



ANNUAL REPORT 2008 / 2009

WHO WE ARE

The Urban Redevelopment Authority (URA) is Singapore's national land use planning and conservation agency. URA's mission is "to make Singapore a great city to live, work and play in". We strive to create a vibrant and sustainable city of distinction by planning and facilitating Singapore's physical development in partnership with the community.

The URA has successfully transformed Singapore into one of the most liveable cities in Asia through judicious land use planning and good urban design. URA adopts a long term and comprehensive planning approach in formulating strategic plans such as the Concept Plan and the Master Plan, to guide the physical development of Singapore in a sustainable manner. Its plans and policies focus on achieving a balance between economic growth and a quality living environment. As the conservation authority, URA has an internationally recognised conservation programme, having successfully conserved not only single buildings, but entire districts.

To turn its plans and visions into reality, URA takes on a multifaceted role. In addition to its planning function, URA is also the main government land sales agent. Through sale of state land, it attracts and channels private capital investment to develop sites to meet our land use needs. URA is also the development agency for Marina Bay, the new city extension. To create an exciting cityscape, URA also actively promotes architecture and urban design excellence.

THE URA SPIRIT

Service . Passion . Integrity . Respect . Innovation . Teamwork

URA has a strong culture of achieving work excellence. This culture is anchored on the URA SPIRIT – core values which define what we believe in. They guide our daily interactions in the office and with our service partners and customers.

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The increasing global obsession with weight loss has caused us to do some self-reflection and thereafter, embark on a responsible weight loss programme. Unlike previous issues of the URA Annual Report, we will adopt a LEAN, BALANCED and EASY TO FOLLOW format which we hope still carries plenty of WEIGHT. After all, we let our results speak for themselves.



CHAIRMAN'S MESSAGE

The last year has been an exciting period of transformation and memorable moments for the URA. Together with our partners, we set about transforming aspiration into reality, making significant headway on many fronts.

Shaping the horizon

After considerable consultation with our service partners and members of the public, we finalised and published the Master Plan 2008. Initiatives presented in the Master Plan will enable Singaporeans to look forward to more green spaces, wider leisure choices, exciting lifestyle destinations and new growth areas such as the Jurong Lake District, Paya Lebar Central and Kallang Riverside.

New growth areas such as the Jurong Lake District will be given a complete makeover, turning it into a unique lakeside destination for business and leisure over the next 10 to 15 years. It will comprise two complementary precincts - Jurong Gateway and Lakeside. The Jurong Gateway will be one of the biggest commercial hubs outside the city centre and Lakeside will be a hub of family-friendly leisure attractions.

We have seen the new city skyline taking shape with the addition of the Singapore Flyer, the Marina Barrage and The Sail at Marina Bay. The urban transformation at Marina Bay continues with the development of the Marina Bay Sands Integrated Resort, Marina Bay Financial Centre, the waterfront promenade and the double helix bridge, all to be completed in phases from early 2010.

Identity and heritage will continue to be a key focus in making Singapore our home to cherish. Our neighbourhood precincts hold much charm, memories and affection for us. They are often repositories of fond childhood memories and even reminders of social and historical events. I am proud to report that another 100 buildings in the Katong and Joo Chiat area have been identified for conservation to enhance the history and character of the place. These will add to the current list of 6900 conserved buildings in Singapore.

In 2008, URA was conferred the Singapore Quality Award, an apt recognition of its organisational excellence. All our staff are extremely proud of this achievement.

The next leg

The future of Singapore's physical landscape will continue to evolve under URA's 2011 Concept Plan review. The review will not only guide Singapore's physical transformation in the coming years, but will hopefully create new jobs and opportunities for many.

Concept Plan 2011 will be a major review of Singapore's long-term land use plans and strategies to cater to the changing needs of a growing economy and population in a sustainable manner. In this respect, URA will conduct a major lifestyle study to assess the needs and aspirations of the people, as well as a public consultation exercise.

URA will place greater emphasis on place making and management, which is essentially a co-ordinated approach to create places that are economically and socially vibrant. It involves working with stakeholders to ensure that physical developments are complemented with software rejuvenation. URA will work closely with stakeholders to further enliven places like the Singapore River and the conservation areas.

URA has reached out to the public with a series of My Endearing Home roving exhibitions to the heartlands. The exhibitions showcase the exciting plans we have for Singapore such as the Jurong Lake District and Paya Lebar Central. It also served as a timely reminder, the many places in Singapore which we can cherish and which make Singapore an endearing home.

On the international front, beyond completion of the master plan for the Sino-Singapore Tianjin Eco-city project, URA together with MND will implement the inaugural Lee Kuan Yew World City Prize to promote and recognise good international practices in urban planning and management.

A big thank you to our partners and stakeholders who have supported and worked closely with us to make this city a home. I wish to take this opportunity to express my appreciation to Mr Chong Lit Cheong, Mr Inderjit Singh, BG (NS) Bernard Tan and Mr Tham Kai Meng, who stepped down from the Board in March 2009, for their contributions and valued counsel. In turn, I would like to welcome Mr Anthony Kang, Mr Liang Eng Hwa, Mr Tan Chee Meng and Mr Lionel Yeo, who joined the Board in April 2009.

While our responsibilities have grown, our priorities have not changed. More than ever, URA remains committed to building an Endearing Home that Singaporeans will treasure, even as we develop a Distinctive Global City that Singaporeans can be proud of.

A handwritten signature in black ink, appearing to read 'Alan Chan'.

Chan Heng Loon, Alan
Chairman



OUR BOARD MEMBERS

A Mr Chan Heng Loon, Alan (CHAIRMAN)
(from 1 December 2005, appointed Chairman since 1 April 2006)

- Chief Executive Officer, Singapore Press Holdings
- Chairman, SPH Magazines Pte Ltd
- Chairman, SP PowerAssets Ltd
- Board Member, Singapore Power Ltd
- Board Member, MediaCorp Press Ltd and MediaCorp TV Holdings Pte Ltd
- Board Member, Casino Regulatory Authority of Singapore
- Chairman, PowerGas Ltd

B Mr Chan Sui Him
(from 1 April 2006)

- President, Board of Architects
- Chairman, DP Architects Pte Ltd
- Board Member, DSLSG Investment Co Pte Ltd

C Mrs Cheong Koon Hean
(from 1 April 2004)

- Chief Executive Officer, Urban Redevelopment Authority
- Deputy Secretary (Special Duties), Ministry of National Development
- Board Member, National Heritage Board
- Board Member, JTC Corporation
- Board Member, Jurong Port Pte Ltd
- Board Trustee, Urban Land Institute

D Prof Heng Chye Kiang
(from 1 April 2003)

- Dean, School of Design and Environment, National University of Singapore
- Board Member, Centre for Liveable Cities

E Mr Anthony Kang
(from 1 April 2009)

- President, Dentsu Singapore Pte Ltd
- President, Association of Accredited Advertising Agents, Singapore
- Member, Industry Development Panel, Design Singapore Council
- Council Member, Advertising Standard Authority of Singapore
- Board Member, Audit Bureau of Circulation Singapore
- Member, Advisory Committee, Wee Kim Wee School of Communication & Information, Nanyang Technological University
- Member, Industry Panel (Media & Creative Cluster), Workforce Development Agency
- Honorary Secretary, Confederation of Asian Advertising Agencies Association

F Mr Liang Eng Hwa
(from 1 April 2009)

- Managing Director, Treasury & Markets, DBS Bank Ltd
- Member of Parliament, Holland-Bukit Timah Group Representation Constituency
- Vice Chairman, Holland-Bukit Panjang Town Council

G Mr Mok Wei Wei
(from 1 April 2006)

- Managing Director, W Architects Pte Ltd
- Board Member, Preservation of Monuments Board
- Council Member, Chinese Heritage Centre

H Mr Ong Chong Tee
(from 1 April 2006)

- Deputy Managing Director (Research, Monetary Policy & Investments, Development & External Relations), Monetary Authority of Singapore
- Chairman, Investment Committee, Central Provident Fund Board (to June 2009)
- Board Member, Singapore Land Authority (to July 2009)
- Council Member, Institute of Banking and Finance
- Member, Savers Fund Trustee Board, Ministry of Defence
- Member, INVEST Board of Trustees, Ministry of Home Affairs

I Mr Tan Chee Meng
(from 1 April 2009)

- Senior Counsel, WongPartnership LLP
- Board Member, Singapore Power Ltd
- Board Member, SP PowerAssets Ltd
- Board Member, PowerGas Ltd
- Board Member, National Council of Social Service

J Dr Teh Kok Peng
(from 1 April 2004)

- President, GIC Special Investments Pte Ltd
- Board Member, China International Capital Corporation
- Member, Governing Board, Lee Kuan Yew School of Public Policy
- Member, Board of Governors, Institute of Policy Studies

K Mr Lionel Yeo Hung Tong
(from 1 April 2009)

- CEO & Dean, Civil Service College
- Deputy Secretary (Development), Public Service Division, Prime Minister's Office
- Board Member, Jurong Port Pte Ltd

ADVISORY COMMITTEES

(As at 1 August 2009)

INTERNATIONAL PANEL OF ARCHITECTS & URBAN PLANNERS

This panel advises on international best practices and trends in planning and urban design, and development strategies of cities around the world. It also provides feedback on planning and urban design issues identified by URA, as well as identifies ways to encourage and promote innovative architecture and urban design in Singapore.

Chairman

Mr Chan Heng Loon, Alan
Chairman, Urban Redevelopment Authority

Members

Mr Aaron Betsky
Director, Cincinnati Art Museum, USA

Prof Joan Busquets, Arch
Professor, Harvard Graduate School of Design, USA

Mr Bob Deacon
General Manager, Darling Harbour, Australia

Prof Sir Peter Hall
Professor of Planning, University College London, UK

Prof Fumihiko Maki
Principal, Maki & Associates Architects, Japan

Ms Marilyn Taylor
Urban Design Partner, Skidmore, Owings & Merrill, USA

CONSERVATION ADVISORY PANEL

This panel gives inputs on built heritage proposals put up by URA, as well as proposes buildings for URA to study for possible conservation. It also promotes greater public education and understanding of our gazetted built heritage.

