging. Like Singapore, SLA was not spared the effects of the global economic downturn. Our core business which is closely linked to the real estate industry was adversely affected by the recession that Singapore experienced in 2009. The slowdown in business was particularly felt in the 2nd half of the financial year. Demand for State land and properties was relatively strong during the first half of the financial year. In the latter half, our focus was on facilitating the land needs for infrastructural developments, and implementing the Government's economic relief measures for businesses. Overall, we maintained a utilisation rate of State land at 79% and an occupancy rate for State properties at 86%. We opened up and improved various free-to-use State land sites totalling 317 sites (the equivalent of 920 football fields) island-wide. SLA's Registration Services recorded lower transactions, mirroring the conditions in the property market. Our total revenue declined 8% from \$100.9 mil the previous year to \$92.5 mil this FY.

## Meeting Customer Needs

Despite the more challenging economic conditions, our key priority remains that of meeting our customers' needs.

### Adaptive Reuse of State Properties

The early part of the FY saw continued strong demand for office space. SLA tenanted State properties that could be adapted for office use. Following the global financial crisis from Sep 08, we were kept busy with a sustained volume of public projects. We collaborated with various Government agencies such as NHB to adapt State properties for interim uses for the arts, and EDB to transform Singapore into a global education hub. To help businesses cope with the downturn, rental rebates amounting to 15% of monthly rentals were provided to eligible tenants and licensees of commercial and industrial State properties.

### Reaching Out to Our Customers

SLA's Regulatory Division continued to proactively engage with our customers. More dialogue sessions were held this year to better understand the needs of lawyers and surveyors. These sessions provided an opportunity to explain the policies and work processes of SLA, and the changes implemented arising from feedback. Customers were also given the opportunity to suggest further areas of improvement.

### More Effective Use of Properties

Working closely with our partner agencies in Government, SLA can better utilize State properties. These efforts include assisting the Committee of Office Relocation to improve the matching of office space with agencies' demand. SLA also worked with the Ministry of Finance to develop a new reservation framework to ensure greater accountability for State properties reserved by public agencies.

### New and Improved Services

SLA collaborated with the CPF Board to streamline procedures to facilitate the withdrawal of a CPF member's minimum sum upon the creation of a CPF charge against the member's property. A one-stop service was piloted in August last year to assist members to prepare and lodge this CPF charge. Members are now able to receive their funds in a month as compared to four months previously. It has also resulted in substantial cost savings for them.

We started work to transform the Singapore Titles Automated Registration System (STARS) into a single integrated land title registration system (STARS 21) for both private properties and HDB flats. This will allow for more efficient registration, online lodgment, title issue and public searches.

Leveraging on new technologies enables us to improve our customers' experience. Our upcoming land resource management e-services system will allow users to submit land use applications directly.

## Mapping the Future

SLA is committed to increasing the use of our maps in the community. We are partnering the private sector to enable them to develop location-based services through the licensing of SLA's maps. In Jul 08, we launched Streetmap@Singapore Mobile Edition which enables the public to download free street maps into portable electronic devices. Users can search for maps using address, road name, postal code, building or development name while on the move. In all, users can access some 2,000 buildings, 4,200 road names, and some 120,000 address points.

This year we will introduce an interactive service to enable the display of spatial information on a common SLA map base.



When launched, public agencies can make use of this platform to display information to the public. At a glance, users will be able to view and even, in some cases, book public facilities and create hyperlinks to their websites. Map layers can be switched on or off and mashed up for the user's convenience. This project is another step towards realising an integrated government (iGOV).

## A New Era of Geospatial Development

SLA, together with IDA, is leading a government-wide effort to develop SG-SPACE – a platform where geospatial data, policies and technologies are integrated to foster innovation, knowledge and value creation for the Government, private enterprises and the community. SLA is spearheading the proliferation of geospatial information as an important tool for enhanced decision making. The ultimate outcome of SG-SPACE is “a spatially enabled nation”. SLA will facilitate extensive cross-agency collaboration in building and sharing expertise and applications. Public agencies would be able to mash-up applications and generate new applications with the extensive map datasets made available. Establishing a clearinghouse will create a platform to launch more inter-Government projects.

When fully implemented, SG-SPACE will result in many benefits. Better geospatial information, governance and

access will enhance planning and operation in the areas of security, crisis control, communicable disease management, public healthcare, and even environmental and climate change monitoring. The private sector will be able to leverage on richer geospatial information to venture into a diverse range of location-based business services. Individuals and groups will benefit from the use of geospatial information for social networking and active participation in community issues. In time to come, SG-SPACE will prove a gateway for easy and rapid access to geospatial information across the public sector, business enterprises, and the community.

## Conclusion

Looking forward, we are confident that the strategies and initiatives put in place will position SLA to meet the needs of our customers and the community in the years ahead. Lam Joon Khoi stepped down as Chief Executive on 30 Apr 2009 and was succeeded by Vincent Hoong. The Authority would like to place on record its appreciation for the significant contributions rendered by Joon Khoi. Under his leadership, SLA implemented numerous pro-business and service excellence initiatives which were well received, and he has strengthened the organisation and its capabilities. Finally, our thanks to our partner agencies, customers, staff and members of SLA Board for their dedicated support and contributions.



**Greg Seow** | Chairman



**Vincent Hoong** | Chief Executive



**Lam Joon Khoi** | Chief Executive  
(1 May 05 - 30 April 09)



# MEMBERS OF THE AUTHORITY



from left to right:

**DR LEE TSAO YUAN**

**Executive Director**  
SDC Consulting

**CHALY MAH**

**CEO & Regional Managing Partner**  
Deloitte Touche Tohmatsu  
Certified Public Accountants

**KOH LIN-NET**

**Deputy Secretary (Trade)**  
Ministry of Trade and Industry

**ED NG**

**President and CEO**  
ASEAN  
GE Capital

**YAP KIM WAH**

**Senior Vice President**  
Products & Services  
Singapore Airlines Ltd





from left to right:

**RITA SOH SIOW LAN**

**Director**

RDC Architects Pte Ltd

**ONG CHONG TEE**

**Deputy Managing Director**

Monetary Authority of Singapore

**LAM JOON KHOI**

**Chief Executive** (Until 30 April 09)

Singapore Land Authority

**GREG SEOW**

**Chairman**

Singapore Land Authority

**LATIFF IBRAHIM**

**Managing Partner**

Harry Elias Partnership

**PROFESSOR PANG ENG FONG**

**Practice Professor of Management**

Lee Kong Chian School of Business  
Singapore Management University



# EXECUTIVE MANAGEMENT



from left to right:

**NG SIAU YONG**

**Director**

Land Asset Management  
Services Division and  
Land Information Centre

**LEE SENG LAI**

**Director**

Land Operations (Private) Division

**VINCENT HOONG**

**Chief Executive**

Commissioner of Lands (Until 30 April 09)  
Registrar of Titles  
Controller of Residential Properties

**SOH KHENG PENG**

**Chief Surveyor**

**BRYAN CHEW**

**Director**

Regulatory Division  
Senior Deputy Registrar  
Titles and Deeds

**MANIMEGALAI D/O**

**VELLASAMY**

**Director**

Legal Division





from left to right:

**GAW SENG SUAN**

**Director**

Land Data Division

**CHIM VOON HOW**

**Director**

Information Technology Division

**WONG CHOOI LING**

**Director**

Corporate Services Division

**LAM JOON KHOI**

**Chief Executive** (Until 30 April 09)

**SIMON ONG**

**Deputy Chief Executive**

Commissoner of Lands

**TEO CHER HIAN**

**Director**

Land Operations (Public)  
Division



# SLA ORGANISATION CHART





(Administrative reporting)

**INTERNAL AUDIT**  
**Albert Tay**  
Head

**Regulatory & Corporate Services Group**

**Regulatory  
Division**  
**Bryan Chew**  
Director  
Snr Dy Registrar  
Titles & Deeds

**Corporate  
Services  
Division**  
**Wong Chooi  
Ling**  
Director  
Board Secretary

**Land Data  
Division**  
**Gaw Seng  
Suan**  
Director

**Information  
Technology  
Division**  
**Chim Voon  
How**  
Director

**Legal Division**  
**Manimegalai  
D/o Vellasamy**  
Director





Former Bukit Timah Fire Station

Through collaborations with the public and private sectors, SLA gives State properties a new buzz-worthiness.





SPACE INC



“The rebates are timely in helping us lower our business costs during this crisis. SLA has done a good job in giving these rebates to its tenants quickly.”

Ms Christina Tan  
Director, Hayman Pte Ltd

## Transforming buildings with a cause

The many spaces made possible by the Singapore Land Authority (SLA) are more than just spaces and places. They are new locales, fresh facades and functional institutions. They also concretize the synergy and courage of SLA with our partners from the private, people and public sectors. Our common goal being to unlock greater value, nurture bold ideas, realise dreams in order to add colour, buzz and energy to the physical, social and economic fabrics of our landscape. Eight years on, SLA continues to inspire and raise appreciation for the architectural beauties from our past, and enriches lives and communities now and the future to come.

## Helping businesses cope with the crisis

SLA did its part to help businesses cope with the economic downturn, by giving 15% rental rebate from the government to some 2,600 eligible tenants, licensees and lessees of SLA-managed properties.

Besides this, SLA also worked with other development agencies on several infrastructure and other public sector projects, all of which created many new job opportunities for our people.

## Positioning Singapore as a global education hub

The past year had seen a strong interest in State properties for education use. SLA launched public tenders for education-related uses for former schools at 375 Race Course Road, 3 Hu Ching Road and 10 La Salle Road. SLA also forged a strategic partnership with the Economic Development Board (EDB) and launched the first Request-for-Interest (RFI) exercise to invite education players to set up foreign system school bases in Singapore. The RFI for seven different land sites sourced by SLA, received an encouraging pool of proposals to attract the international school community to Singapore. Despite the economic downturn, the demand from the education tenant sector for the State, had remained resilient as it looked to longer-term yields from investing in Singapore as a global hub for education and learning.

## Carving out more artistic enclaves

SLA supports our nation's drive to make heritage and the arts an enriching part of our lives. Through a strategic tie-up with National Heritage Board (NHB)'s plan to develop integrated museums, SLA identified three State properties at prime locations for private art collectors to house their collections at Tanglin Village and Queen Street. The exercise received a great boost with many creative proposals submitted.

