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URBAN REDEVELOPMENT AUTHORITY ANNUAL REPORT 2010/2011



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OUR MISSION

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

WHO WE ARE

The Urban Redevelopment Authority (URA) is Singapore's national land use planning and conservation authority. 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. We adopt 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. Our 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 multi-faceted role. In addition to our planning function, URA is also the main government land sales agent. Through the sale of state land, we attract and channel private capital investment to develop sites to support economic and social development. 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.

Drawing on our experience in integrated planning and urban management, URA provides consultancy for overseas bilateral projects and shares our urban planning experience through professional training programmes.

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.

CHAIRMAN'S MESSAGE

FY 2010/2011 has been an eventful year for the Urban Redevelopment Authority. All round, there has been positive progress in our mission to make Singapore a vibrant city to live, work and play in.

VISION OF MARINA BAY TAKING SHAPE

2010 will be remembered as the year when the Marina Bay took shape as Singapore's new down-town, with the completion of the Marina Bay Sands Integrated Resort, the Fullerton Heritage, Phase One of the Marina Bay Financial Centre and its underground retail mall. The area is increasingly being identified as Singapore's new skyline.

Our plan to make this area, the "people's bay", has also gained currency. A series of successful events were staged in the Bay under the theme of "Marina Bay Invitations 2010", such as Asia's first sustainable light art festival – i Light Marina Bay, the opening of the double helix pedestrian bridge, the Youth Olympics and the Marina Bay Countdown 2010/2011.

BEYOND THE CENTRAL AREA

Outside the Central Area, the development of new growth areas gained momentum as part of our de-centralisation strategy to

provide alternatives for businesses and jobs closer to homes. The Jurong Lake District saw the sale of two white sites, which will complement the development of "JCube" and an integrated healthcare hub comprising the Ng Teng Fong Hospital and Jurong Community Hospital. Similarly, the sale of a commercial site in Paya Lebar provided a significant impetus to launch our plans for the area.

Our environmental improvement projects have also added several new and interesting spots on the island. The Woodlands Waterfront Promenade was launched in January 2011 and quickly became a popular waterfront leisure destination for residents in the north. The ongoing works, such as the Punggol Promenade and a 2.1 km walkway to link the Southern Ridges and the southern waterfront, will create other exciting waterfront spaces that residents can look forward to enjoying in future.

PROMOTING EXCELLENCE

The launch of the inaugural biennial Lee Kuan Yew World City Prize was a success, attracting 78 nominations from 32 cities. The Prize provided a platform for Singapore to celebrate good urban solutions on the international stage as well as provide a benchmark of good practices in urban design and development.

2010 also saw the award of the 100th Architectural Heritage Award. This set an important milestone in the conservation and appreciation of our built heritage. In promoting architectural excellence, URA is actively involved in events such as the President's Design Award to honour the achievements and contributions of Singapore's architects.

Our commitment to organisational excellence and staff wellness continued to be recognised. Notably, we were conferred the Public Service Distinguished Award, the Work-Life Excellence Award 2010 and Singapore HEALTH Award 2010 (Platinum Award).

PLANNING FOR THE FUTURE

Even as we focus on the present, we continue to plan for Singapore's future. Early this year, URA embarked on the Concept Plan Review 2011, after carrying out extensive consultations for more than a year to seek public inputs. The review is conducted every ten years and is an important land-use planning exercise which fundamentally looks at how our land resources can be deployed to create a better life for Singapore residents. The current review will address important questions that Singapore faces going forward – catering to rapid demographic changes,

maintaining quality of life in a dense living environment and continuing economic competitiveness in a competitive global economy.

The review of the Concept Plan is still on-going and the draft proposals will be presented to the public for feedback when ready.

BIG THANK YOU

This fruitful year was only possible because of the strong support from our partners and stakeholders. On URA's behalf, I want to take this opportunity to thank you for your generosity in time and resources to help in our work and we look forward to your continued support to make Singapore a special and endearing home for all.

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
Board Member, Singapore Power Ltd
Board Member, MediaCorp Press Ltd and MediaCorp TV Holdings Pte Ltd
Board Member, TP Ventures Pte Ltd
Chairman, SPH Magazines Pte Ltd
Chairman, SP Power Assets Ltd
Chairman, PowerGas Ltd
Board Member, OpenNet Pte Ltd
Director, Business China
Director, Federation Internationale of Periodics Publishers
Director and Executive Committee Member, World Association of Newspapers
Chairman, Corporate Governance Council
Member, Public Service Commission

B Prof Heng Chye Kiang
(from 1 April 2003)
Dean, School of Design and Environment, National University of Singapore
Chairman, Architectural Heritage Awards Assessment Committee, Urban Redevelopment Authority
Advisory Board Member, Centre for Liveable Cities

C Mr Chan Sui Him
(from 1 April 2006)
Chairman, DP Architects Pte Ltd
Board Member, DSLSG Investment Co Pte Ltd