Chairman

Dr James Khoo
Senior Consultant, Neurological Surgery Pte Ltd

Members

Dr Zoe Boon Suan Loy
Principal, Anglican High School

Ms Claire Chiang
Managing Director, Banyan Tree Gallery
Singapore Pte Ltd

Mr Richard Eu Yee Ming
Group CEO, Eu Yan Sang International Ltd

Ms Goh Sin Hwee
Assoc Local News Editor, Lianhe Zaobao

Mr Michael Koh
Chief Executive Officer, National Heritage Board

Mrs Koh-Lim Wen Gin
Former Chief Planner (Retired)

Prof Lily Kong Lee Lee
Vice-President (University & Global Relations) & Director,
Asia Research Institute, National University of Singapore

Mr Ler Seng Ann (from 1 Jan 2009)
Group Director (Conservation & Development Services),
Conservation & Urban Design Group,
Urban Redevelopment Authority

Ms Sabrina Long
Head of Department, 3D Design,
Nanyang Academy of Fine Arts

Mr Mohamed Muzammil bin Mohamed
Lawyer & Vice-Chairman, Bedok Community Centre
Management Committee

Mr Ng Chee Seng
Member, Management Committee,
Real Estate Developers' Association of Singapore

Mr Robin Ng Kian Tiong
Immediate Past President, Citycab Operators' Association

Mr Tai Lee Siang
Immediate Past President, Singapore Institute of Architects

Dr Easaw Thomas
Former Senior Consultant (Anaesthesia) (Retired)

Ms Wo Mei Lan
Director, Liu & Wo Architects Pte Ltd

DESIGN GUIDELINES WAIVER COMMITTEE

This committee considers and advises URA on whether appeals for waivers from URA's urban design guidelines and standard development control requirements can be supported. It considers how the buildings will enhance our urban landscape and skyline in waiving some of these guidelines for innovative and quality building designs.

Chairman

Mr Mok Wei Wei
Managing Director, W Architects Pte Ltd

Members

Mr Ashvinkumar s/o Kantilal (from 1 Jul 2009)
President, Singapore Institute of Architects

Mdm Fun Siew Leng
Group Director (Urban Planning & Design),
Conservation & Urban Design Group,
Urban Redevelopment Authority

Mr Look Boon Gee
Principal, Looks Architects Pte Ltd

Mr Tan Shao Yen (from 1 Jul 2009)
Senior Vice President (Building), CPG Consultants Pte Ltd

Ms Yap Mong Lin
Principal, Yap Architects

DESIGN ADVISORY COMMITTEE

This committee reviews and provides feedback on URA's urban design and waterbodies design guidelines; advises on local best practices and industry trends for urban design, building and architecture; and identifies ways to encourage and promote innovative architecture and urban design.

Chairman

Mr Chan Sui Him (from 1 Jul 2009)
Chairman, DP Architects Pte Ltd

Members

Mr Chan Soo Khian
Founding Principal, SCDA Architects Pte Ltd

Mr Anthony Chia
Deputy General Manager, Design & Projects,
City Developments Ltd

Mr Chng Chee Beow
Executive Director, Wing Tai Land Pte Ltd

Mdm Fun Siew Leng,
Group Director (Urban Planning & Design),
Conservation and Urban Design Group,
Urban Redevelopment Authority

Mr Donald Han (from 1 Jul 2009)
Regional Managing Director,
Cushman & Wakefield Singapore Pte Ltd

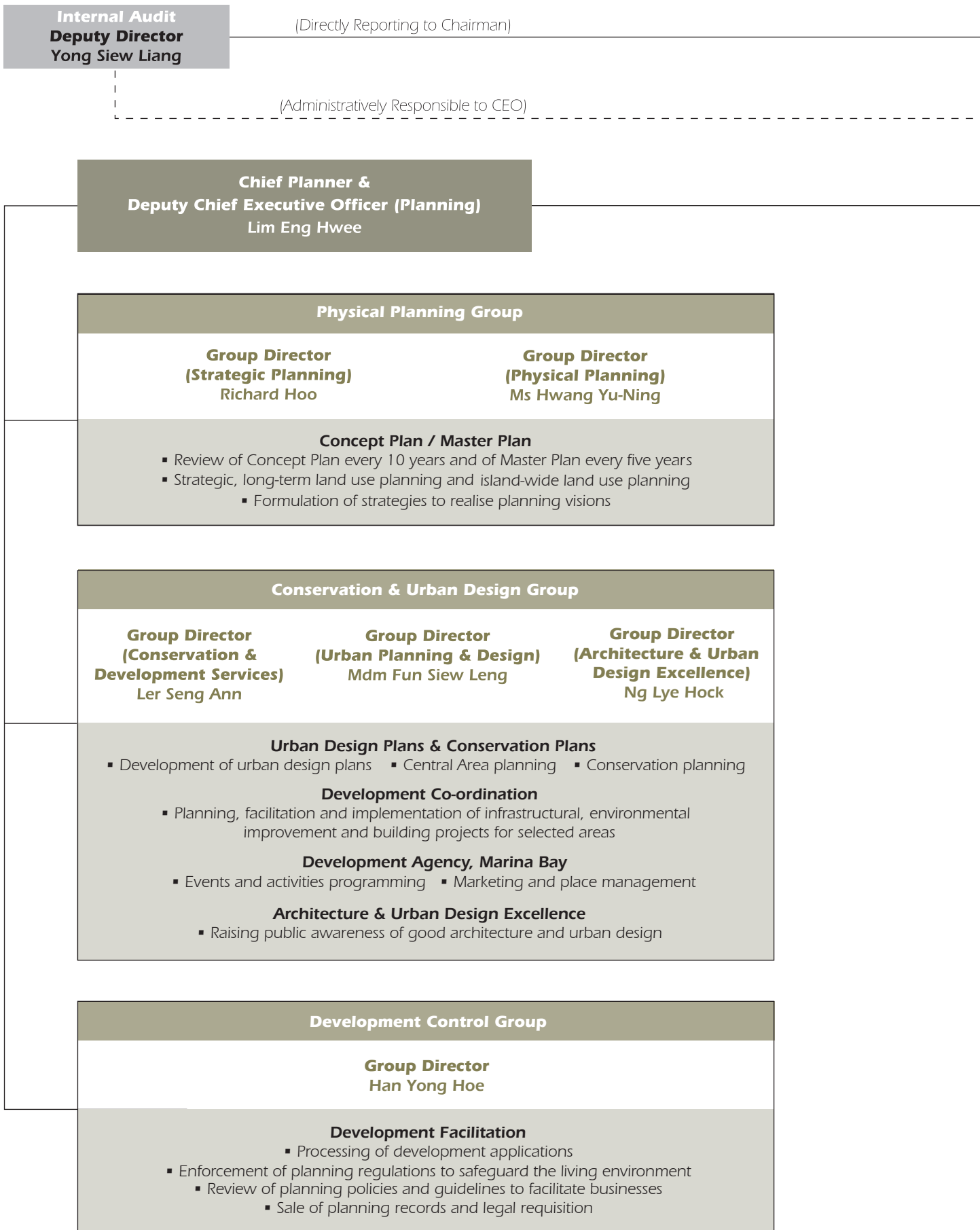
Mr Richard Hassell (from 1 Jul 2009)
Director, WOHA Designs Pte Ltd

Mr Liam Wee Sin
Chief Operating Officer, UOL Group Ltd

Mr Mok Wei Wei (from 1 Jul 2009)
Managing Director, W Architects Pte Ltd

Mr Benson Puah
Chief Executive Officer, The Esplanade Co Ltd

ORGANISATION STRUCTURE



AUTHORITY

Chairman
Chan Heng Loon, Alan

Chief Executive Officer
Mrs Cheong Koon Hean

Deputy Chief Executive Officer
(URA Consulting & Corporate Development)
Tan Siong Leng

Land Sales & Administration Group

Senior Group Director
Choy Chan Pong

Group Director
Marc Boey

Sale of Sites

- Planning of Government Land Sales Programme
- Sale of State land, as agent for the Government

Real Estate Information

- Property market research and information

Controller of Housing

- Issue housing developer's licence
- Review rules on developers in the sale of uncompleted properties

Car Parks Management

- Provision and management of public parking facilities

URA Consulting Group

Group Director
Wong Kai Yeng

Provide Land Use Planning Consultancy

- Support bilateral projects and collaborate with companies on planning projects beyond Singapore
- Conduct professional training to share Singapore's experience in urban management and integrated planning

Corporate Development Group

Group Director & Board Secretary
Lee Kwong Weng

Organisational Development

- Ensure URA remains relevant
- Develop URA into an excellent organisation through innovative and efficient management of people, finances, processes and information
- Provision of Board and management secretarial support

CORPORATE GOVERNANCE

The URA Board and Management have put in place a framework to ensure adherence to good corporate governance practices.

URA Board

The URA Act provides for URA to have a Chairman and up to 12 other Board members. The Board members are individuals from both the public and private sectors. Hailing from wide-ranging fields of architecture, media, finance, academia and government, the members provide complementary expertise and depth of experience to the Board. Other than URA CEO, who is also a Board member, the others are non-executive members.

Staff Review Committee

The Staff Review Committee consists of URA Chairman, CEO and one other Board member. It reviews and approves the recruitment and promotion of officers into and within superscale grades.

Finance & Investment Committee

The Finance & Investment Committee is chaired by the URA Chairman and includes three other Board members and one non-Board member. The Committee reviews and recommends

policies on the investment of surplus funds for the Board's or Minister's approval as well as considers and approves investment guidelines in line with policies as approved by the Board. The Committee reviews the appointment of fund managers, custodians, and investment consultants and related service providers. It also reviews the annual budget for the Board's endorsement.

Audit Committee

The Audit Committee (AC) is chaired by a non-executive Board member and includes three other Board members. The main function of the AC is to assist the Board in discharging its statutory and oversight responsibilities. It meets with URA's internal and external auditors to review their audit plans, observations and the annual audited financial statements. It also reviews, with the internal and external auditors, the results of their evaluation of URA's internal control system.