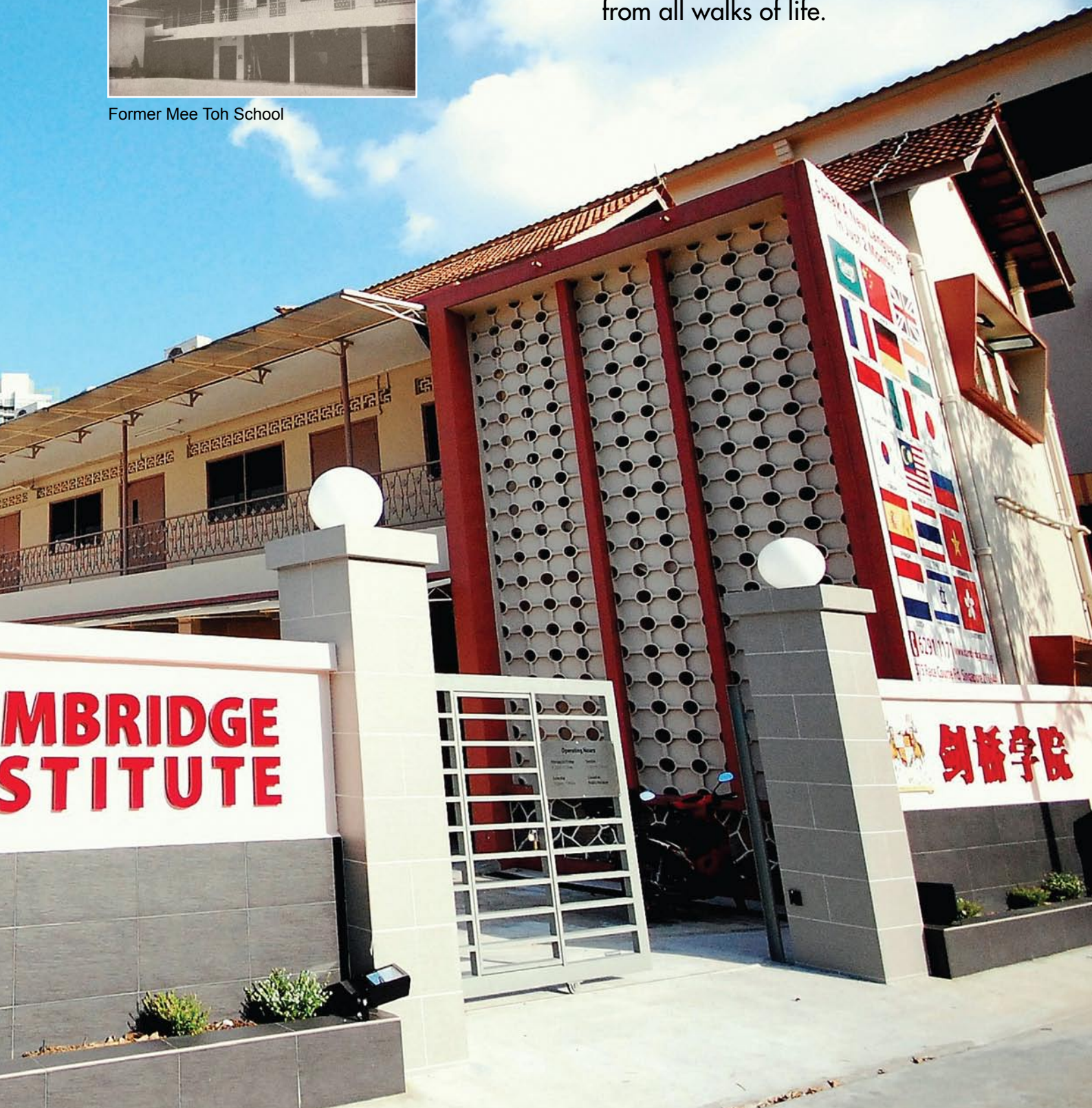




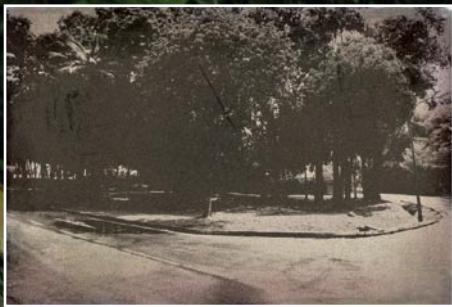


Former Mee Toh School

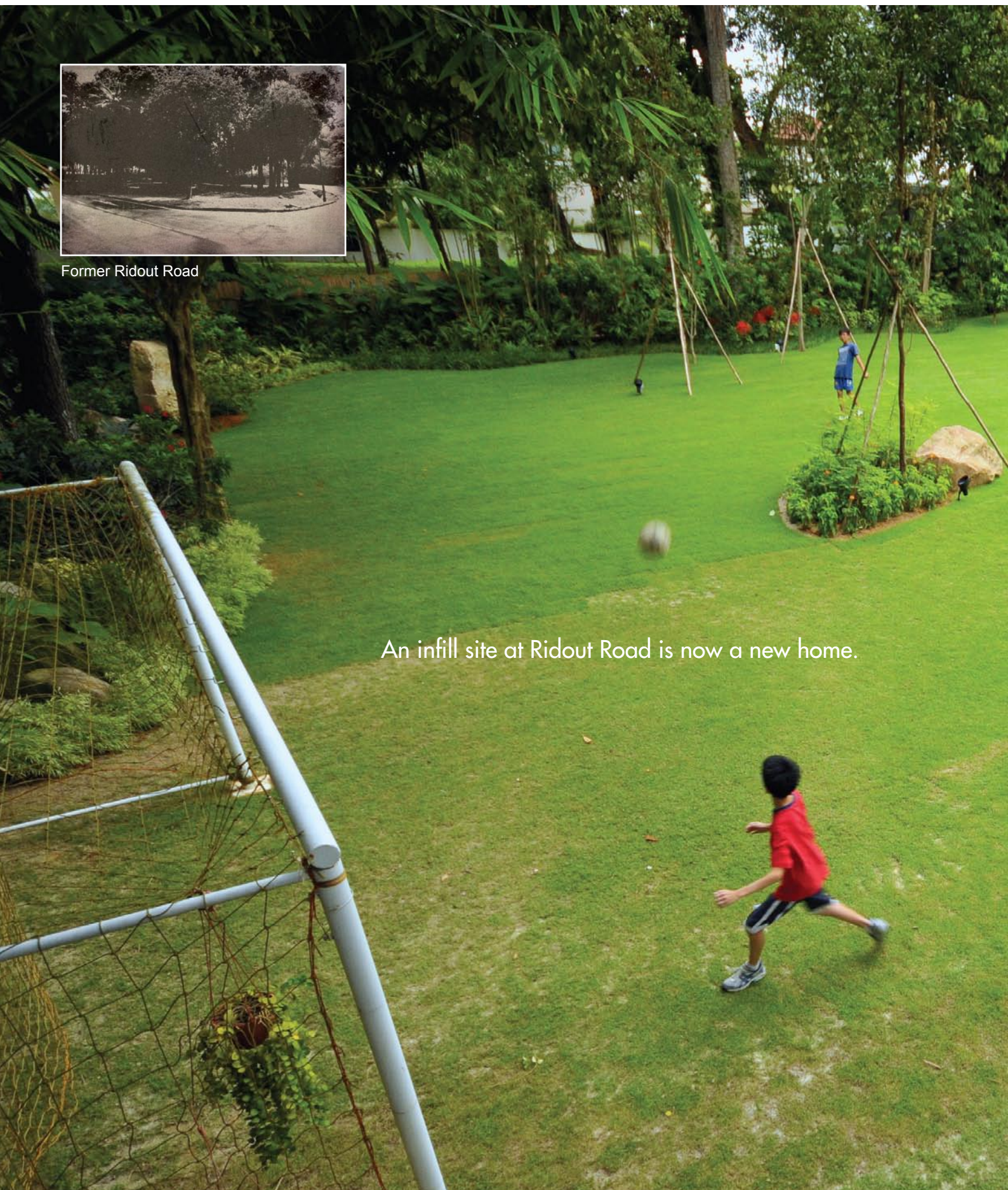
The former Mee Toh School now houses a different group of students – language learners from all walks of life.







Former Ridout Road



An infill site at Ridout Road is now a new home.





In FY08, SLA successfully let out the conserved former Bukit Timah Fire Station at Upper Bukit Timah to Spectra Investment Pte Ltd. The property attracted a creative tenant mix of young artists, musicians, crafters, designers and adventurers. It is now a melting pot of old charm and new uses at what is Singapore's first and only arts and adventure enrichment hub for nurturing artistic talents.

### **Building dream homes**

Part of SLA's land bank includes niche land parcels nestled within well-heeled districts and neighbourhoods. These 'infill sites' attracted keen interest from mid-tier developers and dream home aspirants last year, when some \$13.8 million went under the hammer for four proud owners.

### **Helping businesses with lease renewals**

SLA completed review for two land policies, namely the Lease Extension Policy and the waiver of building premium upon lease extension. Under the review, SLA can now consider granting lease extensions when applications are in line with planning intention and help meet economic and social objectives. Such pro-enterprise measures incentivize State lessees to continue investing in the upkeep and improvement of State properties.

### **More playfields for all to enjoy**

SLA has, over the past five years, been opening up and improving State land for casual community and recreational use. In FY 08, SLA injected another 53 hectares (equivalent to about 83 football fields) as casual recreational and community sites, making the total number of such free spaces to 317, up from 284 a year ago, giving residents more choice to toss a ball, fly a kite.

### **Other key projects and initiatives:**

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Enhancements to SLA's State Property Information Online (SPIO) portal to give customers a better experience when finding information on state property tenders.

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Introduction of Reservation Framework to prevent unnecessary reservation of State properties by other agencies, thereby allowing SLA to optimise their uses in the interim.

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Provision of Tenant's Quick Guide to all new tenants to starting work and businesses on tendered State properties. The guide aims to help tenants reduce the time required to start their operations.

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Collaboration with several agencies in the divestment of the Senoko Incineration Plant. This project aims to improve the efficiency of Singapore's waste-management sector and develop the infrastructure financing market in Singapore.

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Infrastructural improvements to Tanglin Village to create a better experience for visitors. These include addition of safety bollards, resurfacing of roads, additions of car parks, creation of pedestrian footpaths and so on.



# PUBLIC SPACE

SLA and CPF launch a one-stop service for  
CPF members under its Minimum  
Sum Scheme






# SLA

SINGAPORE  
LAND AUTHORITY





A photograph showing three people in an office setting. A man in a light-colored striped shirt and glasses stands behind a desk, pointing at a document. Two other people, a man and a woman, are seated at the desk, looking at the document. The man is wearing a dark striped shirt and glasses, and the woman is wearing a white shirt and red-rimmed glasses. On the desk, there are papers, a small digital camera on a stand, and a red and white container. The background is a plain, light-colored wall.

SLA is working on STARS 21 to provide more efficient registration, online lodgement, title issue and public searches





“ This initiative by SLA and CPF has made the pledging process so convenient and saved me the cost of hiring a lawyer. All I had to do was visit the SLA counter, go through the procedures with their staff, sign on a document, and it was done - all in less than 10 minutes. ”

Mr Goh Choon Meng, 55, CPF Member

### Anticipating needs, surpassing expectations through Inter-Agency Collaboration

**A**s the national authority for the administration of property rights, SLA recognises that continual efforts to streamline our processes are critical for Singapore to maintain her competitive advantage in the global economy. In addition, the speed at which information is being exchanged has increased exponentially, causing individuals and corporations to demand seamless and timely delivery of services. To meet these needs, SLA initiated several IT projects in FY08 to help our customers save time and money.

SLA, in conjunction with the Central Provident Fund (CPF), rolled out an inaugural one-stop service for CPF members pledging their properties in lieu of the minimum sum under the Minimum Sum Scheme. The scheme, which affects CPF members over 55 years of age, requires the setting-aside of a designated sum of monies in one's Retirement Account for security in old age. This sum can be drawn down by creating a charge on one's property.

By incorporating essential upstream procedures such as title and bankruptcy searches conducted by solicitors previously into our service repertoire, SLA effectively streamlined property-pledging procedures. This reduced processing time by 66% for the collective benefit of Singapore's rapidly ageing population.

To promote resource sharing among government agencies and provide greater convenience to our customers, SLA took part in a government-wide initiative to facilitate private-public sector dealings - the implementation of Unique Entity Number (UEN) system. SLA issued UENs to over 3,000 management corporations and sub-management corporations. It also updated all the land registers to show the UEN of these entities. Law firms were also given a grace period of four months from 1 January 2009 before the use of UEN was made mandatory for all land transactions, to ease its adoption by stakeholders.

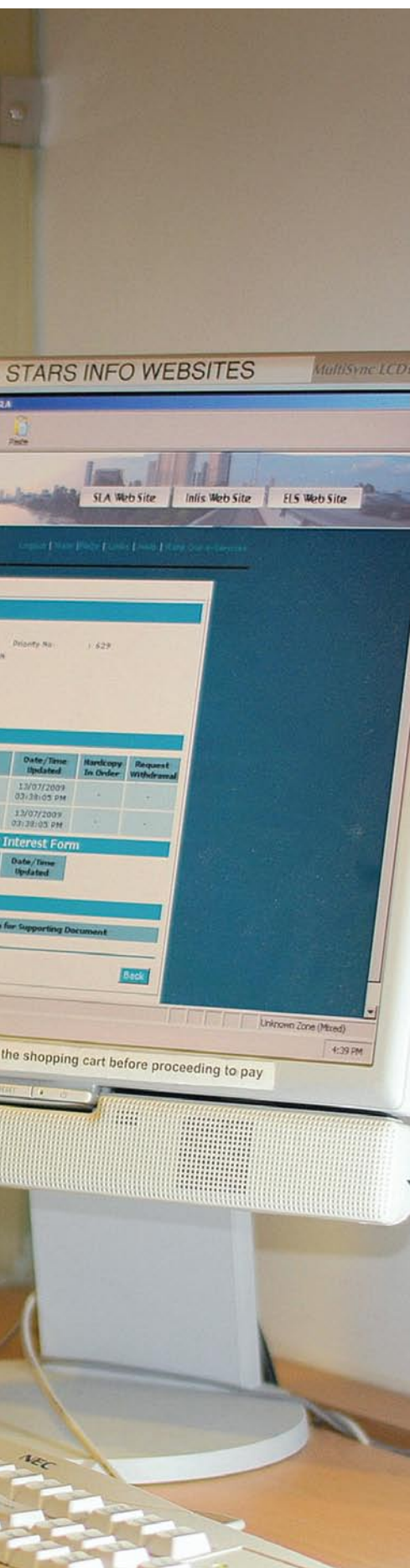
An expedited caveat notification process for developers' mortgagees' was implemented in collaboration with JTC and HDB. With the new process, documentary requirements for lodgement are reduced, thereby protecting mortgagees' interests and ensuring the prompt release of loans to developers.





SLA's Registration Services stayed busy with a volume of about 342,000 registrations of transactions lodged for private and HDB properties in FY08/09





## Engaging key private sector stakeholders

Our customers' voices are important to us. SLA constantly garners feedback through various channels as it helps us improve our services. In this spirit, SLA's Registration Services (RS) continued to engage its key stakeholders by conducting a series of dialogues with over 80 law firms in FY08. Through these sessions, SLA was able to come up with a number of user-centric improvements to the Electronic Lodgement System (ELS).

One such improvement was the inclusion of officers' contact details and service standards on lodgement receipts, allowing lawyers to monitor the status of registration more closely. Responding to public feedback, the scope of the ELS automatic notification service for caveats and instruments lodged with SLA was expanded to include Housing Development Board (HDB) properties (notifications were previously only provided for private properties), thereby facilitating the prompt release of loans to HDB homeowners.

## Coming soon – an integrated electronic land register

SLA appointed ST Electronics (Info-Software Systems) Pte Ltd to transform its Singapore Titles Automated Registration System (STARS) into a single integrated land title registration system, named "STARS 21", of both private properties and HDB flats for more efficient registration, online lodgement, title issue and public searches. This integrated system which leverages on strategic technologies and computerisation, will greatly free up storage space and provide greater convenience to our customers.

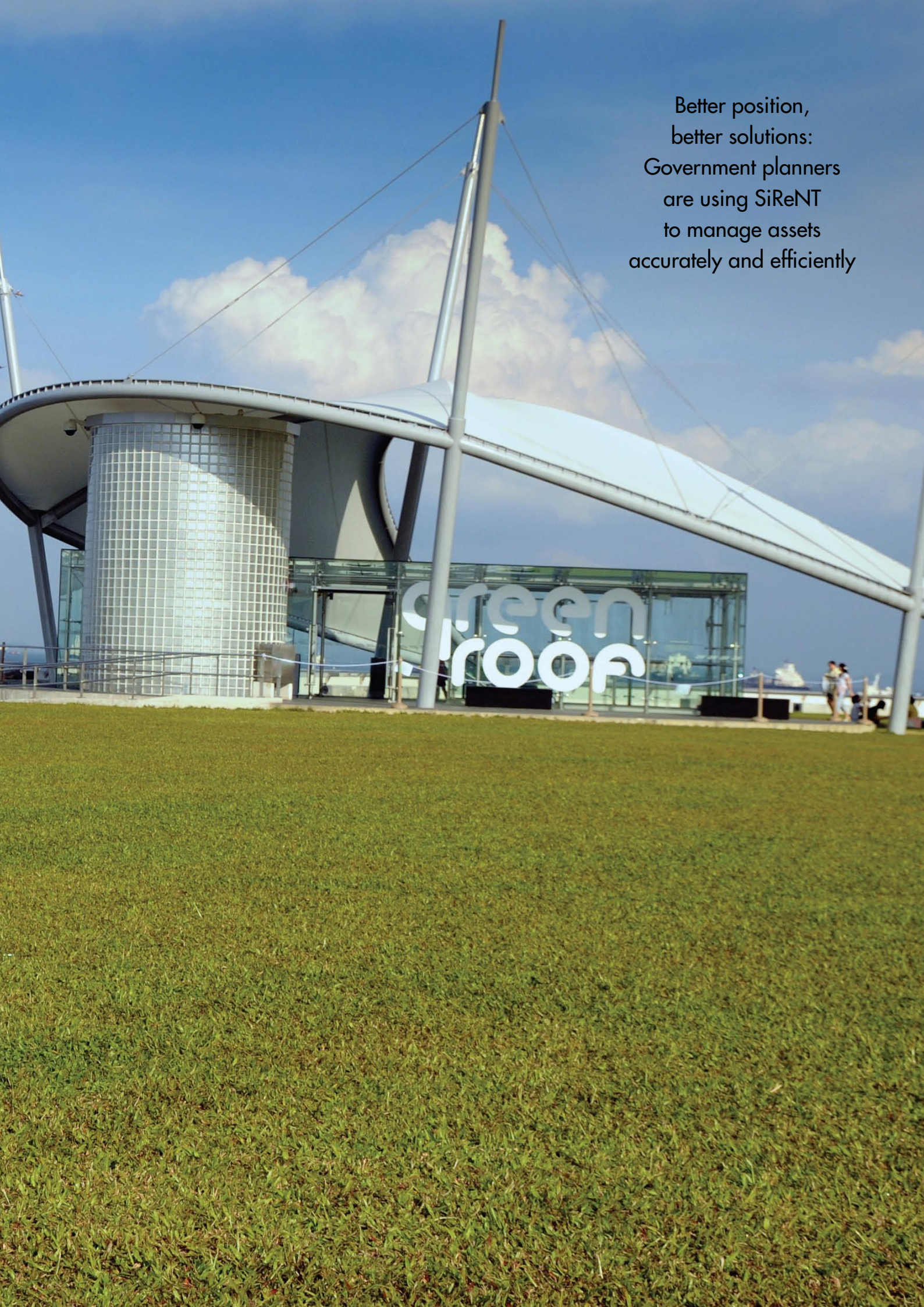


# SPACEBOOK





Better position,  
better solutions:  
Government planners  
are using SiReNT  
to manage assets  
accurately and efficiently







SLA leverages on technology to make land maintenance work much more efficient.