STAFF REVIEW COMMITTEE

Chairman

Mr Chan Heng Loon, Alan

Members

Mrs Cheong Koon Hean

Mr Bernard Tan

FINANCE & INVESTMENT COMMITTEE

Chairman

Mr Chan Heng Loon, Alan

Members

Mrs Cheong Koon Hean

Mrs Chin Ean Wah
(Chief Executive Officer,
Wiser Asset Management)

Mr Liang Eng Hwa

Mr Ong Chong Tee

Dr Teh Kok Peng

AUDIT COMMITTEE

Chairman

Mr Inderjit Singh

Members

Mr Chan Sui Him

Mrs Cheong Koon Hean

Mr Tham Khai Meng

RISK MANAGEMENT PRACTICES AND INTERNAL CONTROLS

Internal Control Framework

URA's internal control framework aims to ensure that assets are properly safeguarded, accounting systems and controls are sound and effective, financial information is reliable and key computerised systems are adequately secure to minimise our risks. These objectives are achieved through:

- Management's emphasis on the importance of good governance and an organisational culture that is conscious of the need for internal control and risk management.
- An organisation structure with clear definition of responsibility and reporting at different levels of the organisation.
- Established communication channels through regular staff seminars, staff circulars, orientation briefings and provision of comprehensive information in URA's intranet to educate staff on internal controls and good governance.
- A Financial Operations Manual, which sets out the internal control and financial policies, procedures and financial authority relating to all key operations of URA.
- Careful selection and deployment of staff, with regular reviews to ensure there is appropriate segregation of duties and that personnel are not assigned conflicting responsibilities.
- Independent internal and external auditing functions.
- Adoption of Singapore Government Security Instructions for the Handling and Custody of Classified Documents and Government Instruction Manual on Information Technology to ensure proper use and safeguarding of URA's information.
- Close monitoring of URA's financial risk exposure and implementing measures to minimise risk.
- Monitoring of monthly and quarterly reporting of financial and operational performance of key activities by Management and the Board.

Internal and External Audit Functions

URA's Internal Audit Section conducts audits and reviews on URA's business functions to provide assurance to the Board that internal controls are adequate and effective in all key financial and operational systems and processes. The scope of the Internal Audit function encompasses:

- Performing enterprise-wide risk assessments and review of risk management practices.
- Conducting financial and operational audits.
- Conducting IT security audits on key computerised systems and networks.
- Performing checks on compliance with statutory requirements, regulations and standards.

The Internal Audit Section reports directly to the Chairman of the Board and the Audit Committee. It furnishes Management with audit observations, analyses, appraisals and recommendations on areas for improvement and monitors the follow-up actions.

Deloitte & Touche was appointed by the Minister for National Development in consultation with the Auditor-General for the audit of URA's Financial Statements. Arising from the audit, Deloitte & Touche reports to the Audit Committee its findings on significant audit, accounting and internal control issues, and also recommends possible ways in which the system and procedures can be improved.

Business and Ethical Conduct

All staff of URA are bound by URA's terms and conditions of service to maintain a high standard of business and ethical conduct. In the course of their official duties, they are obliged not to involve themselves in matters where a conflict of interest may arise and are to declare the situation to their supervisor. They are also obliged to comply with established guidelines pertaining to the acceptance of gifts and invitations from contractors, suppliers, clients, customers, developers and any member of the public.

In addition, all staff members are subject to provision of the Official Secrets Act and the Statutory Bodies And Government Companies (Protection Of Secrecy) Act. They are required to sign a declaration upon recruitment to acknowledge this provision, and are reminded of this provision when they leave URA's service.

URA has also put in place a Fraud Policy Statement to strengthen its business and ethical conduct.

ACHIEVEMENTS FOR THE YEAR

(1 April 2008 - 31 May 2009)

Planning for our future

URA completed the five-yearly review of the Master Plan in May 2008. The draft Master Plan 2008 was exhibited at the URA Centre and online for public feedback, and attracted more than 220,000 physical and online visitors. URA received and responded to about 300 feedback, and incorporated many suggestions into the final Master Plan 2008 which was gazetted on 5 December 2008.

The Master Plan 2008 focuses on sustaining economic growth and enhancing the quality of life. It has four key thrusts – to enhance Singapore as a home of choice, a magnet for business, an exciting playground and a home to cherish. Exciting plans are in place for new growth areas - the Jurong Lake District, Paya Lebar Central and Kallang Riverside will be developed as commercial and mixed-use hubs to provide a range of retail, office, hotel and entertainment uses, as well as lifestyle attractions.

Besides the new growth areas, a new island-wide Leisure Plan was drawn up under Master Plan 2008, to provide a diverse range of leisure opportunities round-the-clock, for people of all ages.

The Leisure Plan sets aside land for more parks and nature areas using our waterbodies for more water-based recreation, new sports and arts facilities, and introduces more night-time buzz in the city.

A key highlight is the creation of a first ever 150 km Round-Island Route that will enable people to eventually cycle, jog, or walk around the whole island, giving new meaning to Singapore's reputation as a City in a Garden. The route will offer a diversity of experiences through Singapore's many natural gems, from nature retreats to breathtaking waterfront views, beautiful beaches and attractive parks.



Exciting urban transformation at Marina Bay



The Southern Ridges attracts an average of 35,000 visitors every month



Artist's impression of the elevated board walk at the Labrador Nature and Coastal Walk

A key link of the Round-Island Route is the Southern Ridges, a 9 km chain of green, open spaces spanning the rolling hills of Mount Faber Park, Telok Blangah Hill Park and Kent Ridge Park before ending at West Coast Park.

Together with the elevated Forest Walk, URA built the spectacular Henderson Waves – Singapore's highest pedestrian bridge – and the Alexandra Arch to enable visitors to stroll seamlessly from HarbourFront MRT station, all the way to Kent Ridge Park through a series of other interesting trails.

Since its opening in May 2008, the Southern Ridges has attracted an average of 35,000 visitors every month.

In the same month, URA unveiled detailed plans for an exciting connection to the picturesque area — the Labrador Nature and Coastal Walk. When completed, the Labrador Nature and Coastal Walk will not only open up stretches of inaccessible coastline for the public's enjoyment, but will also link up attractions in the Southern Ridges and the southern waterfront to form a comprehensive, seamless recreational corridor.



A family-oriented spot with dancing water jets for all to enjoy at the Bay



© Ton Chew Seng

Celebrating the New Year at Marina Bay Countdown 2008/2009

Exciting urban transformation at Marina Bay

Marina Bay, Singapore's most exciting and ambitious urban transformation project, is envisioned as a unique waterfront district in a live-work-play environment. As of May 2009, it has attracted over S\$16.5 billion worth of private real estate investments from both local and international investors.

Marina Bay welcomed its first live-in population with the completion of The Sail@Marina Bay, a residential development offering waterfront city living. The world's largest giant observation wheel, the iconic Singapore Flyer, officially opened on 15 April 2008, adding to the bevy of world class attractions already sited at Marina Bay.

Marina Bay continues to be the focus of national celebrations such as the National Day Parade and the Marina Bay Singapore Countdown. Fast establishing as a traditional signature event to celebrate the New Year, URA in collaboration with the Esplanade-Theatres on the Bay, organised the Marina Bay Singapore Countdown 2008/2009 which attracted more than 250,000 revellers on 31 December 2008. The F1 Singapore Grand Prix in September 2008 made history as the first F1 night race where an estimated global audience of 400 million watched the event. Marina Bay was also the venue for the Singapore Biennale @ Marina Bay, an exhibition of contemporary art, from September to November 2008.

Meanwhile, infrastructural implementation and developments from government land sale sites around Marina Bay are progressing well. The world's first curved double helix pedestrian bridge, Singapore's first Art Park, the Gardens by the Bay, and the new waterfront promenade will be progressively completed by 2011. The waterfront promenade in particular, will provide a continuous route around the bay and link up the necklace of attractions at the Marina Centre, Collyer Quay and Bayfront areas. Besides taking in panoramic views of the bay and watching the new skyline take shape before their eyes, visitors will have better access to the water's edge and water taxis.

They will be treated to a cool “mist walk” or indulge in a playful splash at the “dancing water jets”. The waterfront promenade is a key component of URA’s plan to make Marina Bay a lifestyle destination for all.

The Marina Bay Sands Integrated Resort and the first phase of Marina Bay Financial Centre will be operational by 2010. Separately, the government has invested close to S\$5.7 billion (as of May 2009) in infrastructure and will continue to pump in more than S\$1 billion in additional infrastructural works in Marina Bay over the next 10 to 15 years to support the future growth of Marina Bay and enhance the connectivity within the existing city. These include building additional phases of the Common Services Tunnel, bridges, promenades, and a new road and rail network.

Enhancing the evening economy

To enhance Singapore’s evening economy, URA set up a multi-agency committee, chaired by CEO, URA to enhance night time buzz. The committee will oversee the implementation of projects aimed at improving the range and quality of evening activities in key districts within the city, namely Singapore River, Orchard Road, Bras Basah, Bugis and Marina Bay. Apart from infrastructural ‘hardware’ improvements such as night lighting fixtures, the committee also focused on the ‘software’ efforts such as creating signature events for the city to enhance Singapore’s night vibrancy.

Good lighting can help to enhance the appeal and attractiveness of the city and elevate the visitors’ experience at night. A number of energy-efficient lighting schemes for the Singapore River was implemented in 2008. Drawn up as part of URA’s 2006 Lighting Master Plan, the lighting features centred on enhancing the water element, to accentuate the shimmering effects of the water surface and to provide a warm and inviting promenade ambience. The completed lighting enhancements along the Singapore River made a dazzling debut at the inaugural Singapore River Festival, a signature event by the river, in September 2008. Stakeholders came together to put forth a series of exciting events by the River and overseas visitors who had headed to Singapore for the first ever F1 night race were also attracted to the night offerings.

The multi-agency committee also initiated Singapore’s first Night Festival in July 2008. Organised by the National Heritage Board, the night scene at the Bras Basah, Bugis area was enlivened with outdoor events such as aerial shows, live music concerts and street theatre. Close to 65,000 visitors partied the night away at the festival.



The Singapore River lighted up to bedazzle visitors



Singapore’s first Night Festival at Bras Basah, Bugis

Preserving memories and keeping the soul in our urban environment

Conservation of our built heritage is very much an integral part of URA's planning work. By retaining and sustaining the collective social memories of our past, we make our physical environment more meaningful and attractive for us and future generations.

Despite Singapore's small land size, some 6900 buildings throughout the island have been gazetted for conservation to date. For the year in review, URA gazetted 36 buildings for conservation. In January 2009, we announced the conservation of another 100 buildings comprising shophouses, churches and bungalows in Katong and Joo Chiat, complementing some 700 buildings already conserved in the area since 1993. The buildings were selected based on their architectural merits, cultural, social and historical significance, as well as their contribution to the streetscape and identity of the place.

While heritage buildings contribute to the soul of our city, we recognise that what makes a place distinctive could come in various forms and structures, such as an elegant tower, a historic bridge or even a beautiful pavilion. In October 2008, with the inputs from the Conservation Advisory Panel, URA extended its conservation programme beyond buildings to include historic structures so as to further enhance the identity of the areas. Twelve such structures were identified for conservation. These include historic bridges, pavilions and towers such as the Lookout Tower at Toa Payoh Town Park and the Cavenagh Bridge at the Singapore River.

Seven conservation projects were also recognised at the URA Architectural Heritage Awards (AHA) in October 2008. Introduced in 1995, the AHA has been an important platform to recognise building owners, professionals and contractors who have restored or conserved buildings in a sensitive manner.



No. 14 Cable Road was one of the AHA 2008 winners - a black and white beauty that was reinvented as a contemporary home



The Baba House at No.157 Neil Road was restored to its former Straits-Chinese architectural glory through URA's joint effort with the National University of Singapore



The bold and innovative No. 19 Jalan Elok was the President's Design Award 2008 Winner for Design of the Year

Broadening horizons in architecture and urban design

As part of URA's continuing efforts to promote good design in our built environment and raise public awareness of good architecture and urban design (A&UD) in Singapore, URA organised a number of outreach programmes such as exhibitions, talks, seminars and design competitions for both the general public and industry professionals.

Three outstanding designers and seven iconic designs industry-wide were awarded Singapore's top design accolade, the President's Design Award, by President S R Nathan on 1 December 2008. For the architecture and urban design discipline, two outstanding architects and three excellent designs were recognised. URA organised a Winners' Forum for the architects to share their design philosophy and creative process behind their winning projects with both the fraternity and the general public.

URA launched an urban planning and design workshop-competition for students to create more awareness of Singapore's built environment, understand the dynamics of land use and urban planning, and also stir interest among the young generation into becoming the planners and architects of the future. In the first ever Challenge for the Urban & Built Environment (CUBE) organised in March 2009, about 100 junior college and polytechnic students had a firsthand experience of planning 'out of the box' while learning about



The CUBE participants were teeming with ideas to help transform Chinatown into their dream street

the fundamentals of urban planning. The CUBE participants were tasked to study an area stretching from Craig Road to Cross Street (what is generally known as Chinatown) and propose urban interventions as their own response to the built environment and history of the place. The top three teams were honoured for their winning ideas at URA's annual Corporate Plan Seminar on 17 April 2009 where the awards were given out by the Minister for National Development, Mr Mah Bow Tan.

Responsive Government Land Sales Programme

The Government Land Sales (GLS) Programme has been instrumental in realising URA's visions and plans. As the main land sales agent for the government, URA plans and manages the GLS Programme, releasing sites to meet demand for various types of development.

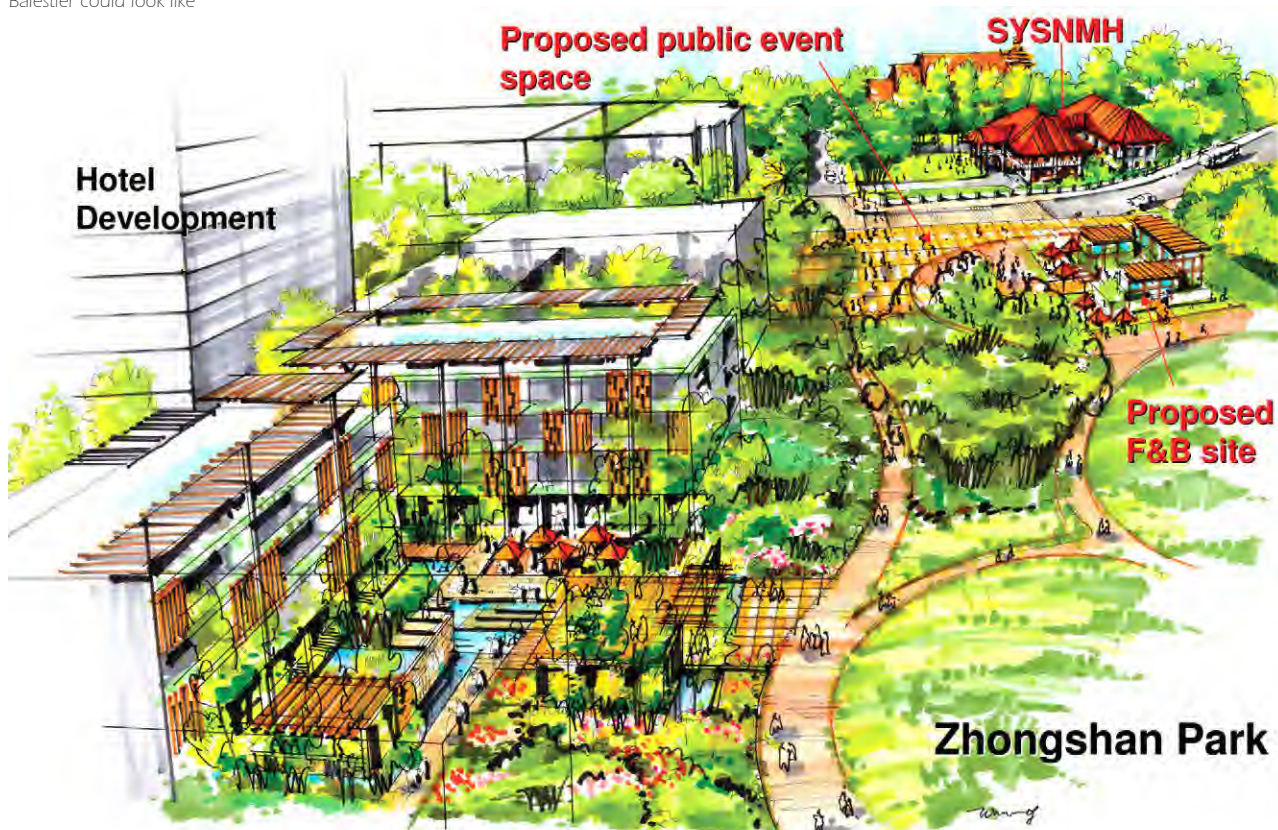
Under the GLS Programme for 2008, URA successfully sold a total of 10 sites comprising four industrial sites, four residential sites and two hotel sites; as well as 11 land parcels for landed housing at Sembawang Greenvale Phase 2. In addition, URA also sold one land parcel for heavy vehicle park at 20 Kaki Bukit Road 2 through auction, two transitional office sites and one hospital site at Novena Terrace / Irrawaddy Road. Collectively, these can yield a total of about 1,540 private residential units, 31,400 sqm of commercial space, 110,100 sqm of industrial space, 72,350 sqm of hospital space and 1,130 hotel rooms, to meet the demand for the various types of development.

One of the key sites sold in August 2008 under the GLS Programme was a hotel site in Balestier. The area is rich in history and home to an interesting mix of conserved shophouses and monuments such as the Sun Yat Sen Nanyang Memorial Hall (SYSNMH). A special aspect of this future hotel development is a 0.46 hectare public park

named "Zhongshan Park". The future hotel development will integrate seamlessly with Zhongshan Park, and synergise with the Sun Yat Sen Nanyang Memorial Hall and surrounding heritage shophouses. This unique integrated hotel-park development is the first of its kind in Singapore and will add to the vibrancy of the greater Balestier area.

URA monitors the dynamic changes in the global economy closely and its impact on the outlook of the Singapore property market. We work with other government agencies to introduce timely policies to help businesses and developers tide through the challenging economic climate as part of Budget 2009. In view of the economic uncertainties and to allow the market time to assess and respond to the dynamic economic conditions, the GLS Programme for the first half of 2009 comprised only sites on the Reserve List and none on the Confirmed List. There was also a reduced supply of commercial space and no new supply of private residential units from government agencies outside the GLS Programme. The responsiveness of the Reserve List system to changing market conditions could be seen when a total of seven sites in the GLS Programme - comprising two industrial, two hotel and three residential sites - successfully triggered for sale when the property market showed signs of stability in the second and third quarters of 2009.

An artist's impression of what the unique hotel development at Balestier could look like





Marina Bay Station with skyrise greenery



First storey communal landscape area at OCBC Centre



Sky terrace at Newton Suites

Encouraging the LUSH life

Singapore has endeared itself to many as the region's City in a Garden. The provision of greenery has always been a key priority in our city's development. A significant amount of greenery within developments today is also a result of URA guidelines, which require or incentivise developers to incorporate greenery in various forms within their developments. For example, URA had been requiring developers to provide tree planting verges along the site boundary of private development projects and along public roads as early as 30 years ago. Over the years, URA had also introduced attractive incentive schemes to encourage the developers to introduce more greenery within their developments, through incentivising the provision of balconies and communal landscaped areas.

Taking this a notch further and in support of the government's Sustainable Development Blueprint, URA launched the LUSH (Landscaping for Urban Spaces and High-rises) programme in April 2009. The LUSH initiative encourages good design

of aesthetically pleasing green spaces at multiple levels of the building so that our people are never far away from greenery, even as we build higher and denser. The LUSH programme includes Gross Floor Area (GFA) incentives to encourage building owners and developers to provide well-planted communal green spaces at both the ground level and the upper levels of their buildings, such as sky terraces and roof gardens, for occupants and the public to enjoy. URA also introduced a new landscape replacement policy that will apply to all new developments in the Marina Bay, Kallang Riverside and Jurong Gateway areas. Under this initiative, developers are obliged to replace the greenery lost from the site area taken up by buildings through the provision of skyrise greenery and landscape areas within the development. Greenery not only adds to a greener and more beautiful environment, but also brings other benefits such as improving air quality and reducing the island heat effect which will translate to savings in energy bills.



Bringing Singapore to an international audience

URA plays a major role in promoting Singapore as an attractive global city for investment, business and talents, through our participation in various international real estate tradeshows, conferences and dialogues with investors.

In 2008 and 2009, as part of our city marketing effort, URA, together with other public agencies and private sector companies, organised and exhibited a Singapore Pavilion at international real estate tradeshows including MIPIM Cannes, Cityscape Dubai, Cityscape Asia, Singapore and MIPIM Asia, Hong Kong. At these tradeshows, URA shared our latest plans for Marina Bay, Jurong Lake District, Kallang Riverside and Ophir-Rochor Corridor. URA also participated in various conferences in 2008, including the Real Estate Investment World, Global Real Estate Institute and Urban Land Institute conferences. URA gave talks at many of these events, sharing our planning experience, our future development plans, updates on the real estate market and real estate investment opportunities. The feedback received at these events has been positive. Investors were impressed with Singapore's attractiveness as a vibrant global city and appreciated URA's efforts to continually engage them and to keep them apprised on the developments and investment opportunities in Singapore.

Singaporeans living, studying or working overseas were also not forgotten. In October 2008 and April 2009, URA participated in the Singapore Day in Melbourne and London respectively, to share URA's exciting plans for Singapore with Singaporeans living overseas.