“ The biggest difference is we now work light, using just a PDA. This is at least 4kg less than what we had to lug around previously. Most importantly, we can zero in on the incident site and its issues in order to respond to our tenants and customers’ needs promptly. ”

Mr Mohamed Abdul Rahman, 57  
SLA’s Land Asset Management Services executive

### From two-dimensional data to three-dimensional space

The evolution of land information is taking shape in SLA where since April 2008, SLA has already begun development of a \$12 million national spatial data infrastructure for whole-of-government, enterprises and community at large. Over an evolving three-year masterplan, key projects spanning government agencies and tapping shared geospatial data will change the way public sector makes policies, creates new knowledge, tackles crises and manages incidents.

### Developing capabilities

SLA and Infocomm Development Authority are jointly leading whole-of-government efforts to develop a national spatial data infrastructure called Singapore Geospatial Collaborative Environment, or SG-SPACE. SG-SPACE will facilitate greater sharing and use of geospatial information for both the government agencies and the private sector, investment in a geospatial information exchange system and a thriving geospatial information industry that uses advanced technology. This will not only reduce duplication of effort in geospatial information collection in the public sector, but also offer potential for new business opportunities.

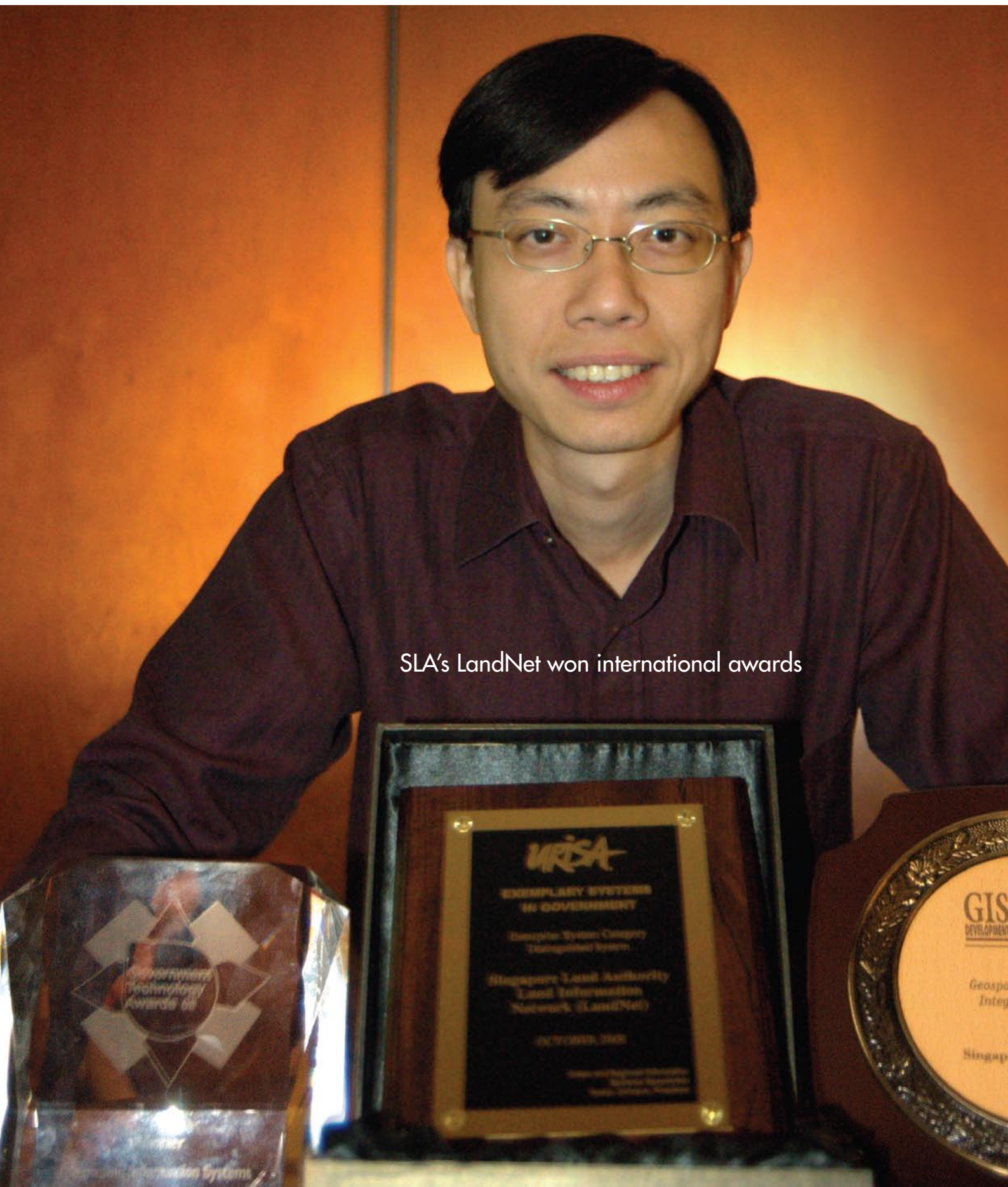
### Empowering with technology for greater efficiency

Land maintenance has gone beyond the basics like grass-cutting, pest control and tree pruning. SLA now tackles complicated land management issues that require faster response time and careful analysis of the issues. To deal with these increasingly complex issues, SLA has started leveraging on technology, by using Personal Device Assistants (PDAs) equipped with GPS and mapping data software that help our officers display, capture and analyse 10 layers of geographically referenced information on site.

The new system reduces the time taken to conduct on site work by more than 75 per cent, allowing SLA to respond faster to feedback on land maintenance issues. SLA can also now build up a common knowledge repository with spatial data captured on site, allowing us to carry out trend analysis to help detect, pre-empt and prevent incidences such as landslides on State land.

SLA started Singapore’s first project to use GIS and statistical analysis tools to study landslides and create a model for spatial analysis. With this project, SLA can now put preventive measures in place to minimise dangers and damages of landslides. This provides a more efficient and longer-term solution of managing the risk of slope failure on state land.





SLA's LandNet won international awards





## Spatially-enabled Government

Since its launch two years ago, SLA's Land Information Network (LandNet) has established itself as the cornerstone of spatial data-sharing among the government. With 15 agencies sharing and accessing more than 200 layers of spatial data, LandNet began to garner international recognition as well. In FY08, LandNet won three international awards honouring its excellence in geospatial technology application and execution. This raised not only SLA's profile, but established our international networks and interest in Singapore in being an e-city.

## Positioning Singapore for the future

The Singapore Satellite Positioning Reference Network (SiReNT) is a nationwide reference network developed in 2006 to support real-time high precision land surveying and other positioning applications. To date, more than 100 subscribers are benefiting from its high-precision positioning capabilities. Various government agencies are using it to manage their assets accurately and efficiently. SLA also worked with Infowave Ptd Ltd to develop a SiReNT-ready Mobile Data Terminal that allows for high-accuracy navigation, tracking and fleet management.

## SLA maps in every pocket

SLA worked with MapKing Pte Ltd to launch the SLA StreetMap Mobile, downloadable for free on any mobile device running on Windows Mobile Operating System. This mobile version of SLA's StreetMap@Singapore gives Singaporeans access to SLA's free maps, wherever, whenever. In another government-wide GIS initiative, SLA awarded the tender for the development of an intelligent map system. This brought SLA one step closer to its aim of creating a common and consistent map interface for government agencies and the public to build their own applications to support their operational and personal needs.

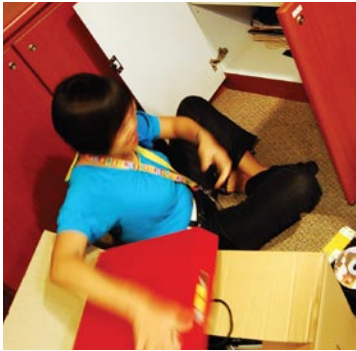
## Other key projects and initiatives

SLA will co-organise Map Asia 2009, the largest Asia geospatial conference in Singapore, with GIS Development, a leading geospatial conference organiser in Asia. The conference will bring in top geospatial experts and industry leaders from all over the world and create a bigger awareness of the geospatial industry in Singapore.

SLA implemented a borderless processing system to reduce the time needed to process cadastral survey jobs submitted by registered surveyors. Productivity is also increased as more jobs can be processed within a shorter time.

SLA and National Archives Board jointly organised the first ever historical map exhibition to bring the public through 135 years of Singapore's history through maps.





SLA @  
Temasek  
Tower  
(2001 - 2008)



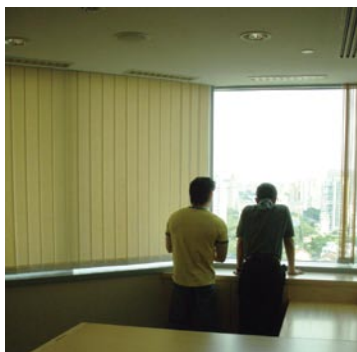
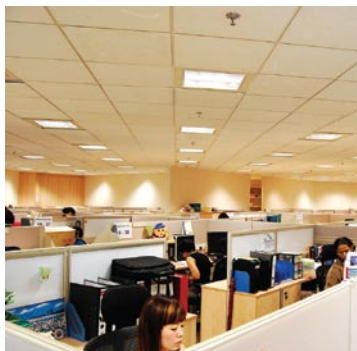
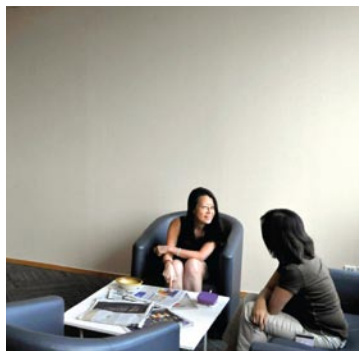
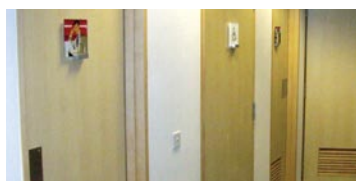




SLA @  
Revenue  
House



# SMART SPACE







Mr Tan Kok Tiong, a working retiree,  
is one who benefited from SLA's  
re-employment programme





“ When I was still working, I envisaged the good things in retirement. When I became a retiree, I missed the better things in working. Now back to SLA as a working retiree, I can enjoy the best of both worlds. ”

Mr Tan Kok Tiong  
re-employed as SLA's consultant

### Work Smart, Work hard

SLA recognizes the importance of sustaining and strengthening the talent pipeline, where staff will be able to maximise their potential and fulfil their aspirations. SLA continues to devote its resources and provide management support to staff development and skills upgrading. SLA believes in providing an environment conducive to staff development and upgrading; empowering staff with strong pro-customer and creative mindsets to go the extra mile in realising best value creation and resource optimisation. These it does through projects which allow them to engage with and be exposed to various aspects of the organisation. A multitude of activities are also organised to help staff attain a work-life balance.

### Expanding Horizons

SLA introduced On-The-Project Learning in FY08, a cross-departmental project that provides officers with insights to areas of work within SLA, outside of their own. This gives them more exposure and a deeper appreciation of SLA's functions.

SLA launched the SLA Career Framework to provide its graduate officers with more attractive career prospects and development opportunities within the organisation. Officers work together with supervisors to map out appropriate career pathways, which highlight the targets and guide the development and training needed to get there.

SLA values the depth of expertise and knowledge of our post-retirement employees. This was affirmed by the signing of a Memorandum of Understanding (MOU) with AUSBE. With an ageing population, SLA is committed to our staff who wish to continue working beyond the statutory retirement age.

### Creating smart spaces

In FY08, SLA completed its major relocation exercise to Revenue House and the new workplace provided a conducive and friendly work environment for its staff. SLA involved its staff in planning the office layout and interior design through focus group discussions held at all staff levels. SLA continues serving its customers from a convenient location with amenities and public transport options for its staff. Revenue House has the perfect fit suitable for all its customer and staffing needs.

SLA looks beyond this downturn and uses this time as an opportunity to prepare its staff for the eventual upturn. For example, the implementation of the SLA Education Scheme provides partial financial support for our staff who pursue part-time studies in institutes of higher learning. Executive and executive assistant-level colleagues will continue to be equipped with the necessary skills to remain employable with core training on Employability Skills (ESS).