Potential investors being briefed at Cityscape Dubai 2008

Embracing the future with expanded roles

URA has worked with partner agencies and public stakeholders over the last 35 years to shape and define Singapore's physical landscape. As the needs of the nation evolved, URA has gradually realised that physical solutions alone cannot promote vibrancy and enhance community life. Within Singapore, URA will move beyond planning and infrastructure development to undertake "place management". "Place management" refers to the harnessing of the skills and resources of the public and private sectors to create places and areas that are economically and socially vibrant. In addition to URA's usual role as a master planner and infrastructure provider, URA will also work with stakeholders on "softer" initiatives, such as branding, marketing and events programming.



URA is already undertaking the place management of Marina Bay. It will expand its portfolio to include the Singapore River. URA chairs a co-ordinating forum to align and synergise the place management efforts of partner agencies at Orchard Road and the Civic District - Bras Basah, Bugis areas.

On the international front, the Planning Services Unit of URA has been expanded into the URA Consulting Group, to better support bilateral projects and to help local companies to expand their services beyond Singapore. URA's planning expertise is much sought after outside of Singapore. We have played a leading role in the master planning of projects like the Tianjin Eco-City, which draws on Singapore's experience in integrated planning and urban management. Together with the Chinese planning agencies, URA led a Singapore planning team and completed the Master Plan for the Tianjin Eco-City – a joint China-Singapore government project.

URA will also consolidate its professional training for both local and international participants under the Urban Leadership Programme to share Singapore's urban planning experience. URA offers executive programmes on urban planning and development and courses can also be customised to suit the specific needs of the participants. We also tie up with other government agencies such as the Land Transport Authority, Civil Service College and Singapore Corporation Enterprise to provide training courses for foreign government officials who are interested to learn about the Singapore experience in planning and development. Over the last three years, URA has extended its knowledge to more than 10,000 officials and professionals from the Middle East, Africa, China, India, Pakistan, Brazil and the Asean nations. Participants have included ministers, mayors, heads of government organisations, policy makers, planners and architects.



**SINGAPORE
QUALITY
AWARD**

for business excellence

Shaping URA to shape Singapore

Over the years, we have constantly been improving URA's organisation development and management framework to make URA a world class organisation. URA's organisation excellence journey reached a major milestone in 2008 when we were conferred the Singapore Quality Award (SOA) in 2008. The award recognises URA's significant contributions to Singapore's sustained economic growth and high quality of life. It also endorses URA as an exemplary world class organisation with excellent service delivery systems and processes.

URA took part in a public sector-wide Employee Engagement Survey (EES) conducted by the Civil Service College and its independent survey partner, Towers Perrin-International Survey Research between September and October 2008. We enjoyed a high rate of return with 97% of URA staff participating in the survey, providing their valuable feedback. URA has surpassed the public sector norms in all categories of the survey by wide margins, doing exceptionally well in key areas such as leadership, climate and engagement. It is a positive sign that URA employees are proud to be employees of URA, and further testimony that URA is indeed an SOA organisation.

AWARDS

Design & Engineering Safety Excellence Award 2009 (Civil & Engineering Category) for Henderson Waves

by Building & Construction Authority

2008 Singapore Quality Award

by Standards, Productivity and Innovation Board (SPRING) Singapore

Downtown Achievement Awards 2008 (Merit Award in Planning) for Masterplanning of Bras Basah.Bugis

by International Downtown Association

Urban Land Institute Award for Excellence 2008: Asia Pacific for Masterplanning of BrasBasah.Bugis

Cityscape Asia 2008 Real Estate Award

for Architecture - Best Urban Design and Masterplanning of Bras Basah.Bugis

Minister for National Development Team Awards 2008 for Southern Ridges Project

Knowledge Management (KM) Excellence Awards 2008

by iKMS (Information & Knowledge Management Society)

SHARE (Social Help and Assistance Raised by Employees) Platinum Award 2008

by Community Chest

Home Team National Service Award for Employers 2008

by Ministry of Home Affairs

Excellent Service Award 2008

45 URA staff won the Silver, Gold and Star EXSA Awards

by SPRING Singapore

Work-Life Excellence Award 2008

by Ministry of Manpower

Meritorious Defence Partner Award 2008

(12th year running)

by Ministry of Defence

Green Mark Award 2008 (Gold Category) for the URA Centre

by Building and Construction Authority



The URA team with Minister (Prime Minister's office) Lim Swee Say at the Business Excellence Awards Presentation 2008, after receiving the Singapore Quality Award

Financial Report

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INDEPENDENT AUDITOR'S REPORT TO URBAN REDEVELOPMENT AUTHORITY

We have audited the accompanying financial statements of Urban Redevelopment Authority (the "Authority") set out on pages 24 to 53, which comprise the Balance Sheet as at 31 March 2009, Income and Expenditure Statement, Statement of Changes in Capital and Reserves and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements for the year ended 31 March 2008 were audited by another auditor whose report dated 13 June 2008 expressed an unqualified opinion with an emphasis of matter on those statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Urban Redevelopment Authority Act (Cap. 340) (the "Act") and Statutory Board Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and 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 as to whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion,

- (a) the financial statements of the Authority are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Authority as at 31 March 2009, and the results, changes in capital and reserves and cash flows of the Authority for the financial year ended on that date;
- (b) proper accounting and other records required by the Act, including records of all assets of the Authority whether purchased, donated or otherwise, to be kept by the Authority have been properly kept in accordance with the provisions of the Act; and
- (c) the financial statements are in agreement with the accounting and other records and are prepared on a basis similar to that adopted for the preceding year.

Report on Other Legal and Regulatory Requirements

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 6 to the financial statements. At 31 March 2009, the Authority has capitalised \$65,965,000 (31 March 2008 : \$47,582,000) relating to infrastructural projects-in-progress. These amounts are recognised as an asset on the Authority's Balance Sheet as its accumulated surplus is used to fund these projects. On completion of the infrastructural projects, the assets will be transferred to the designated government agencies as a contribution to the government, with a corresponding reduction against the Authority's accumulated surplus.



Public Accountants and
Certified Public Accountants

Singapore
9 June 2009

BALANCE SHEET

As at 31 March 2009

	Note	31 March 2009 \$'000	31 March 2008 \$'000
Non-current assets			
Property, plant and equipment	5	238,255	242,400
Infrastructural projects-in-progress	6	2,684	22,214
Staff loans	7	-	1
		<u>240,939</u>	<u>264,615</u>
Current assets			
Infrastructural projects-in-progress	6	63,281	25,368
Debtors, accrued interest, prepayments and other debtors	8	48,323	54,791
Financial assets	9	591,808	1,065,034
Cash and cash equivalents	10	452,454	185,085
		<u>1,155,866</u>	<u>1,330,278</u>
Less:			
Current liabilities			
Deferred income	11	3,252	2,652
Agency and other deposits		19,032	15,541
Contribution to Consolidated Fund	23	-	5,106
Creditors and accrued operating expenses	12	78,572	175,237
Financial liabilities	9	640	4,097
		<u>101,496</u>	<u>202,633</u>
Net current assets		<u>1,054,370</u>	<u>1,127,645</u>
Less:			
Non-current liabilities			
Deferred income	11	3,525	4,169
Creditors and accrued operating expenses	12	3,002	-
Provision for pensions and gratuities	13	3,632	3,377
		<u>10,159</u>	<u>7,546</u>
		<u>1,285,150</u>	<u>1,384,714</u>
Capital and reserves			
Capital account	14	27,692	27,691
Accumulated surplus		1,257,458	1,357,023
		<u>1,285,150</u>	<u>1,384,714</u>



CHAN HENG LOON ALAN
Chairman



CHEONG-CHUA KOON HEAN (MRS)
Chief Executive Officer

9 June 2009

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

INCOME AND EXPENDITURE STATEMENT

For the financial year ended 31 March 2009

	Note	2008/2009 \$'000	2007/2008 \$'000
Operating income			
Parking fees and related charges	15	59,089	59,308
Recovery of costs	16	44,839	38,058
Agency and consultancy fees	17	30,733	34,745
Income from development control	18	24,914	30,020
Operating lease income		6,636	3,657
Other operating income		1,613	1,061
		<u>167,824</u>	<u>166,849</u>
Less:			
Operating expenses			
Expenditure on manpower	19	74,163	77,614
Operating supplies and services		26,299	22,952
Temporary occupation licence fees	20	21,088	21,799
Depreciation of property, plant and equipment	5	9,779	11,162
Property and car park maintenance		8,918	7,408
		<u>140,247</u>	<u>140,935</u>
Operating surplus	21	27,577	25,914
Non-operating (deficit)/surplus			
Net (loss)/income from bank deposits and investments	22	(95,426)	2,305
Other non-operating income		171	145
		<u>(95,255)</u>	<u>2,450</u>
(Deficit)/Surplus before contribution to Consolidated Fund		(67,678)	28,364
Contribution to Consolidated Fund	23	-	(5,106)
Net (deficit)/surplus for the financial year		<u>(67,678)</u>	<u>23,258</u>

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

STATEMENT OF CHANGES IN CAPITAL AND RESERVES

For the financial year ended 31 March 2009

	Note	Capital Account \$'000	Accumulated Surplus \$'000	Total \$'000
Balance at 1 April 2007		27,691	1,399,214	1,426,905
Net surplus for the financial year		-	23,258	23,258
Transfer of completed infrastructural project	6	-	(506)	(506)
Funding for government projects	24	-	(64,943)	(64,943)
Balance at 31 March 2008		27,691	1,357,023	1,384,714
Balance at 1 April 2008		27,691	1,357,023	1,384,714
Net deficit for the financial year		-	(67,678)	(67,678)
Capital injection	14(c)	1	-	1
Transfer of completed infrastructural project	6	-	(25,495)	(25,495)
Funding for government projects	24	-	(5,331)	(5,331)
Dividend paid	25	-	(1,061)	(1,061)
Balance at 31 March 2009		27,692	1,257,458	1,285,150