SLA's bright SPARKS won  
the Gold Award at the  
PS21 ExCEL Convention







### Nurturing growth

SLA believes that creativity and innovation in the workplace can be achieved by providing a nurturing environment where every seedling of idea can grow. To do this, it rewards innovation through projects such as I-Cube and participation in MinLaw's WITs Convention and PS21 ExCEL Convention. At last year's WITs Convention, SLA won the Ho Peng Kee Challenge Trophy for the 7th year running. Three teams from SLA went on to win the PS21 ExCEL Convention, and all three emerged with Gold and Bronze awards.

Alvin Sing, part of the Gold award-winning team, said: "Even a small idea may reap enormous benefits for the nation when it is aligned with the organisation's vision, mission and core values. I-cube will always be a good opportunity where team efforts can nurture and allow such ideas to grow."

SLA recorded continuous improvement in its Pro-Enterprise Ranking for the third consecutive year. Together with 25 other Statutory Board regulators, SLA has shown improvement in all categories, with Compliance Cost having the most improvement. Transparency remains the best performing component for SLA for the past five years. SLA's improvement is largely attributed to our commitment of service excellence. Through various engagement platforms such as dialogue sessions and forging trusting and strong partnerships with our customers, SLA gained better insights into customer needs, and developed initiatives and enhanced our work processes to serve our customers better.

### Other projects and initiatives

SLA was awarded the Gold Share Award by the Community Chest, in recognition of its contribution to the Social Help and Assistance Raised by Employees programme.





Susan Koh has accumulated 13 years of experience in corporate and marketing communications. Her career spans both the private and public sectors. Her intellectual curiosity is triggered by both the movable and immovable. Her passion for buildings and maps is a 'slow fire'.



Tan Hua Seng is a photography enthusiast who first started making photographs with a Yashica film camera on school excursions. Although a specialist in the GPS/GNSS field with SLA's Survey Services, photography is his creative outlet and passion. Hua Seng has had his photography works exhibited at photography exhibitions and published in newspaper article.



Low Chiew Leng's cat got her dabbling in photography as she strove to capture the most moving moments of a most sedentary creature. Other than holding the flash(es) for the pros, she hopes to one day be in the league of the pros too.



Xin Jing Jing started thinking seriously about photography less than a year ago and has not been able to stop since. When she is not busy attending meetings or holed up in her workstation, Jing Jing is poking her nose (and camera) into other peoples' businesses. Nothing excites her more than having a camera in hand, and looking at the world through her camera viewfinder and lenses.



Jason Ng is a fresh young lawyer amidst pupillage at SLA. From drafting and advising to reviewing legislation, he is finding real work much more of a challenge than school. Work aside Jason is valiantly attempting to learn sign language at the Singapore Association for the Deaf, practices the peaceful martial art of Aikido, and is pushing towards starting his very own acid jazz band.



Adviser : Vincent Hoong  
 Editor : Susan Koh  
 Art Director : Tan Hua Seng  
 Photographers : Tan Hua Seng, Xin Jing Jing,  
 Low Chiew Leng  
 Staff Writers : Gilbert Lok, Grace Thng, Jason Ng,  
 Leow Siew Jin, Jaclyn Seow,  
 Low Chiew Leng



Gilbert Lok was an Economic student, but he's not really the typical banker/financial manager sort. Rather, he's passionate about social justice, which has led him into the realms of welfare economics and the economics of development, urbanization and poverty. Since his university days, Gilbert has developed his skills and passion for writing.



Jaclyn Seow has an irrepressible penchant for adventure, which has seen her through skydives and gorge jumps in New York, white-water rafting trips in Peru, and queues for McDonald's collectibles in Singapore. Her latest foray into the unknown dovetails her love for languages with a deep interest in the economic, political and social significance of real estate.



A month-long volunteer trip to a small mountainous town in Peru got Leow Siew Jin addicted to taking the path less traveled. She is attracted to the undisturbed nature, the untouched culture of these places, and most importantly, the warm hospitality of the locals. Outside work, Siew Jin is constantly on the look out for new places to explore and hopes to see the world from new perspectives.



Grace Thng enjoys the satisfaction from knowing that her work benefits society, and writing about them. She writes to recommend, inform, convince and value-add. She believes, in the words of William Wordsworth, to only "fill your paper with the breathings of your heart".



# Awards and Accolades

MinLaw WITS Convention  
Ho Peng Kee Challenge Trophy  
(7<sup>th</sup> time running)

1<sup>st</sup> placing for both MinLaw WITs and  
Staff Suggestion Scheme  
Achievement Awards

PS21 ExCEL Convention Gold Award,  
and 2 Bronze Awards

Community Chest Gold Share Award

Singapore Health Awards, Silver

MinLaw Star Service Award  
PS21 Star Service Award  
Siew Hong Leong

MinLaw WITS Personality Award  
Ow Mui Leng

MinLaw WITS Leader Award  
Robin Tan

MinLaw WITS Member Award  
Logambal Kumaravelu

MinLaw Best Staff Suggestion Award  
Lim Liyang

MinLaw WITS  
Convention Edison Awards  
BZ Bees  
L.A. United  
Sparks

MinLaw WITS  
Convention Best Booth Award  
Pathfinders

MinLaw Star Service Award  
Commendations  
Celest Lim  
Lim Cher Guan

Silver Awards for  
Excellent Service Award  
Matthew Levi Lim  
Carrie Wong  
Ng Wui Han  
Ludovic Rujobert Francois  
Timothy Chan  
Tan Siew Chin  
Aminah Bakri

Commendation Medal  
Tan Hwee Ching

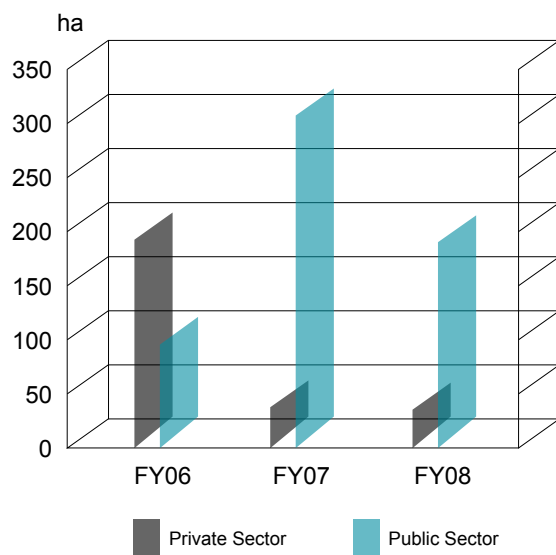
Long Service Medal  
Artini Tukejan  
Azlina Abdul Jalal  
Dewi Puspa Indriani Machfoedy  
Logambal Balasubramaniam  
Mahmootha Haniffa  
Ong Lung Hua  
Pung Choon Hua  
Teo Hock Kee  
Thong Wai Lin  
Wong Churn Hoe  
Tan Hwee Ching  
Tan Puay Joo  
Siew Hong Leong  
Tan Hai Lek  
Choo Soong Chye  
Yee Sook Ching  
Toh Meow Ling  
Gunapragash  
Abdul Aziz Jaafar

Long Service Medal (cont'd)  
Mariyana Othman  
Zalinah Leman  
Kalaimany Sundram  
S K Sivasangari  
Lim Lucy  
Salnah Jumat  
Lian Wee Koon  
Rohani Amat  
Liew Yoke Choon  
Artini Tukejan  
R Manimehalai  
Lim Peck Buay  
Lai Siew Chor  
Teng Siu Ing  
Seow Guek Eng  
Loh Eek Cher  
Show Meng Teck  
Asiah Mohamed Yahaya  
Badariah Ahmad  
Mok Siew Chan  
Han Ah Mui  
Foong Hor Chan  
Teo Ah Chin  
Aminah Bakri  
Ng Hong Kee  
Johar Othman  
Chuah Kian Seng  
Ng Lian Soon  
Abdul Rahim Aziz  
Boey Kwok Loong  
Yahya Abdul Rahman  
Lai Bun Tot  
Omar Mohammed  
Tan Seng Hoe  
Chua Ai Hwa  
Mohamad Ali Bujang  
Wee Siew Chin

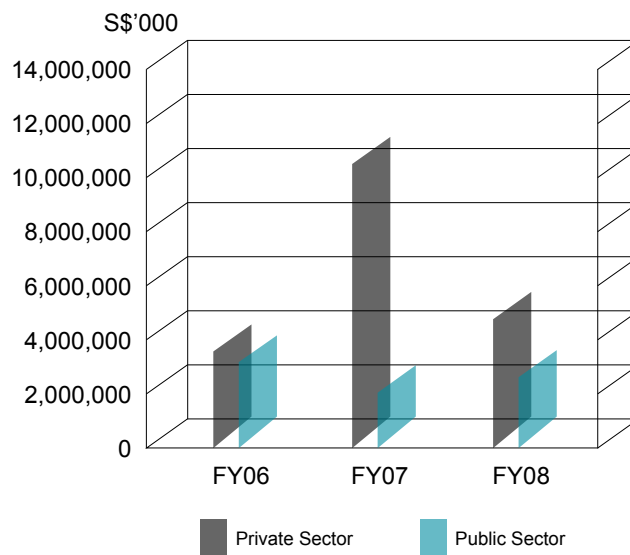


# Corporate Output and Performance

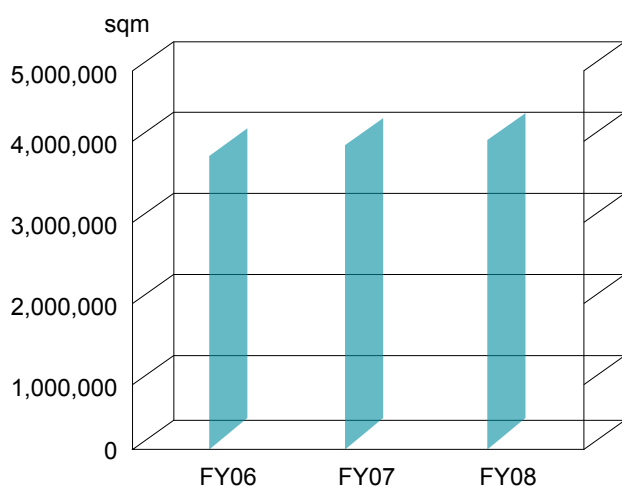
**Total area of State land sold to private and public sector**



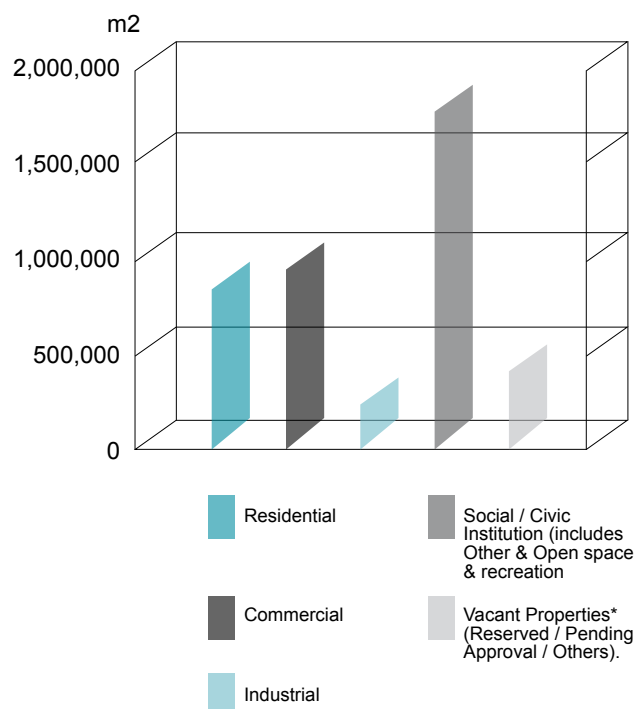
**Land sales proceeds from sale to private and public sector**



**Total estimated Gross Floor Area of State properties managed by SLA**



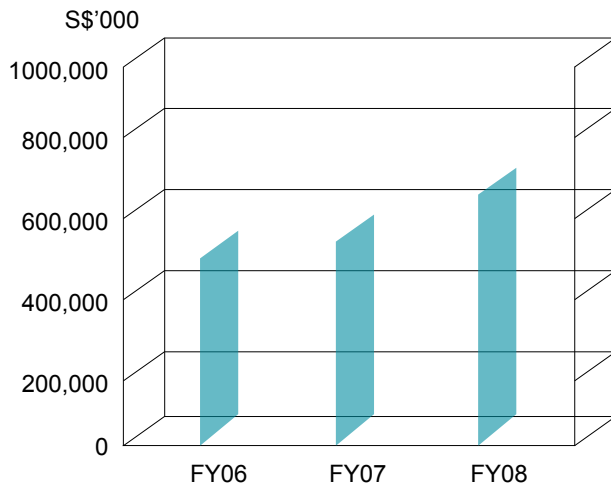
**Breakdown by use of SLA-managed properties in estimated Gross Floor Area**



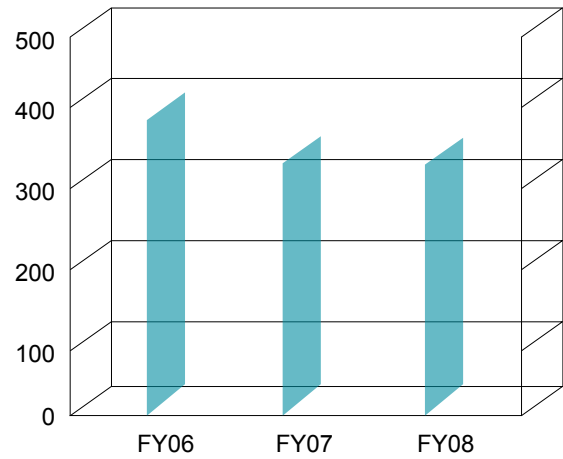


# Corporate Output and Performance

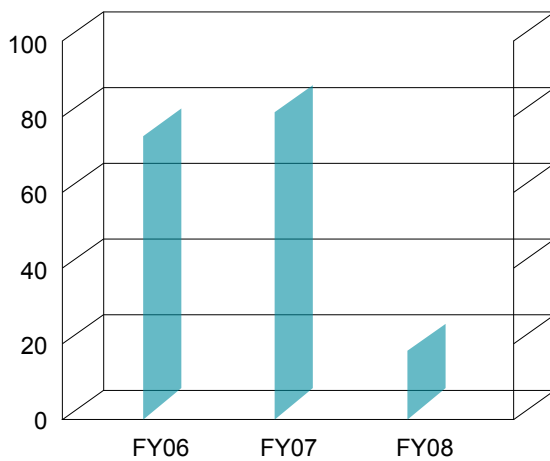
**Rental collections from State land and properties**