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

CASH FLOW STATEMENT

For the financial year ended 31 March 2009

	Note	2008/2009 \$'000	2007/2008 \$'000
Cash flows from operating activities			
(Deficit)/Surplus before contribution to Consolidated Fund		(67,678)	28,364
Adjustments for:			
- Depreciation of property, plant and equipment		9,779	11,162
- Provision made for pensions and gratuities		441	307
- Deferred agency fee income recognised		(2,652)	(1,191)
- Loss/(Income) from bank deposits and investments		95,426	(2,305)
- Gain on disposal of property, plant and equipment		(37)	(1)
Operating cash flows before working capital changes		35,279	36,336
Change in operating assets and liabilities			
- Debtors, prepayments and other debtors		9,636	26,735
- Agency and other deposits		3,491	7,388
- Creditors and accrued operating expenses		(101,177)	459
Payments for pensions and gratuities		(186)	(156)
Deferred agency fees received		2,608	4,549
Cash (used in)/generated from operations		(50,349)	75,311
Contribution to Consolidated Fund		(5,106)	(21,384)
Net cash (used in)/provided by operating activities		(55,455)	53,927
Cash flows from investing activities			
Purchase of property, plant and equipment		(6,313)	(5,503)
Proceeds from disposal of property, plant and equipment		55	1
Interest received		17,124	20,725
Dividend received		9,466	9,473
Gross proceeds from sale of financial assets designated as at fair value through profit or loss at inception		280,958	90,276
Net receipts/(payments) for sale and purchase of financial assets held for trading		26,579	(53,871)
Purchase of available-for-sale financial assets		(72,918)	(75,652)
Proceeds from disposal of available-for-sale financial assets		111,000	17,600
Net cash provided by investing activities		365,951	3,049
Cash flows from financing activities			
Funding for government projects		(5,331)	(64,943)
Payments made for infrastructural projects-in-progress		(36,736)	(32,287)
Issue of shares		1	-
Dividends paid		(1,061)	-
Net cash used in financing activities		(43,127)	(97,230)
Net increase/(decrease) in cash and cash equivalents		267,369	(40,254)
Cash and cash equivalents at beginning of financial year		185,085	225,339
Cash and cash equivalents at end of financial year	10	452,454	185,085

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

The Urban Redevelopment Authority (the "Authority") is a statutory board established in Singapore under the Urban Redevelopment Authority Act (Cap. 340). It is domiciled in Singapore. The address of the Authority's registered office is as follows:

45 Maxwell Road
The URA Centre
Singapore 069118

The principal activities of the Authority are:

- (a) planning and facilitating the physical development of Singapore;
- (b) selling and managing land for the government;
- (c) managing car parks;
- (d) undertaking development projects on behalf of the government and other organisations; and
- (e) carrying out such other functions as imposed upon the Authority by or under the Urban Redevelopment Authority Act (Cap. 340) or any other written law.

These financial statements are presented in Singapore Dollar, which is the Authority's functional currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting and adoption of new and revised standards

The financial statements have been prepared under the historical cost convention, except as disclosed in accounting policies below, and are drawn up in accordance with the provisions of the Urban Redevelopment Authority Act (Cap. 340) and Statutory Board Financial Accounting Standards ("SB-FRS").

In the current financial year, the Authority has adopted all the new and revised SB-FRSs and Interpretations of SB-FRS ("INT SB-FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 April 2008. The adoption of these new and revised SB-FRSs and INT SB-FRSs does not result in changes to the Authority's accounting policies and has no material effect on the amounts reported for the current or prior years except as disclosed below and in the notes to the financial statements.

The Authority has adopted SB-FRS 107 Financial Instruments: Disclosures and amendments to FRS 1 Presentation of Financial Statements with effect from 1 April 2008. The adoption of FRS 107 has resulted in an expansion of the disclosures in these financial statements regarding the Authority's financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments

Financial assets and financial liabilities are recognised on the Authority's Balance Sheet when the Authority becomes a party to the contractual provisions of the instrument.

(a) Financial assets

Investments are recognised and derecognised on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss", "available-for-sale" financial assets and "loans and receivables". The classification depends on the nature and purpose of financial assets and is determined at the time of initial recognition.

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

The Authority's investments in marketable securities and forward foreign exchange contracts are classified in the "financial assets at fair value through profit or loss" category. This category has two sub-categories: "financial assets held for trading", and those "designated as fair value through profit or loss at inception". A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Authority's investment strategy. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months after the balance sheet date. The designation of financial assets at fair value through profit or loss is irrevocable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments (continued)

(a) **Financial assets** (continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing more than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are classified within "Cash and cash equivalents", "Staff loans" and "Debtors, accrued interest, prepayments and other debtors" on the Balance Sheet. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate method, except for short-term receivables when the recognition of interest would be immaterial.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. Assets in this category are classified as current assets if they are expected to be realised within 12 months after the balance sheet date.

(iv) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments (continued)

(a) **Financial assets** (continued)

(iv) Impairment of financial assets (continued)

With the exception of available-for-sale equity instruments, 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 loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss, is recognised directly in equity.

(v) Derecognition of financial assets

The Authority derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Authority neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Authority recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Authority retains substantially all the risks and rewards of ownership of a transferred financial asset, the Authority continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments (continued)

(b) **Financial liabilities and equity instruments**

(i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Authority are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(ii) Creditors

Creditors are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method.

(iii) Equity instruments

Shares issued to Minister of Finance are classified as equity. Any incremental costs directly attributable to the issuance of new shares are deducted against the capital account.

(iv) Derecognition of financial liabilities

The Authority derecognises financial liabilities when, and only when, the Authority's obligations are discharged, cancelled or they expire.

(c) **Fair value of financial assets and financial liabilities**

The fair values of current financial assets and liabilities, carried at amortised cost approximate their carrying amounts.

The fair values of financial instruments traded in active markets (such as exchange-traded, over-the-counter securities and forward foreign exchange contracts) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Authority is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of the unit trusts is determined based on the funds' net asset values provided by the fund managers at the last market day of the financial year. The net asset values approximate the fair value as the funds comprise mainly quoted equities whose fair value is based on the quoted market prices at the last market day of the financial year.

The fair value of forward exchange currency contracts is determined using forward foreign exchange market rates at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Forward foreign exchange contracts

Forward foreign exchange contracts are classified as financial assets/liabilities at fair value through profit or loss. A forward foreign exchange contract is initially recognised at fair value on the date it is entered into and is subsequently re-measured at fair value.

Changes in fair value of forward foreign exchange contracts are included in the Income and Expenditure Statement in the financial year in which the changes in fair value arise.

2.4 Operating leases

Leases of assets where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Receipts and payments made under operating leases are recognised in the Income and Expenditure Statement on a straight-line basis over the period of the lease.

Assets leased out under operating leases are included in property, plant and equipment.

2.5 Property, plant and equipment

(a) *Measurement*

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Authority.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

(b) *Depreciation*

Depreciation is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Useful lives

Leasehold land	Over the lease period of 99 years
Buildings (including covered car parks)	50 years
Plant and machinery installed in buildings	10 to 20 years
Surface car parks	5 years
IT equipment	3 to 5 years
Other assets	3 to 10 years

Other assets consist of URA Gallery exhibits, motor vehicles, office furniture, fittings and fixtures, office equipment, machinery and other equipment.

No depreciation is provided on projects-in-progress.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revisions are included in the Income and Expenditure Statement when the changes arise.

(c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits associated with the items, will flow to the Authority and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the Income and Expenditure Statement when incurred.

(d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the Income and Expenditure Statement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Impairment of assets

At each balance sheet date, the Authority reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Authority estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Income and Expenditure Statement.

Where an impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Income and Expenditure Statement.

2.7 Provisions

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

Provision for pensions and gratuities is made for the payment of pension benefits to pensionable officers under the provisions of the Pensions Act (Cap. 225) and to eligible staff employed under the contract scheme.

The cost of pension benefit due to pensionable officers is determined based on the expected payouts to be made by the Authority in respect of services rendered by these pensionable officers up to the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Income recognition

Income comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Authority's activities. Income is presented, net of goods and services tax, rebates and discounts.

(a) *Rendering of services*

Revenue from rendering of services, including income from development control, agency and consultancy fees and recovery of costs is recognised during the financial year in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be performed.

(b) *Parking fees and related charges*

Season parking fees are accounted for on a time proportion basis. Other parking fees and related charges are accounted for when transacted.

(c) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

(d) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

(e) *Rental income*

Rental income from operating leases on property, plant and equipment is recognised on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Employee compensation

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Authority pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Authority has no further payment obligations once the contributions have been paid. The Authority's contributions are recognised in the Income and Expenditure Statement when they are due.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.10 Foreign currency transactions and translation

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the Income and Expenditure Statement.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with SB-FRS requires management to exercise judgement in the process of applying the accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenditure and disclosure of contingent assets and liabilities in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. Significant areas of estimation and management judgement with regard to the estimation of useful life for the property, plant and equipment are as disclosed in Notes 2.5 (b) and 5.

4. FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

The main risks arising from the Authority's activities are market risk (including currency, interest rate and price risks), credit risk and liquidity risk. The impact of the current global economic crisis and capital market downturn contributed largely to the net deficit for the financial year ended 31 March 2009. There has been no change to the Authority's exposure to these financial risks or the manner in which it manages and measures the risk.

4.1 Market risk

(a) Foreign currency risk

The Authority has exposure to foreign exchange risk as a result of investments in foreign currency denominated assets and liabilities. Foreign currency contracts are used to hedge foreign exchange exposure as and when required. Disclosure of significant financial assets and liabilities denominated in currencies other than Singapore Dollar is disclosed in Notes 9 and 10 of the financial statements.

Sensitivity analysis

A 10% weakening/strengthening in the Singapore dollar against the relevant foreign currencies with all other variables being held constant is expected to increase/decrease the net surplus of the Authority by \$7,665,000 (31 March 2008 : \$12,263,000).

Management is of the view that the above sensitivity analysis may not be representative of the inherent foreign exchange risk as year end exposure may not reflect the actual exposure and circumstances during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

4. FINANCIAL AND CAPITAL RISKS MANAGEMENT (continued)

4.1 Market risk (continued)

(b) Interest rate risk

As the Authority maintains most of its cash and cash equivalents in fixed rate instruments and does not have any interest bearing liabilities, its exposure to interest rate risk is insignificant.

(c) Price risk

The Authority is exposed to price risk arising from financial assets at fair value through profit and loss and available-for-sale financial assets.

Further details of these investments can be found in Note 9 to the financial statements.

Sensitivity analysis

In respect of financial assets at fair value through profit or loss, except bonds, if prices increased or decreased 5% with all other variables being held constant, the Authority's net surplus for the year ended 31 March 2009 would increase/decrease by \$17,458,000 (31 March 2008 : \$23,722,000).

In respect of bonds classified as held for trading, if the interest rate decreased/increased by 50 basis point, and all other variables being held constant, the Authority's net surplus for the year ended 31 March 2009 would increase/decrease by \$5,323,000 (31 March 2008 : \$6,310,000).

In respect of available-for-sale financial assets, no sensitivity has been prepared as management is of the view that money market funds are not subjected to significant price risk.