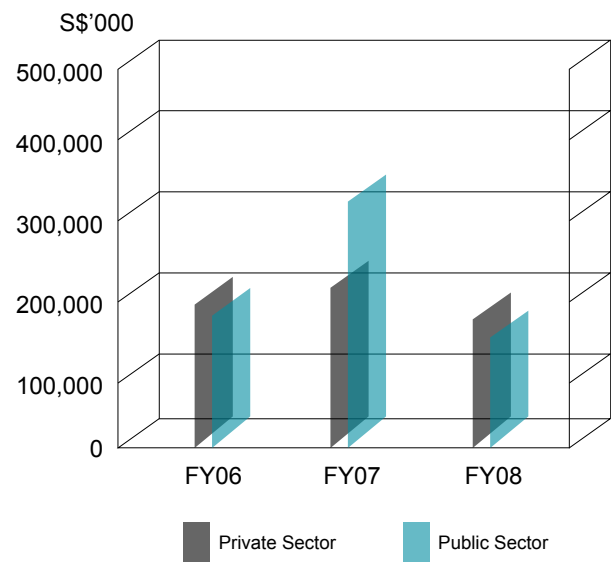
**Number of licences issued for one-off events (wayangs, community events, etc)**



**Number of State properties offered for public tender**



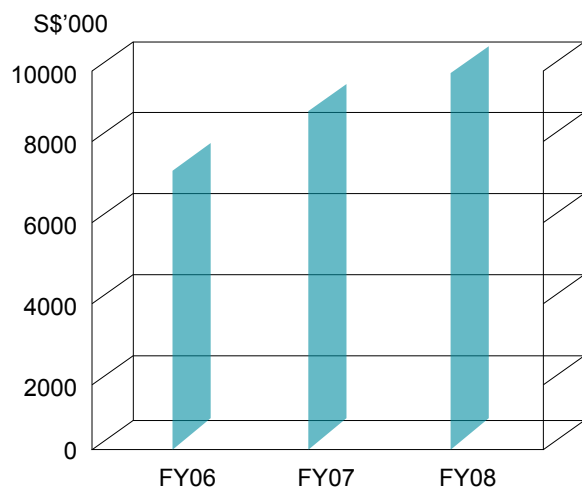
**Registration of documents lodged for private and HDB properties**



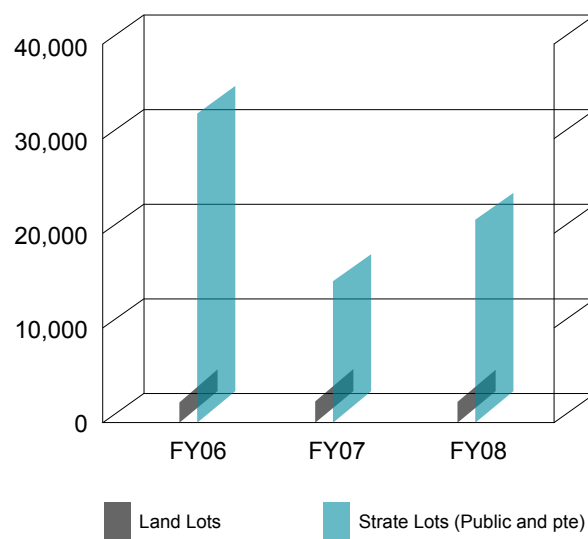


# Corporate Output and Performance

**Issuance of title documents for completed private properties**

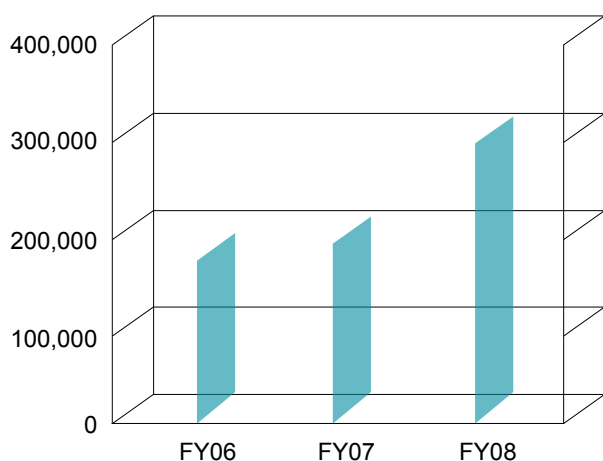


**Approval of land and strata lots**

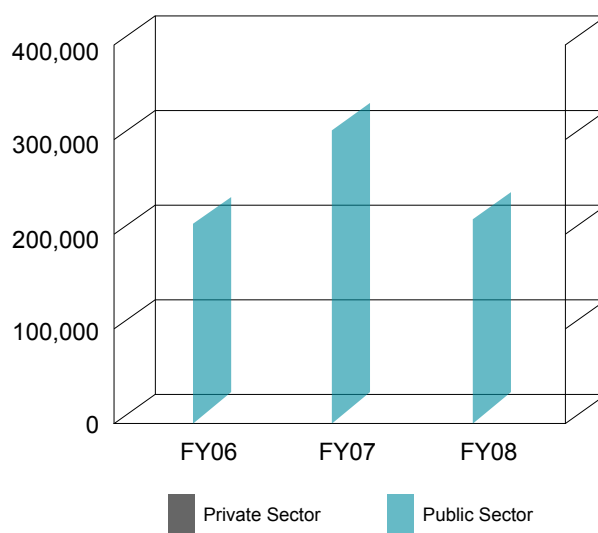


**Electronic Searches**

Electronic means - DIPS & STARS



**Integrated Land Information Service (INLIS) Transaction volume**



## Efficiency indicators:

	FY06	FY07	FY08
Utilisation rate of State land managed:	77.8%	77.8%	79%
Occupancy rate of state properties managed:	86%	87%	86%
% of e-enabled transactions performed electronically:	96.1%	99.5%	99.5%



# Financial Statements

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# Financial Overview

Operating surplus for the year was \$0.6 mil, 96% lower than last year. After considering non-operating income and grant, SLA recorded a surplus of \$2.5 mil (FY 2007/08: \$19.9 mil).

FY 08 was a difficult year, with revenue declining 8% to \$92.5 mil from \$100.9 mil last year. The current economic condition has adversely affected the property market segment, resulting in a significant drop in land sales agency service, titles registration and land information businesses. By business segment, land agency business contributed \$61.6 mil or 67% (FY 2007/08: 61%) of the operating income whilst the public fees and charges contributed \$30.9 mil or 33% (FY 2007/08: 39%).

Operating expenditure for FY 2008/09 saw an increase of \$8 mil to \$91.9 mil this year. Bulk of the expenditure relates to staff related cost and general & administration expenses. Staff cost was lower by 10% due mainly to reduced bonus (including variable payments) and other belt tightening measures. General and administrative expenditure, however reported a jump of 51%. 2008 saw the relocation of office from 8 Shenton Way to Revenue House. The general and administrative expenditure included the cost of relocation and rental at the previous office until expiry of the lease in Jul 09. Agency related expenditure was \$14.6 mil, close to last year.

Non operating income of \$1.7 mil (FY 2007/08: \$2.7 mil) comprised interest earned from fixed deposits and investments. The government grant received this year relates to disbursements for the Intelligent Map System project and malaria vector control at Marina Bay.

## Capital Expenditure

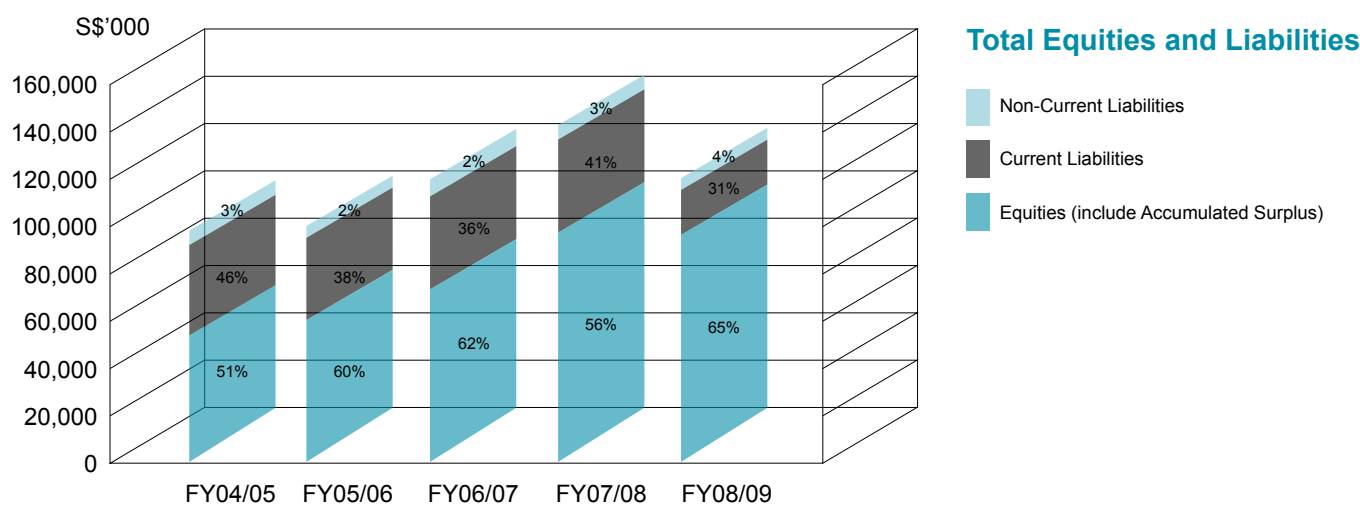
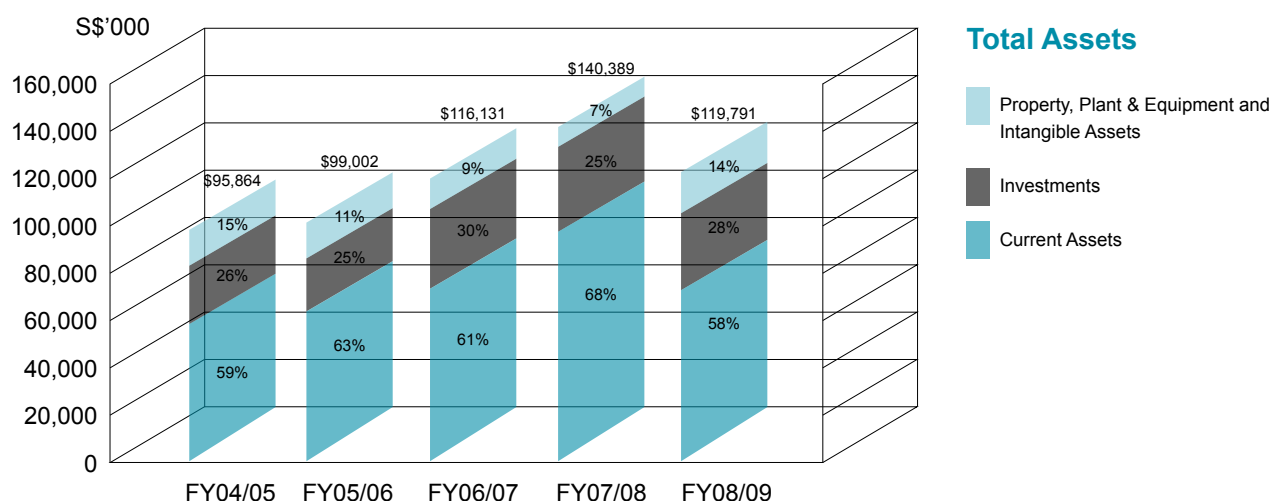
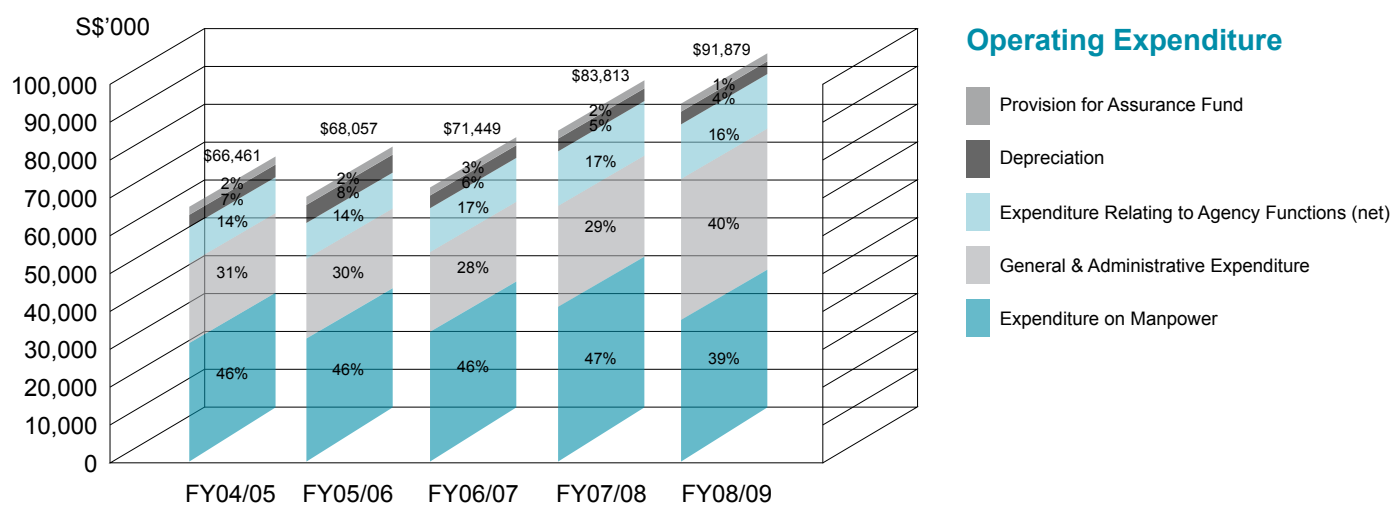
During the year, SLA incurred \$9.7 mil on capital projects, as compared to \$4 mil spent last year. The increase was due mainly to office fitting up expenditure and computerisation projects cost.

## Financial Position

As at 31 March 2009, total assets stood at \$119.8 mil, \$20.6 mil (15%) lower than last year. Current assets decreased by \$25.4 mil and were mainly due to lower cash and cash equivalents which were used to fit up the new office at Revenue House, finance various computerisation projects and to distribute dividend to Government. Equity as at 31 Mar 09 was \$77.6 mil.



# 5-Year Financial Summary



# 5-Year Financial Summary

	FY08 Actual S\$'000	FY07 Actual S\$'000	FY08 vs FY07 Inc/(Dec) S\$'000      %		FY06 Actual S\$'000	FY05 Actual S\$'000	FY04 Actual S\$'000
INCOME & EXPENDITURE							
Operating Income	92,509	100,863	(8,354)	-8%	88,624	80,817	82,816
Less: Operating Expenditure	91,879	83,813	8,066	10%	71,449	68,057	66,461
Operating surplus	630	17,050	(16,420)	-96%	17,175	12,760	16,355
Non-operating income (net)	1,737	2,720	(983)	-36%	2,571	1,315	1,692
Surplus before grants	2,367	19,770	(17,403)	-88%	19,746	14,075	18,047
Add: Operating grants	100	120	(20)	-17%	471	1,343	1,388
Gross Surplus	2,467	19,890	(17,423)	-88%	20,217	15,418	19,435
Less : Contribution to Government Consolidated Fund							
- statutory contribution	446	3,581	(3,135)	-88%	4,044	3,084	3,888
- special contribution	-	10,000	(10,000)	-100%	2,500	2,500	2,500
Net surplus	2,021	6,309	(4,288)	-68%	13,673	9,834	13,047
Capital Expenditure	9,742	4,033	5,709	142%	3,421	4,974	7,366

## BALANCE SHEET

Property, plant and equipment	8,621	2,569	6,052	236%	1,640	1,952	2,682
Intangible assets	7,558	7,929	(371)	-5%	8,825	9,367	11,482
Investments	33,836	34,705	(869)	-3%	34,816	24,996	25,357
Current assets	69,776	95,186	(25,410)	-27%	70,850	62,687	56,343
	<b>119,791</b>	<b>140,389</b>	<b>(20,598)</b>	<b>-15%</b>	<b>116,131</b>	<b>99,002</b>	<b>95,864</b>
Equity	77,623	78,728	(1,105)	-1%	72,419	58,745	48,911
Current liabilities	37,301	57,314	(20,013)	-35%	41,624	38,101	43,844
Non-current liabilities	4,867	4,347	520	12%	2,088	2,156	3,109
	<b>119,791</b>	<b>140,389</b>	<b>(20,598)</b>	<b>-15%</b>	<b>116,131</b>	<b>99,002</b>	<b>95,864</b>

<b>FINANCIAL INDICATORS</b>	<b>FY08/09</b>	<b>FY07/08</b>	<b>FY06/07</b>	<b>FY05/06</b>	<b>FY04/05</b>
Return on Equity	3%	8%	19%	17%	27%
Return on Total Assets	2%	4%	12%	10%	14%
Operating Surplus/Operating Income	1%	17%	19%	16%	20%
Operating Surplus per Employee	S\$1,264	S\$34,868	S\$35,377	S\$26,337	S\$34,431
Value-added per Employee	S\$85,601	S\$130,128	S\$119,302	S\$108,294	S\$116,196
Value-added per Employment Cost	S\$1.2	S\$1.6	S\$1.8	S\$1.7	S\$1.9



# Independent auditors' report to Singapore Land Authority

We have audited the accompanying financial statements of Singapore Land Authority (the "Authority"), which comprise the balance sheet as at 31 March 2009, and the income and expenditure statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

## Management's responsibility for the financial statements

The Authority's management are responsible for the preparation and fair presentation of these financial statements in accordance with the provision of the Singapore Land Authority Act 2001 (No. 17 of 2001) (the "Act") and Statutory Board Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

## **Auditors' responsibility**

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

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

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

## **Opinion**

In our opinion:

- (a) the financial statements are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Authority as at 31 March 2009 and the results, changes in equity and cash flows of the Authority for the financial year ended on that date;
- (b) the accounting and other records required by the Act to be kept by the Authority have been properly kept in accordance with the provisions of the Act; and

during the course of our audit, nothing came to our notice that caused us to believe that the receipt, expenditure and investments of monies and the acquisition and disposal of assets by the Authority during the financial year have not been in accordance with the provisions of the Act.



**Foo Kon Tan Grant Thornton**

Public Accountants and  
Certified Public Accountants

Singapore, 25 June 2009

# Balance sheet

	Note	2008/09 \$	2007/08 \$
<b>Assets</b>			
<b>Non-Current</b>			
Property, plant and equipment	4	8,621,250	2,568,815
Intangible assets	5	7,558,044	7,928,517
Investments	6	33,835,780	34,705,154
		<b>50,015,074</b>	45,202,486
<b>Current</b>			
Trade receivables		10,794,537	27,705,667
Other receivables		1,913,000	1,907,568
Prepayments		1,151,055	532,888
Cash and cash equivalents	7	55,917,407	65,039,966
		<b>69,775,999</b>	95,186,089
<b>Total assets</b>		<b>119,791,073</b>	140,388,575
<b>Equity</b>			
Capital	3	505,967	504,967
Accumulated surplus		77,116,699	78,223,079
<b>Total equity</b>		<b>77,622,666</b>	78,728,046
<b>Liabilities</b>			
<b>Non-Current</b>			
Other payables and accruals	8	2,682,572	2,569,572
Retention payable	10	-	14,740
Finance lease payable	11	1,615	11,622
Deferred capital grants	14	237,703	-
Provision for pension	15	1,945,012	1,750,376
		<b>4,866,902</b>	4,346,310
<b>Current</b>			
Trade payables		5,639,259	19,406,862
Other payables and accruals	8	5,655,531	8,618,296
Provisions	9	3,630,078	5,171,370
Deferred income		591,917	13,743
Deferred capital grants	14	26,411	-
Retention payable	10	81,316	74,561
Finance lease payable	11	10,006	10,006
Loan payable to MOF	12	-	429,221
Provision for Assurance Fund	13	21,106,658	19,783,569
Provision for pension	15	114,364	225,624
Provision for contribution to Government Consolidated Fund		445,965	3,580,967
		<b>37,301,505</b>	57,314,219
<b>Total liabilities</b>		<b>42,168,407</b>	61,660,529
<b>Total equity and liabilities</b>		<b>119,791,073</b>	140,388,575



**Greg Seow**  
Chairman



**Vincent Hoong**  
Chief Executive

Singapore, 25 June 2009



# Income and expenditure statement

	Note	2008/09 \$	2007/08 \$
<b>Income</b>			
Agency fees		61,637,269	61,584,455
Other fees and charges		30,872,027	39,278,606
Total income		92,509,296	100,863,061
<b>Less: Expenditure</b>			
Expenditure on manpower	16	35,462,283	39,235,389
General and administrative expenditure	17	36,556,032	24,273,524
Depreciation of property, plant and equipment	4	1,585,801	1,481,426
Amortisation of intangible assets	5	2,322,134	2,422,300
Provision for Assurance Fund	13	1,323,089	1,959,955
Expenditure relating to agency functions		46,979,386	79,925,173
Total expenditure before reimbursement		124,228,725	149,297,767
Less: Reimbursement of pass-through costs		(32,349,612)	(65,485,194)
Total expenditure		91,879,113	83,812,573
<b>Operating surplus</b>		<b>630,183</b>	<b>17,050,488</b>
<b>Non-operating income</b>			
Interest income		1,744,860	2,749,482
Interest expense		(8,427)	(29,782)
Total non-operating income		1,736,433	2,719,700
<b>Surplus before grants</b>		<b>2,366,616</b>	<b>19,770,188</b>
Operating grants	14	99,969	120,073
<b>Surplus before contribution to Government Consolidated Fund</b>		<b>2,466,585</b>	<b>19,890,261</b>
Less: Statutory contribution to Government Consolidated Fund	18	(445,965)	(3,580,967)
Less: Special contribution to Government Consolidated Fund	18	-	(10,000,000)
<b>Net surplus for the year</b>		<b>2,020,620</b>	<b>6,309,294</b>

# Statement of changes in equity

	Note	2008/09 \$	2007/08 \$
<b>Capital</b>	3		
Balance at beginning of the year		504,967	504,967
Equity injection		1,000	-
Balance at end of the year		505,967	504,967
<b>Accumulated surplus</b>			
Balance at beginning of the year		78,223,079	71,913,785
Net surplus for the year		2,020,620	6,309,294
Dividend paid to Government		(3,127,000)	-
Balance at end of the year		77,116,699	78,223,079
<b>Total equity</b>		<b>77,622,666</b>	<b>78,728,046</b>



# Cash flow statement

	Note	2008/09 \$	2007/08 \$
<b>Cash Flows from Operating Activities</b>			
Surplus before contribution to Government Consolidated Fund		2,466,585	19,890,261
Adjustments for:			
Depreciation of property, plant and equipment		1,585,801	1,481,426
Amortisation of intangible assets		2,322,134	2,422,300
Loss on disposal of property, plant and equipment		129,466	69,045
Write-back of overprovision in office reinstatement cost		(782,158)	-
Interest expense		8,427	29,782
Interest income		(1,744,860)	(2,749,482)
Provision for Assurance Fund		1,323,089	1,959,955
Operating surplus before working capital changes		5,308,484	23,103,287
Decrease/(increase) in trade receivables		16,911,130	(16,902,610)
Increase in other receivables		(33,951)	(585,535)
(Increase)/decrease in prepayments		(618,167)	112,905
(Decrease)/increase in trade payables		(13,767,603)	11,922,432
(Decrease)/increase in other payables and accruals		(2,849,765)	4,011,599
(Decrease)/increase in provisions		(759,134)	1,224,727
Increase/(decrease) in deferred income		578,174	(6,378)
Increase in deferred Government grant		264,114	-
Increase in provision for pension		83,376	338,152
Decrease in retention payable		(7,985)	(457,869)
Cash generated from operations		5,108,673	22,760,710
Contribution to Government Consolidated Fund, paid		(3,580,967)	(14,044,080)
Net cash generated from operating activities		1,527,706	8,716,630
<b>Cash Flows from Investing Activities</b>			
Net receipts for matured and purchase of investments		686,038	77,148
Interest received		1,956,717	2,933,430
Proceeds from disposal of property, plant and equipment		23,042	9,234
Payments for purchase of property, plant and equipment		(7,790,746)	(1,175,352)
Payments for purchase of intangible assets		(1,951,661)	(2,838,503)
Net cash used in investing activities		(7,076,610)	(994,043)
<b>Cash Flows from Financing Activities</b>			
Dividend paid to Government		(3,127,000)	-
Capital injection by Minister for Finance		1,000	-
Interest paid		(8,427)	(29,782)
Repayment of loan		(429,221)	(572,295)
Repayment of finance lease		(10,007)	(10,006)
Net cash used in financing activities		(3,573,655)	(612,083)
Net (decrease)/increase in cash and cash equivalents		(9,122,559)	7,110,504
Cash and cash equivalents at beginning of the year	7	65,039,966	57,929,462
Cash and cash equivalents at end of the year	7	55,917,407	65,039,966

# Notes to the financial statements

for the year ended 31 March 2009

## 1 General

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

The principal activities of the Authority are to:

- (a) optimise land resources for the social and economic development of Singapore;
- (b) manage all state land and buildings, land acquisitions, leases sales and leases;
- (c) develop, maintain and market national land information;
- (d) issue title to land, register instruments and deeds and approve cadastral surveys; and
- (e) make available land for residential, commercial, educational, institutional, social and other related purposes.

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

The Authority receives reimbursement from MinLaw of between 96.4% and 100% of certain direct expenditure relating to management of state land and buildings.

## 2 Summary of significant accounting policies

### 2.1 Effect in changes in legislation

Pursuant to the Accounting Standards Act 2007 which came into effect on 1 November 2007, statutory boards are required to prepare and present their financial statements in compliance with the accounting standards established by the Accountant-General, known as the Statutory Board Financial Reporting Standards ("SB-FRS"). Hence, these financial statements have been prepared in accordance with SB-FRS. The SB-FRS will have the same effective dates as those previously adopted under Singapore Financial Reporting Standards.

### 2.2 Basis of preparation

The financial statements of the Authority, which are expressed in Singapore dollars, have been prepared on a historical cost basis and in accordance with the provisions of the Act and SB-FRS.

The accounting policies have been consistently applied by the Authority and are consistent with those used in the previous financial year.



# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.3 Significant accounting estimates and judgments

Estimates and assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Authority's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The cost of property, plant and equipment and intangible assets are depreciated and amortised respectively on a straight-line basis over the assets' useful lives. Management estimates the useful lives of these assets to be within 3 to 7 years. These are common life expectancies applied. The carrying amount of the Authority's property, plant and equipment and intangible assets at 31 March 2009 were \$8,621,250 (2007/08 - \$2,568,815) and \$7,558,044 (2007/08 - \$7,928,517) respectively.

Changes in the expected level of usage and technological developments could impact the economic useful lives of these assets, therefore future depreciation charges and amortisation could be revised.

### 2.4 Interpretations and amendments to published standards effective in 2008/2009

On 1 April 2008, the Authority adopted the new or amended SB-FRS and Interpretations of SB-FRS ("INT SB-FRS") that are mandatory for application on their respective dates. Changes to the Authority's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective SB-FRS and INT SB-FRS.

No.	Title	Effective date (annual periods beginning on or after)
SB-FRS 1	Presentation of Financial Statements	1 January 2008
	Amendments relating to capital disclosures	1 January 2008
SB-FRS 14	Segment Reporting	1 January 2008
SB-FRS 17	Leases	1 January 2008
SB-FRS 32	Financial instruments: Disclosure and Presentation	1 January 2008
SB-FRS 33	Earnings per Share	1 January 2008
SB-FRS 39	Financial Instruments: Recognition and Measurement	1 January 2008
	Implementation Guidance	1 January 2008
SB-FRS 101	First-time Adoption of Statutory Board Financial Reporting Standards	1 January 2008
	Implementation Guidance	1 January 2008
SB-FRS 104	Insurance Contracts	1 January 2008
	Implementation Guidance	1 January 2008
SB-FRS 107	Financial Instruments: Disclosures	1 January 2008
INT SB-FRS 29	Disclosure – Service Concession Arrangements	1 January 2008
INT SB-FRS 104	Determining whether an Arrangement contains a Lease	1 January 2008
INT SB-FRS 112	Service Concession Arrangements	1 January 2008
INT SB-FRS 114	SB-FRS 19 – The Limit on a Defined Benefit Asset Minimum Funding Requirement and their Interaction	1 January 2008

# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.4 Interpretations and amendments to published standards effective in 2008/2009 (cont'd)

The adoption of the above SB-FRS and INT SB-FRS did not result in any substantial changes to the Authority's accounting policies nor any significant impact on these financial statements.