4.2 Credit risk

Credit risk arises from transactions with debtors and financial institutions. The maximum exposure at the end of the financial year, in relation to each class of financial asset is the fair value of those assets in the Balance Sheet.

Cash and cash equivalents, unit trusts, equities and available-for-sale financial investments are placed or transacted with high credit quality financial institutions. Bonds held for investment are of at least a Moody's grading of Baa3 or its equivalent.

There is no significant concentration of credit risk except as disclosed in Note 8 where the major customers are government bodies. There is also consistent monitoring of the credit quality of the customers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

4. FINANCIAL AND CAPITAL RISKS MANAGEMENT (continued)

4.3 Liquidity risk

In managing the liquidity risk, the Authority ensures that it maintains sufficient cash and flexibility in funding to finance its operations. Investments are mainly held in quoted marketable securities comprising bonds, unit trusts and equity shares.

Liquidity risk analyses

The following table details the remaining contractual maturity of the Authority's financial liabilities (including derivative financial liabilities). The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Authority can be required to pay. The table includes both interest and principal cash flows.

	On demand or within 1 year \$	Within 2 to 5 years \$	Total \$
31 March 2009			
Agency and other deposits	19,032	-	19,032
Creditors and accrued operating expenses	78,572	3,002	81,574
Forward foreign exchange contracts	640	-	640
Provision for pensions and gratuities	-	3,632	3,632
	98,244	6,634	104,878
31 March 2008			
Agency and other deposits	15,541	-	15,541
Creditors and accrued operating expenses	175,237	-	175,237
Forward foreign exchange contracts	4,097	-	4,097
Provision for pensions and gratuities	-	3,377	3,377
	194,875	3,377	198,252

4.4 Capital risk management policies and objectives

The capital structure of the Authority consists of capital account and accumulated surplus. The Authority's overall strategy remains unchanged from last financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

5. PROPERTY, PLANT AND EQUIPMENT

	Leasehold <u>Land</u> \$'000	<u>Buildings</u> \$'000	Plant and <u>machinery</u> \$'000	Surface <u>car parks</u> \$'000	IT <u>equipment</u> \$'000	Other <u>assets</u> \$'000	Projects - in - <u>progress</u> \$'000	<u>Total</u> \$'000
<u>Cost</u>								
At 1 April 2008	153,151	116,839	31,110	35,987	61,851	14,962	2,046	415,946
Additions	-	-	12	53	807	316	4,464	5,652
Transfers	-	-	-	3,389	2,410	-	(5,799)	-
Disposals	-	-	-	-	(1,338)	(523)	-	(1,861)
At 31 March 2009	153,151	116,839	31,122	39,429	63,730	14,755	711	419,737
<u>Accumulated depreciation</u>								
At 1 April 2008	15,516	29,026	27,553	32,963	54,960	13,528	-	173,546
Depreciation charge	1,581	2,634	1,405	1,381	2,351	427	-	9,779
Disposals	-	-	-	-	(1,338)	(505)	-	(1,843)
At 31 March 2009	17,097	31,660	28,958	34,344	55,973	13,450	-	181,482
<u>Net book value</u>								
At 31 March 2009	136,054	85,179	2,164	5,085	7,757	1,305	711	238,255

	Leasehold <u>land</u> \$'000	<u>Buildings</u> \$'000	Plant and <u>machinery</u> \$'000	Surface <u>car parks</u> \$'000	IT <u>equipment</u> \$'000	Other <u>assets</u> \$'000	Projects - in - <u>progress</u> \$'000	<u>Total</u> \$'000
<u>Cost</u>								
At 1 April 2007	153,151	116,839	31,098	34,845	60,699	14,669	2,164	413,465
Additions	-	-	12	-	753	81	4,110	4,956
Transfers	-	-	-	1,142	2,868	218	(4,228)	-
Disposals	-	-	-	-	(2,469)	(6)	-	(2,475)
At 31 March 2008	153,151	116,839	31,110	35,987	61,851	14,962	2,046	415,946
<u>Accumulated depreciation</u>								
At 1 April 2007	13,936	26,391	25,158	32,009	54,609	12,756	-	164,859
Depreciation charge	1,580	2,635	2,395	954	2,820	778	-	11,162
Disposals	-	-	-	-	(2,469)	(6)	-	(2,475)
At 31 March 2008	15,516	29,026	27,553	32,963	54,960	13,528	-	173,546
<u>Net book value</u>								
At 31 March 2008	137,635	87,813	3,557	3,024	6,891	1,434	2,046	242,400

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Land parcels with reversionary interest from past sale of sites were not included in the above assets schedule as these are carried at zero cost as management is of the view that it is difficult to reliably estimate the final future value of these lands when they are reverted back to the Authority in due course. As at 31 March 2009, the Authority had a total of 47 land parcels (31 March 2008 : 48 land parcels) of which 43 land parcels (31 March 2008: 44 land parcels) were with nominal value of \$1 each. The value of reversionary interest for the other 4 land parcels (31 March 2008 : 4 land parcels) was estimated at \$5,772,000 (31 March 2008 : \$5,583,000). The Authority's in-house professional valuer has estimated the value, based on current market conditions, by discounting the future value of the 4 land parcels to its present value based on the remaining number of years of the unexpired land sale tenure.

6. INFRASTRUCTURAL PROJECTS-IN-PROGRESS

The Authority has taken on a more proactive role to make Singapore more attractive and competitive by facilitating the development of strategic areas through more active value enhancing initiatives. The project costs incurred by the Authority are recognised as an asset on the Authority's Balance Sheet as its accumulated surplus is used to fund these projects. On completion of the infrastructural projects, the assets will be transferred to the designated government agencies as a contribution to the government, with a corresponding reduction against the Authority's accumulated surplus.

	31 March 2009 \$'000	31 March 2008 \$'000
Beginning of financial year	47,582	15,813
Additions	43,878	32,275
Transfer upon completion	(25,495)	(506)
End of financial year	65,965	47,582
Presented as:		
Current - to be transferred within 12 months	63,281	25,368
Non-current - to be transferred after 12 months	2,684	22,214
	65,965	47,582

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

7. STAFF LOANS

	<u>Housing loans</u> \$'000	<u>Other loans</u> \$'000	<u>Total</u> \$'000
31 March 2009			
<i>Current</i>			
Not later than one year (Note 8)	-	4	4
31 March 2008			
<i>Current</i>			
Not later than one year (Note 8)	3	7	10
<i>Non-current</i>			
Between one and five years	-	1	1
	3	8	11

Housing loans and other loans had the following weighted average effective interest rates:

	31 March 2009	31 March 2008
Housing loans	-	5.00%
Other loans	4.25%	4.25%

8. DEBTORS, ACCRUED INTEREST, PREPAYMENTS AND OTHER DEBTORS

	31 March 2009 \$'000	31 March 2008 \$'000
Operating debtors	21,239	30,471
Recoverables		
- agency projects	16,000	17,423
- others	228	290
Accrued interest and dividend receivables	3,402	3,926
Prepayments	2,999	2,423
Receivables for sale of investments	3,905	215
Other debtors	546	33
Staff loans (Note 7)	4	10
	48,323	54,791

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

8. DEBTORS, ACCRUED INTEREST, PREPAYMENTS AND OTHER DEBTORS (continued)

Included in the above are operating debtors and recoverables relating to agency works undertaken on behalf of Ministry of National Development amounting to \$33,332,000 (31 March 2008 : Ministry of National Development and a Statutory Board of \$37,199,000 and \$8,327,000 respectively).

The Authority's debtors are mostly government agencies, other statutory boards and its parent ministry, Ministry of National Development. A majority of the Authority's operating debtors and recoverables that are neither past due nor impaired is due from the Ministry of National Development.

The ageing analysis of operating debtors past due is as shown below. No allowance has been made on these debtors as management believes that there has not been significant change in credit quality and the amounts are still considered recoverable.

	31 March 2009 \$'000	31 March 2008 \$'000
Past due 0 – 30 days	2,385	6,684
Past due 31 – 60 days	14	3,507
Past due 61 – 90 days	183	1
	2,582	10,192

9. FINANCIAL ASSETS/(LIABILITIES)

Financial assets/(liabilities) are measured in accordance with the accounting policies as set out in Note 2.2.

Financial assets/(liabilities) include the following:

	31 March 2009 \$'000	31 March 2008 \$'000
<u>Financial assets at fair value through profit or loss</u>		
Quoted marketable securities:		
- bonds	222,354	506,994
- unit trusts	269,576	322,776
- equity shares	79,585	151,668
Forward foreign exchange contracts	323	25,544
	571,838	1,006,982
<u>Available-for-sale financial assets</u>		
Money market fund	19,970	58,052
	591,808	1,065,034
<u>Financial liabilities at fair value through profit or loss</u>		
Forward foreign exchange contracts	(640)	(4,097)
	591,168	1,060,937

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

9. FINANCIAL ASSETS/(LIABILITIES) (continued)

- (a) At the balance sheet date, financial assets/(liabilities) at fair value through profit or loss comprised of financial assets/(liabilities) classified as held for trading and designated as at inception of \$558,689,000 and \$12,509,000 respectively (31 March 2008 : \$696,213,000 and \$306,672,000 respectively).
- (b) Included in quoted marketable securities were bonds, which had a weighted average effective interest rate of 1.63 % per annum (31 March 2008 : 2.23% per annum).
- (c) Foreign exchange contracts are used to hedge foreign exchange risks arising from investments in quoted bonds. The notional principal amounts of outstanding forward foreign exchange contracts of the Authority as at 31 March 2009 is \$74,218,000 (31 March 2008 : \$881,725,000).

Total outstanding foreign exchange contracts comprise mainly contracts involving US Dollar and Japanese Yen, with notional principals which amounted to \$56,391,000 and \$5,496,000 respectively as at 31 March 2009 (31 March 2008 : US Dollar and Euro of \$403,155,000 and \$156,665,000 respectively).

At 31 March 2009, the settlement dates on forward foreign exchange contracts ranged between 0.03 and 1.61 months (31 March 2008 : between 0.3 and 13 months).