SB-FRS 107 introduces new disclosures to improve the information about the financial instruments. It requires the disclosure of qualitative and quantitative information about exposure of risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk. The amendments to SB-FRS 1 require the Authority to make new disclosures to enable users to the financial statements to evaluate the Authority's objective, policies, and process for managing capital.

### 2.5 SB-FRS and INT SB-FRS not yet effective

The Authority has not applied the following SB-FRS and INT SB-FRS that have been issued but not yet effective:

No.	Title	Effective date (annual periods beginning on or after)
SB-FRS 1	Presentation of Financial Statements	1 January 2009
	Amendments to SB-FRS 32 Financial Instruments: Presentation and SB-FRS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
SB-FRS 2	Inventories	1 January 2009
SB-FRS 7	Cash Flow Statements	1 January 2009
SB-FRS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2009
SB-FRS 11	Construction Contracts	1 January 2009
SB-FRS 16	Property, Plant and Equipment	1 January 2009
SB-FRS 19	Employee Benefits	1 January 2009
SB-FRS 23	Borrowing Costs	1 January 2009
SB-FRS 27	Consolidated and Separate Financial Statements	1 January 2009
	Amendments to SB-FRS 101 First-time Adoption of Financial Reporting Standards and SB-FRS 27 Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
SB-FRS 32	Amendments to SB-FRS 32 Financial Instruments: Presentation and SB-FRS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
SB-FRS 33	Earnings Per Share	1 January 2009
SB-FRS 34	Interim Financial Reporting	1 January 2009
SB-FRS 36	Impairment of Assets	1 January 2009
SB-FRS 38	Intangible Assets	1 January 2009
SB-FRS 39	Amendments to SB-FRS 39 Financial Instruments: Recognition and Measurement and SB-FRS 107 Financial Instruments: Disclosures - Reclassification of Financial Assets	1 July 2008
	Amendments to SB-FRS 39 Financial Instruments: Recognition and Measurement and SB-FRS 107 Financial Instruments: Disclosures - Reclassification of Financial Assets – Effective Date and Transition	1 July 2008
	Amendments to SB-FRS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items	1 July 2009



# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.5 SB-FRS and INT SB-FRS not yet effective (cont'd)

No.	Title	Effective date (annual periods beginning on or after)
SB-FRS 101	First-time Adoption of Financial Reporting Standards	1 January 2009
	Implementation Guidance	1 January 2009
	Amendments to SB-FRS 101 First-time Adoption of Financial Reporting Standards and SB-FRS 27 Consolidated and Separate Financial Statements - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
SB-FRS 102	Share-based payment – Amendments relating to vesting conditions and cancellations	1 January 2009
SB-FRS 104	Insurance Contracts – Implementation guidance	1 January 2009
SB-FRS 105	Non-current Assets Held for Sale and Discontinued operations	1 January 2009
SB-FRS 106	Exploration for and Evaluation of Mineral Resources	1 January 2009
SB-FRS 107	Amendments to SB-FRS 39 Financial Instruments: Recognition and Measurement and SB-FRS 107 Financial Instruments: Disclosures - Reclassification of Financial Assets	1 July 2008
	Amendments to SB-FRS 39 Financial Instruments: Recognition and Measurement and SB-FRS 107 Financial Instruments: Disclosures – Reclassification of Financial Assets – Effective Date and Transition	1 July 2008
SB-FRS 108	Operating Segments	1 January 2009
INT SB-FRS 113	Customer Loyalty Programmes	1 July 2008
INT SB-FRS 116	Hedges of a Net Investment in a Foreign Operation	1 October 2008
INT SB-FRS 117	Distributions of Non-cash Assets to Owners	1 July 2009

The Authority expects that the adoption of the above pronouncements will not have a significant impact on the financial statements in the period of initial application.

### 2.6 Income recognition

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

- (a) Income from agency fees is recognised on the accrual basis based on the following:
  - an agreed percentage on land sales and acquisitions, management of rental of state-owned properties and management of state land projects; and
  - a pre-determined rate per hectare from management of vacant state land.
- (b) Service income is recognised when services are rendered. Processing and registration fees are accounted for when transacted.
- (c) Interest income is recognised on accrual basis.

# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.7 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. All items of property, plant and equipment are initially recorded at cost.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost of office renovation works also includes the cost of dismantlement, removal or restoration of the office premise to its original state. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the income and expenditure statement in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of property, plant and equipment.

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

In general, property, plant and equipment costing \$2,000 and below per item, or totalled \$100,000 and below as a group, will be charged to the income and expenditure statement in the month of purchase. Assets costing more than \$2,000 per item, or totalled more than \$100,000 as a group, will be capitalised.

Property, plant and equipment are depreciated using the straight-line method to write off the cost of the assets over their estimated useful lives (based on the stipulated years of useful lives as noted below or lower of their remaining useful lives as at the date of transfer) as follows:

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

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.



# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.8 Intangible assets and amortisation

Intangible assets acquired, which comprise computer software development costs, are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets are amortised on a straight-line basis over their estimated useful lives ranging from 3 to 5 years. The amortisation expense on intangible assets is recognised in the income and expenditure statement through the 'amortisation of intangible assets' line item.

The carrying value of uncompleted software development costs is reviewed for impairment annually when the asset is not yet in use or more frequently when an indication of impairment arises during the reporting year. Upon completion, software development costs are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

### 2.9 Impairment of non-financial assets

The Authority assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Authority makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income and expenditure statement as 'general and administrative expenditure'.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses recognised for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Reversal of an impairment loss is recognised in the income and expenditure statement. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

### 2.10 Financial assets

Financial assets within the scope of SB-FRS 39 are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. Financial assets are recognised on the balance sheet when, and only when, the Authority becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. The Authority determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.10 Financial assets (cont'd)

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

Derivative financial instruments whose fair value is positive are classified as financial assets at fair value through profit or loss.

The Authority does not designate any financial assets as financial assets at fair value through profit or loss.

#### (b) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Authority has the positive intention and ability to hold the assets to maturity. Other long-term investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost using the effective interest method. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount and minus any reduction for impairment or uncollectibility. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts.

For investments carried at amortised cost, gains and losses are recognised in the income and expenditure statement when the investments are derecognised or impaired, as well as through the amortisation process.

The Authority classifies the following financial assets as held-to-maturity investments:

- Bonds
- Credit linked notes
- Variable rate notes

#### (c) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income and expenditure statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Authority classifies the following financial assets as loans and receivables:

- Cash and cash equivalents
- Trade and other receivables

#### (d) Available-for-sale financial assets

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the other categories. After initial recognition, available-for-sale financial assets are measured at fair value with gains or losses being recognised in the fair value adjustment reserve until the investment is derecognised or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income and expenditure statement.

The Authority does not designate any financial assets as available-for-sale.



# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks, and short-term bank deposits either placed directly by the Authority or by the Accountant-General's Department that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

### 2.12 Impairment of financial assets

The Authority assesses at each balance sheet date whether there is any objective evidence that any financial asset or a group of financial assets is impaired.

#### (a) Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised in the income and expenditure statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income and expenditure statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

#### (b) Assets carried at cost

If there is objective evidence that an impairment loss on a financial asset carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The amount of the loss is recognised in the income and expenditure statement. Such impairment losses are not reversed in subsequent periods.

#### (c) Available-for-sale financial assets

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income and expenditure statement, is transferred from equity to the income and expenditure statement. Reversals in respect of equity instruments classified as available-for-sale are not recognised in the income and expenditure statement. Reversals of impairment losses on debt instruments are reversed through the income and expenditure statement, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in the income and expenditure statement.

### 2.13 Derecognition of financial assets

A financial asset is derecognised where the contractual rights to receive cash flows from the asset have expired.

On derecognition of a financial asset, the difference between the carrying amount and the sum of (a) the consideration received and (b) any cumulative gain or loss that has been recognised directly in equity is recognised in the income and expenditure statement.

# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.14 Financial liabilities

Financial liabilities include trade payables, other payables and accruals, which are normally settled on 30 day terms, and loan payable and payables to related parties. Financial liabilities are recognised on the balance sheet when, and only when, the Authority becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the income and expenditure statement 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.

### 2.15 Provisions

Provisions are recognised when the Authority has a present obligation (legal or constructive) where as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### 2.16 Employee benefits

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

- Contributions to Central Provident Fund ("CPF")

The Authority makes contributions to the CPF scheme in Singapore, a defined contribution pension scheme. Contributions to CPF schemes are recognised as an expense in the period in which the related service is performed.

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

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

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

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

The Authority's net obligation in respect of defined pension plans under the CSPF scheme is calculated separately for each defined benefit plan by estimating the present value of the amount for future benefit that employees have earned in return for their service in the current and prior periods. The discount rate of 3.0% per annum has been used by reference to 5-year Singapore Government Bond. The calculation is performed taking into account factors such as mortality rates, retirement and withdrawal patterns, as well as wage escalations. As these assumptions may not be satisfied exactly as the fund progresses, a review is conducted once every three years.

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



# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.16 Employee benefits (cont'd)

#### (b) Employee leave entitlement

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

#### (c) Termination compensation

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

### 2.17 Functional and presentation currency

Items included in the financial statements of the Authority are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Authority ("the functional currency"). The financial statements of the Authority are presented in Singapore dollar, which is also the functional currency of the Authority.

### 2.18 Foreign currency transactions

Transactions in foreign currencies are measured in Singapore dollar and recorded at exchange rates approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities are measured using the exchange rates ruling at balance sheet date. Non-monetary assets and liabilities are measured using exchange rates ruling at the transaction dates or, in the case of items carried at fair value, the exchange rates that existed when the fair values were determined. All resultant exchange differences are recognised in the income and expenditure statement except for available-for-sale financial assets, where the resultant exchange differences are recognised in fair value reserve within equity.

### 2.19 Leases

#### Finance leases

Finance leases, which effectively transfer to the Authority substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. Finance charges are charged directly to the income and expenditure statement.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

#### Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the income and expenditure statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

# Notes to the financial statements

for the year ended 31 March 2009

## 2 Summary of significant accounting policies (cont'd)

### 2.20 Related parties

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. Related parties may be individuals or corporate entities.

### 2.21 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recorded as an operating grant and recognised in the income and expenditure statement over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred capital grant account and classified as liability. The amount is released to the income and expenditure statement over the expected useful life of the relevant asset.

### 2.22 Borrowing costs

Borrowing costs are generally expensed as incurred. Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are being incurred. Borrowing costs are capitalised until the assets are ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

## 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. Fresh funds needed for capital projects can be provided by the Government in the form of equity injections. In return for the equity, an annual dividend is payable. The dividends would be based on the cost of equity applied to the equity base, taking into account the investments the Authority had made to build additional capacity, and be capped at the Authority's annual accounting surplus.

### Capital management

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

The Authority is not subject to externally imposed capital requirements.



# Notes to the financial statements

for the year ended 31 March 2009

## 4 Property, plant and equipment

	Furniture and fittings, office equipment and office renovation \$	IT equipment \$	Motor vehicles \$	Plant and machinery \$	Assets- under- construction \$	Total \$
<b>Cost</b>						
At 1 April 2007	4,282,408	10,503,568	450,758	764,227	107,119	16,108,080
Additions	215,911	387,434	-	-	572,007	1,175,352
Disposals	(2,937,578)	(2,663,433)	-	-	-	(5,601,011)
Reclassification	-	658,149	-	-	(566,249)	91,900
At 31 March 2008	1,560,741	8,885,718	450,758	764,227	112,877	11,774,321
Additions	7,398,202	54,102	-	8,220	330,222	7,790,746
Disposals	(1,153,722)	(1,272,740)	-	(273,362)	-	(2,699,824)
Reclassification	(558,500)	-	-	558,500	-	-
<b>At 31 March 2009</b>	<b>7,246,721</b>	<b>7,667,080</b>	<b>450,758</b>	<b>1,057,585</b>	<b>443,099</b>	<b>16,865,243</b>
<b>Accumulated depreciation</b>						
At 1 April 2007	3,641,500	8,561,638	355,435	688,238	-	13,246,811
Depreciation for the year	538,062	859,911	63,456	19,997	-	1,481,426
Disposals	(2,859,298)	(2,663,433)	-	-	-	(5,522,731)
At 31 March 2008	1,320,264	6,758,116	418,891	708,235	-	9,205,506
Depreciation for the year	660,366	860,484	16,393	48,558	-	1,585,801
Disposals	(1,083,863)	(1,206,014)	-	(257,437)	-	(2,547,314)
<b>At 31 March 2009</b>	<b>896,767</b>	<b>6,412,586</b>	<b>435,284</b>	<b>499,356</b>	<b>-</b>	<b>8,243,993</b>
<b>Net book value</b>						
<b>At 31 March 2009</b>	<b>6,349,954</b>	<b>1,254,494</b>	<b>15,474</b>	<b>558,229</b>	<b>443,099</b>	<b>8,621,250</b>
At 31 March 2008	240,477	2,127,602	31,867	55,992	112,877	2,568,815

The net book value of motor vehicle held under finance lease at the end of the year was \$15,474 (2007/08 - \$29,758).

# Notes to the financial statements

for the year ended 31 March 2009

## 5 Intangible assets

	Software and application systems \$	Assets under construction \$	Total \$
<b>Cost</b>			
At 1 April 2007	21,288,538	353,928	21,642,466
Additions	801,196	2,037,307	2,838,503
Reclassification	348,293	(440,193)	(91,900)
At 31 March 2008	22,438,027	1,951,042	24,389,069
Additions	453,480	1,498,181	1,951,661
Reclassification	925,411	(925,411)	-
<b>At 31 March 2009</b>	<b>23,816,918</b>	<b>2,523,812</b>	<b>26,340,730</b>

### Accumulated amortisation

At 1 April 2007	14,038,252	-	14,038,252
Charge for the year	2,422,300	-	2,422,300
At 31 March 2008	16,460,552	-	16,460,552
Charge for the year	2,322,134	-	2,322,134
<b>At 31 March 2009</b>	<b>18,782,686</b>	<b>-</b>	<b>18,782,686</b>

### Net book value

<b>At 31 March 2009</b>	<b>5,034,232</b>	<b>2,523,812</b>	<b>7,558,044</b>
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At 31 March 2008	5,977,475	1,951,042	7,928,517
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Average remaining amortisation period is 1 year (2007/08 - 1 $\frac{1}{3}$  years).

## 6 Investments

	2008/09 \$	2007/08 \$
<u>Cost of investments:</u>		
Bonds	26,335,780	25,705,154
Credit linked notes	7,500,000	-
Variable rate notes	-	9,000,000
	<b>33,835,780</b>	<b>34,705,154</b>

### Effective yields:

Bonds	2.79%	3.52%
Credit linked notes	3.70%	-
Variable rate notes	-	2.78%

As at 31 March 2009, the bonds held are issued by statutory boards and corporations whilst the credit linked notes are referenced to a Singapore corporate entity. The bonds, credit linked and variable rate notes are classified as held-to-maturity investments under SB-FRS 39. The accounting policies of these financial assets are stated in Note 2.10.



# Notes to the financial statements

for the year ended 31 March 2009

## 7 Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following:

	2008/09 \$	2007/08 \$
Fixed deposits	35,044,667	63,800,512
Deposits placed with Accountant-General's Department	20,009,858	-
Cash and bank balances	862,882	1,239,454
	<b>55,917,407</b>	<b>65,039,966</b>

Cash at banks earns interest at floating rates based on bank deposit rates. Fixed deposits placed by the Authority and deposits placed with Accountant-General's Department earn interest at respective short-term deposit rates, ranging from 0.09% to 1.83% (2007/08 - 0.81% to 2.65%) per annum.

## 8 Other payables and accruals

	2008/09 \$	2007/08 \$
Accruals:		
Employees' benefits	1,478,957	1,669,481
Operating expenses	3,151,762	2,493,797
Agents' expenses	255,835	1,164,081
	<b>4,886,554</b>	<b>5,327,359</b>
Deposits payable	<b>3,451,549</b>	<b>5,860,509</b>
	<b>8,338,103</b>	<b>11,187,868</b>
Due not later than one year	<b>5,655,531</b>	<b>8,618,296</b>
Due later than one year and not later than five years	<b>2,673,572</b>	<b>2,569,572</b>
Due later than five years	<b>9,000</b>	<b>-</b>
	<b>8,338,103</b>	<b>11,187,868</b>

## 9 Provisions

	2008/09 \$	2007/08 \$
Provisions:		
Employees' benefits	2,799,102	3,831,000
Operating expenses	830,976	1,340,370
	<b>3,630,078</b>	<b>5,171,370</b>

Provision for employees' benefits comprises employees' remuneration and unconsumed leave. Included in the provision for operating expenses are office reinstatement cost, board members' allowances and auditors' remuneration.

The movements in the provisions are as follows:

	Employees' benefits \$	Operating expenses \$
Balance at 1 April 2008	3,831,000	1,340,370
Provision for the year	1,576,744	830,976
Utilisation during the year	(2,608,642)	(558,212)
Reversed during the year	-	(782,158)
Balance at 31 March 2009	<b>2,799,102</b>	<b>830,976</b>

# Notes to the financial statements

for the year ended 31 March 2009

## 10 Retention payable

This relates to retention monies held for computerisation projects which had been commissioned. These monies will only be paid after the relevant warranty period has expired.

	2008/09 \$	2007/08 \$
Balance at beginning of the year	89,301	547,170
Additions for the year	94,529	36,850
Payments during the year	(102,514)	(494,719)
Balance at end of the year	81,316	89,301
Due not later than one year	81,316	74,561
Due later than one year and not later than five years	-	14,740
	81,316	89,301

## 11 Finance lease payable

Future minimum lease payments under finance lease together with the present value of the net minimum lease payments are as follows:

	Total minimum lease payments 2008/09 \$	Present value of payments 2008/09 \$	Total minimum lease payments 2007/08 \$	Present value of payments 2007/08 \$
Due not later than one year	11,616	10,006	11,616	10,006
Due later than one year and not later than five years	1,883	1,615	13,500	11,622
Total minimum lease payments	13,499	11,621	25,116	21,628
Less: Finance charges	(1,878)	-	(3,488)	-
Present value of minimum lease payments	11,621	11,621	21,628	21,628

The remaining lease term is 1 year (2007/08 - 2 years) and bears interest at 2.3% (2007/08 - 2.3%) per annum. There is no exposure to interest risk because the interest rate is fixed at the contract date. The lease is on a fixed repayment basis, denominated in Singapore dollars and secured by the lessor's charge over the leased assets.

## 12 Loan payable to MOF

	2008/09 \$	2007/08 \$
Balance at beginning of the year	429,221	1,001,516
Instalment payments during the year	(429,221)	(572,295)
Balance at end of the year	-	429,221
Due not later than one year	-	429,221

On 17 December 2003, the Ministry of Finance ("MOF") granted the Authority a loan facility of \$2,861,473 to finance the purchase of operating assets and computerisation projects that were transferred from MinLaw as at 1 June 2001. The loan is unsecured, bears interest at 3.8% (2007/08 - 3.8%) per annum and repayable over five years from the date of the first drawdown of the loan on 24 December 2003. The final instalment payment was made on 20 December 2008.



# Notes to the financial statements

for the year ended 31 March 2009

## 13 Provision for Assurance Fund

	2008/09 \$	2007/08 \$
Balance at beginning of the year	19,783,569	17,823,614
Provision for the year	1,323,089	1,959,955
Balance at end of the year	21,106,658	19,783,569

The Assurance Fund was established in accordance with Section 151(1) of the Singapore Land Titles Act (Cap 157). The amount in this fund can only be utilised in accordance with the above Act.

## 14 Government Grants

### 14.1 Operating grants

	2008/09 \$	2007/08 \$
Grants received during the year	99,969	120,073
Transferred to income and expenditure statement	(99,969)	(120,073)
Balance at end of the year	-	-

### 14.2 Deferred capital grants

	2008/09 \$	2007/08 \$
Balance at beginning of the year	-	-
Grants received during the year	264,114	-
Amortisation during the year	-	-
Balance at end of the year	264,114	-
Due not later than one year	26,411	-
Due later than one year and not later than five years	237,703	-
	264,114	-

## 15 Provision for pension

	2008/09 \$	2007/08 \$
Balance at beginning of the year	1,976,000	1,637,848
Provision for the year	309,000	342,563
Utilisation during the year	(225,624)	(4,411)
Balance at end of the year	2,059,376	1,976,000
Due not later than one year	114,364	225,624
Due later than one year and not later than five years	1,945,012	1,750,376
	2,059,376	1,976,000

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

- All pensioners under the CSPF scheme will retire at the exact age of 62; and
- The discount rate of the pension fund is 3% per annum and the expected rate of salary increase is 3% per annum.

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

# Notes to the financial statements

for the year ended 31 March 2009

## 16 Expenditure on manpower

	2008/09	2007/08
	\$	\$
Salaries and wages	29,997,656	33,052,215
CPF contributions	3,420,711	3,698,258
CSPF contributions	309,000	342,563
Staff development and scholarship expenditure	1,042,275	1,458,104
Other staff related expenditure	692,641	684,249
	<b>35,462,283</b>	<b>39,235,389</b>

## 17 General and administrative expenditure

Included in general and administrative expenditure were:

	2008/09	2007/08
	\$	\$
Auditors' remuneration	49,000	48,000
Board members' allowances	112,505	110,624
Business functions expenditure	11,636	11,055
Loss on disposal of property, plant and equipment	129,466	69,045
Write-back of overprovision in office reinstatement cost	(782,158)	-
Rental of office, equipment and car-parking	13,592,368	5,318,938
Transport and travelling expenditure	285,206	312,378

## 18 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 18% for the year of assessment 2009 (2007/08 - 18%). No special contribution to the Fund was made in FY 2008/09 (2007/08 - \$10,000,000).

## 19 Commitments

### (a) Capital commitments

Estimated amounts committed for future capital expenditure but not provided for in the financial statements are as follows:

	2008/09	2007/08
	\$	\$
Amount approved and contracted for	13,943,282	4,711,836
Amount approved but not contracted for	5,259,572	14,030,913
	<b>19,202,854</b>	<b>18,742,749</b>

### (b) Operating lease commitments

Future minimum rentals under non-cancellable leases as at 31 March are as follows:

	2008/09	2007/08
	\$	\$
Due not later than one year	8,687,988	9,050,958
Due later than one year and not later than five years	13,797,559	2,843,044
	<b>22,485,547</b>	<b>11,894,002</b>



# Notes to the financial statements

for the year ended 31 March 2009

## 19 Commitments (cont'd)

### (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 \$382,463 (2007/08 - \$238,741).

### (d) Contingent liability

Prior to FY 2007/08, the Authority had approved an assignment of a leasehold interest based on State lease issued by the Government. This however, being private land, the reversionary owner is seeking to recover from the Authority \$140,000 being the loss of an assignment fee which it claims it was entitled to impose on the original lessee as a condition for approving the assignment. The basis of the claim of the reversionary owner is pending further investigation.

## 20 Related party transactions

### (a) Compensation of key management personnel was:

	2008/09	2007/08
	\$	\$
Short-term employment benefits	3,667,596	3,207,694
Post employment benefits	26,832	26,544
	<b>3,694,428</b>	<b>3,234,238</b>

### (b) The Minister for Finance, the body incorporated by the Minister for Finance (Incorporation) Act holds 100% of the Authority's shares. The Authority's significant transactions with the Ministry of Finance and its parent Ministry, Ministry of Law relates to the management and maintenance of state land and buildings. About 67% of the Authority's income relates to the provision of such services (2007/08 - 61%).

## 21 Amounts held in trust

Amounts held in trust and managed by the agents on behalf of the Authority comprise cash and deposit balances with financial institutions.

These amounts are accrued to the Government and have been excluded from the Authority's financial statements.

	2008/09	2007/08
	\$	\$
Cash and cash equivalents held by agents	<b>8,840,331</b>	<b>10,542,683</b>

## 22 Financial risk management objectives and policies

The Authority is exposed to market risk, including primarily changes in interest rates. The risk management objective is to focus on minimising interest rate risk, liquidity risk and credit risk which are summarised below:

### 22.1 Interest rate risk

Surplus funds of the Authority are placed in deposits with financial institutions, Accountant-General's Department and invested in fixed income securities such as bonds and credit linked notes.

The Authority is not exposed to any cash flows risk as it does not have any monetary financial instruments with variable interest rates.

# Notes to the financial statements

for the year ended 31 March 2009

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

### 22.2 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. It ensures that it has sufficient cash to meet expected operational expenses for a period of 90 days.

The table below analyses the maturity profile of the Authority's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year \$	Between 2 and 5 years \$	Over 5 years \$	Total \$
<b>At 31 March 2009</b>				
Trade payables	5,639,259	-	-	5,639,259
Other payables and accruals	5,655,531	2,673,572	9,000	8,338,103
Retention payable	81,316	-	-	81,316
Finance lease payable	10,006	1,615	-	11,621
Loan payable to MOF	-	-	-	-
	11,386,112	2,675,187	9,000	14,070,299
<b>At 31 March 2008</b>				
Trade payables	19,406,862	-	-	19,406,862
Other payables and accruals	8,616,296	2,569,572	-	11,185,868
Retention payable	74,561	14,740	-	89,301
Finance lease payable	10,006	11,622	-	21,628
Loan payable to MOF	429,221	-	-	429,221
	28,536,946	2,595,934	-	31,132,880

### 22.3 Credit risk

The Authority's credit risk is primarily attributable to its cash and cash equivalents, trade receivables and other receivables. The Authority places its cash and cash equivalents with credit-worthy financial institutions.

The credit risk with respect to receivables is low as the Authority deals with credit-worthy organisations such as Government ministries and other statutory boards. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is not significant.

The Authority has significant transactions and balances with the Government ministries.

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

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

	2008/09 \$	2007/08 \$
Not due	10,415,501	15,994,318
Past due but not impaired	379,036	11,711,349
	10,794,537	27,705,667

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

Past due 0 to 1 month	317,185	7,211,602
Past due 1 to 3 months	61,851	4,498,630
Past due 3 to 6 months	-	1,117
	379,036	11,711,349



# Notes to the financial statements

for the year ended 31 March 2009

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

### 22.4 Fair values

The carrying amounts of financial assets and liabilities approximate their fair values due to their short-term nature.

The loan payable to MOF and the investments are carried at amortised cost in the balance sheet. Their fair values are disclosed in the following table:

	Carrying amount		Fair value	
	2008/09	2007/08	2008/09	2007/08
	\$	\$	\$	\$
Loan payable to MOF	-	429,221	-	413,798
Bonds	26,335,780	25,705,154	25,496,936	25,686,359
Credit linked notes	7,500,000	-	7,266,000	-
Variable rate notes	-	9,000,000	-	9,000,000

The fair values of the bonds and variable rate notes are estimated with reference to the market values whereas the fair value of the loan payable to MOF is estimated using the discounted cash flow analysis based on prime rate of borrowings in the market.

## 23 Comparatives

Certain comparative figures have been reclassified to conform to current year's presentation.

	Balance as restated 2007/08	Balance as previously reported 2007/08
	\$	\$
<b>Balance Sheet</b>		
Other receivables	1,907,568	2,440,456
Prepayments	532,888	-
Other payables and accruals	11,187,868	16,359,238
Provisions	5,171,370	-

### Notes to financial statements

Accruals:		
Employees' benefits	1,669,481	2,608,642
Operating expenses	2,493,797	6,726,006
Provisions:		
Employees' benefits	3,831,000	-
Operating expenses	1,340,370	-

## 24 Authorisation of financial statements

The financial statements for the financial year ended 31 March 2009 were authorised for issue by the Directors of the Authority on 25 June 2009.

55 Newton Road  
#12-01, Revenue House  
Singapore 307987  
Main: (65) 6323 9829  
Fax: (65) 6323 9937  
[www.sla.gov.sg](http://www.sla.gov.sg)