- (d) Investments denominated in foreign currencies amounted to \$142,107,000 as at 31 March 2009 (31 March 2008 : \$651,521,000). The foreign currency exposure arises primarily from the Authority's investment in unit trusts, global bonds and equity shares of which approximately 70% (31 March 2008 : approximately 88%) is denominated in US Dollar. The remaining investments are held in various currencies which are individually not significant.
- (e) The financial assets at fair value through profit or loss included an investment portfolio managed internally amounting to \$12,509,000 (31 March 2008 : \$330,561,000). The portfolio comprised mainly of corporate and agency bonds, Singapore government securities and other statutory boards' bonds.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

9. FINANCIAL ASSETS/(LIABILITIES) (continued)

(f) Financial assets/(liabilities) managed by external fund managers comprised the following:

	31 March 2009 \$'000	31 March 2008 \$'000
<i><u>Financial assets/(liabilities) at fair value through profit or loss</u></i>		
Quoted marketable securities:		
- bonds	209,398	200,322
- unit trusts	269,576	322,776
- equity shares	79,585	151,668
Forward foreign exchange contracts	130	(2,442)
	558,689	672,324
<i><u>Available-for-sale financial assets</u></i>		
Money market fund	19,970	58,052
	578,659	730,376
<i><u>Other assets/(liabilities)*</u></i>		
Fixed deposits	1,200	2,944
Bank balances	2,453	2,418
Interest, dividend receivables and recoverables	1,895	2,174
Receivables for sale of investments	3,905	215
Payables for purchase of investments	(3,695)	(2,920)
Accrued expenses and other payables	(169)	(267)
	5,589	4,564
	584,248	734,940

* These items have been included in the respective current assets and liabilities categories in the Balance Sheet.

10. CASH AND CASH EQUIVALENTS

For the purpose of the Cash Flow Statement, cash and cash equivalents comprised the following:

	31 March 2009 \$'000	31 March 2008 \$'000
Cash and bank balances	1,307	102,723
Fixed deposits with banks	447,494	77,000
Cash balances and fixed deposits held by fund managers	3,653	5,362
Cash and cash equivalents per Cash Flow Statement	452,454	185,085

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

10. CASH AND CASH EQUIVALENTS (continued)

- (a) Included in cash and bank balances was an amount of \$135,000 (31 March 2008 : \$100,987,000) relating to collections on behalf of Ministry of National Development and other government agencies, and classified as part of "Creditors and accrued operating expenses" (Note 12) and "Agency and other deposits".
- (b) The weighted average effective interest rate of the fixed deposits as at 31 March 2009 was 0.85% per annum (31 March 2008 : 1.15% per annum) and for a remaining tenure period ranging from 1 day to 234 days (31 March 2008 : 1 day to 88 days).
- (c) Cash and cash equivalents denominated in foreign currencies amounted to \$505,000 (31 March 2008 : \$417,000) and were denominated mainly in US Dollar and Indian Rupee (31 March 2008 : New Taiwan Dollar and US Dollar). The cash in foreign currencies were held in relation to the Authority's investment in quoted equity shares and global bonds.

11. DEFERRED INCOME

This represents the portion of agency fees received on sale of sites which are deferred for services to be performed in future financial years.

	31 March 2009 \$'000	31 March 2008 \$'000
Presented as:		
Current - to be recognised within 12 months	3,252	2,652
Non-current - to be recognised after 12 months	3,525	4,169
	6,777	6,821

Movements in deferred income account were as follows:

	31 March 2009 \$'000	31 March 2008 \$'000
Beginning of financial year	6,821	3,463
Income deferred for financial year	2,608	4,549
Transfer to Income and Expenditure Statement	(2,652)	(1,191)
End of financial year	6,777	6,821

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

12. CREDITORS AND ACCRUED OPERATING EXPENSES

	31 March 2009 \$'000	31 March 2008 \$'000
<i>Current:</i>		
Collections on behalf of Ministry of National Development and government agencies		
- development charges and parking fees	6,309	106,189
- others	22	91
Operating creditors and advances	32,157	35,245
Accrued operating expenses and other creditors	22,928	24,070
Payables for infrastructural projects-in-progress	12,163	4,935
Payables for purchase of investments	3,867	2,920
Payables for property, plant and equipment	1,126	1,787
	78,572	175,237
<i>Non-current:</i>		
Operating creditors and advances	3,002	-
	81,574	175,237

Included in "Operating creditors and advances" and "Accrued operating expenses and other payables" was an amount of \$42,952,000 (31 March 2008 : \$46,058,000) relating to agency projects.

13. PROVISION FOR PENSIONS AND GRATUITIES

Movements in provision for pensions and gratuities were as follows:

	31 March 2009 \$'000	31 March 2008 \$'000
Beginning of financial year	3,377	3,226
Provision made during financial year	441	307
Provision utilised during financial year	(186)	(156)
End of financial year	3,632	3,377

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

14. CAPITAL ACCOUNT

The balance in this account represents:

- (a) the value of certain leasehold land of the former Urban Renewal Department under the Ministry of National Development and some adjacent state land vested in the Authority when it was established;
- (b) the net book value of movable assets transferred from the former Planning Department and the Research and Statistics Unit under the Ministry of National Development upon their amalgamation with the Authority on 1 September 1989; and
- (c) 1,000 shares of one dollar each issued to the Minister of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Cap. 183) for equity injection of \$1,000 on 23 February 2009.

15. PARKING FEES AND RELATED CHARGES

Included in parking fees and related charges is income from the sale of car park coupons. The Authority operates the common car park coupon system jointly with Housing and Development Board ("HDB") from 1 September 1981. The total annual coupon sales proceeds is shared between the Authority and HDB based on management's best estimate of the usage of coupons in the car parks managed by each party using an agreed sharing formula. Each party's share of the coupon sales proceeds is subject to adjustment that may arise from joint coupon income surveys carried out at periodic intervals that are mutually agreed by both parties.

16. RECOVERY OF COSTS

	2008/2009	2007/2008
	\$'000	\$'000
Recovery of costs from the government		
- planning services	29,923	29,098
- stores and services	13,577	7,452
- agency car parks	1,178	1,225
- Preservation of Monuments Board	161	282
- land management	-	1
	44,839	38,058

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

17. AGENCY AND CONSULTANCY FEES

The Authority sells and manages land for the government, manages car parks and undertakes development projects on behalf of the government and earns agency and consultancy fees from these services provided.

18. INCOME FROM DEVELOPMENT CONTROL

The income from development control includes sale of approved plans, search fees, lodgment fees and development application processing fees collected under subsidiary legislation made under the Planning Act (Cap. 232) and administrative charges for planning clearance for projects submitted by government departments and ministries.

19. EXPENDITURE ON MANPOWER

	2008/2009 \$'000	2007/2008 \$'000
Salaries, allowances and bonus	66,719	69,605
Employer's contribution to Central Provident Fund	6,539	6,994
Other staff costs	905	1,015
	<u>74,163</u>	<u>77,614</u>

Key management personnel compensation is as follows:

	2008/2009 \$'000	2007/2008 \$'000
Salaries and other short-term employee benefits	4,146	4,318
Employer's contribution to Central Provident Fund	85	87
	<u>4,231</u>	<u>4,405</u>

Key management refers to employees designated as Group Directors and above who have the authority and responsibility for planning, directing and controlling the activities of the Authority.

20. TEMPORARY OCCUPATION LICENCE FEES

The Authority pays temporary occupation licence fees to other state-controlled entities for the use of land belonging to the State and other statutory boards for kerbside and off-street parking.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

21. OPERATING SURPLUS

The following items had been included in arriving at operating surplus:

	2008/2009 \$'000	2007/2008 \$'000
Charging:		
Operating lease expenses	773	636
Board members' allowances	143	143

22. (LOSS)/INCOME FROM BANK DEPOSITS AND INVESTMENTS

	2008/2009 \$'000	2007/2008 \$'000
Interest income from bank deposits	5,967	1,880
<i>Investments*</i>		
Gains from sale of investments	5,520	41,524
Dividend income	9,382	9,469
Interest income	10,717	18,794
Fair value loss arising from financial assets		
- designated as at fair value through profit or loss	(125,231)	(29,002)
- held for trading	(11,460)	7,617
Foreign exchange gain/(loss) – net	11,317	(44,095)
(Loss)/Income from investments	(99,755)	4,307
Fund management expenses	(1,638)	(3,882)
	(101,393)	425
Net (loss)/income from bank deposits and investments	(95,426)	2,305

* Investments comprise financial assets at fair value through profit or loss and available-for-sale financial assets (Note 9).

Included in net (loss) / income from bank deposits and investments is a net gain of \$2,330,000 (2007/2008 : \$14,242,000) arising from investments classified as financial assets designated as at fair value through profit or loss at inception.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

23. CONTRIBUTION TO CONSOLIDATED FUND

The contribution to the Consolidated Fund is made in accordance with Section (3)(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act (Cap. 319A). Contribution for the financial year is determined based on 18% (2007/2008 : 18%) of the net surplus for the financial year.

There is no contribution for the financial year ended 31 March 2009 and the deficit amount would be carried forward for set-off against future financial years' surpluses. No deferred tax asset has been recognised due to the unpredictability of future net surplus.

24. FUNDING FOR GOVERNMENT PROJECTS

The Authority incurred an amount of \$5,331,000 (2007/2008 : \$64,943,000) to fund government projects which are implemented by government agencies under the programme to develop Singapore into a vibrant and distinctive global city. This amount was recorded as a reduction in the Authority's accumulated surplus during the financial year as this is a contribution to the government.

25. DIVIDEND PAID

A dividend of \$1,061,000 was paid to the Minister of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Cap. 183), in respect of the results for the financial year ended 31 March 2008.

26. COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are analysed as follows:

	31 March 2009 \$'000	31 March 2008 \$'000
Infrastructural projects	104,064	73,865
Property, plant and equipment	-	5,151
Amounts approved and contracted for	104,064	79,016

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2009

26. COMMITMENTS (continued)

(b) Operating lease commitments - where the Authority is a lessor

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are analysed as follows:

	31 March 2009 \$'000	31 March 2008 \$'000
Not later than one year	5,588	5,306
Between one and five years	5,383	9,476
	10,971	14,782

27. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

At the date of authorisation of these financial statements, the following SB-FRS that is relevant to the Authority was issued but not effective:

SB-FRS 1 – Presentation of Financial Statements (Revised)

SB-FRS 1 (Revised) will be effective for annual periods beginning on or after 1 April 2009, and will change the basis for presentation and structure of the financial statements. It does not change the recognition, measurement or disclosure of specific transactions and other events required by other SB-FRSs.

Consequential amendments were also made to various standards as a result of these new or revised standards.

Management anticipates that the adoption of the other SB-FRSs, INT SB-FRSs and amendments to SB-FRS that were issued but effective only in future periods will not have a material impact on the financial statements of the Authority in the period of their initial adoption.

28. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board on 9 June 2009.



To make Singapore a great city to live, work and play in

URBAN REDEVELOPMENT AUTHORITY

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