D Mr Anthony Kang
(from 1 April 2009)
President/Chief Executive Officer, Dentsu Singapore Pte Ltd
Board Member, Audit Bureau of Circulation Singapore
Director, The 4As Limited
Immediate Past President & Council Member, Association of Accredited Advertising Agents, Singapore
Council Member, Advertising Standard Authority of Singapore
Advisory Committee Member, Wee Kim Wee School of Communication & Information, Nanyang Technological University
President, International Advertising Association, Singapore Chapter
Treasurer & Committee Member, Confederation of Asian Advertising Agency Associations

E 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
Deputy Chairman, Government Parliamentary Committee for Finance, Trade & Industry
Deputy Chairman, Government Parliamentary Committee for National Development & Environment
Vice-President, Singapore Wushu Dragon & Lion Dance Federation

F Mr Mok Wei Wei
(from 1 April 2006)
Managing Director, W Architects Pte Ltd
Board Member, Preservation of Monuments Board
Chairman, Design Guidelines Waiver Committee, Urban Redevelopment Authority

G Mr Ng Lang
(from 1 August 2010)
Chief Executive Officer, Urban Redevelopment Authority
Board Member, Civil Service College
Board Member, PUB
Board Member, Tropical Marine Science Institute, National University of Singapore

H Mr Ong Chong Tee
(from 1 April 2006)
Deputy Managing Director (Central Banking), Monetary Authority of Singapore
Member, Savers Fund Trustee Board, Ministry of Defence
Member, INVEST Board of Trustees, Ministry of Home Affairs
Council Member, Institute of Banking and Finance
Member, Sim Kee Boon Institute for Financial Economics Advisory Board
Member, EDHEC Risk Advisory Board

I Mr Tan Chee Meng
(from 1 April 2009)
Senior Counsel, WongPartnership LLP
Board Member, Singapore Power Ltd
Governor, St Gabriel's Foundation Board
Director, WOPA Services Pte Ltd
Board Member, All Saints Home
Board Member, SPI (Australia) Assets Pty Ltd
Board Member, Mun Siong Engineering Ltd
Board Member, Jurong Town Corporation
Board Member, Mapletree Commercial Trust Management Ltd

J Dr Teh Kok Peng
(from 1 April 2004)
Advisor, Group Executive Committee, GIC
Chairman, China Business Group, GIC
Board Member, GIC Special Investments Pte Ltd
Board Member, China International Capital Corporation
Member, Governing Board, Lee Kuan Yew School of Public Policy
Member, Board of Trustees, National University of Singapore
Member, Trilateral Commission
Board Member, OCBC Group (from 1 August 2011)

K Mr Lionel Yeo Hung Tong
(from 1 April 2009)
Chief Executive Officer & Dean, Civil Service College
Deputy Secretary (Development), Public Service Division, Prime Minister's Office
Board Member, Jurong Port Pte Ltd

ADVISORY COMMITTEE

(As at 1 August 2011)

INTERNATIONAL PANEL OF EXPERTS

This panel was established to seek the views of renowned international architects, urban economists, planners and developers on international best practices and the latest global trends in planning and urban design strategies. As such, the 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

Mr Daniel Biederman
President
Bryant Park Corporation

Mr Moshe Safdie
Founder and Principal
Moshe Safdie & Architects

CO-CHAIRMAN

Mr Ng Lang
Chief Executive Officer
Urban Redevelopment Authority

Mr Hitoshi Abe
Professor and Chair, Department of
Architecture and Urban Design,
University of California, Los Angeles

Sir Peter Hall
Professor of Planning and Regeneration of the
Bartlett School of Architecture and Planning,
University College London

MEMBERS

Mr Alfonso Vegara
President
Fundación Metrópoli

Mr Jeremy Newsum
Chairman
Urban Land Institute

Ms Marilyn Taylor
Dean, School of Design
University of Pennsylvania

Mr Ché Wall
Director, Sustainability Consulting Group
Lend Lease

CONSERVATION ADVISORY PANEL

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

CHAIRMAN

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

Assoc Prof Shirlena Huang Swee Lian
Department of Geography & Vice-Dean
(Graduate Studies),
Faculty of Arts and Social Sciences,
National University of Singapore

Mr Ng Chee Seng
Honorary Treasurer
Real Estate Developers' Association of
Singapore

MEMBERS

Mr Ashvinkumar s/o Kantilal
President
Singapore Institute of Architects

Mrs Koh-Lim Wen Gin
Director
Keppel Land Limited

Mr Wee Boon Kim
President
Taxi Operators' Association

Mr Chan Yew Wooi
Principal
Evergreen Secondary School

Mr Michael Koh
Chief Executive Officer
National Heritage Board

Ms Wo Mei Lan
Director
Liu & Wo Architects Pte Ltd

Ms Elim Chew
President and Founder
77th Street (S) Pte Ltd

Ms Evelyn Lau
Executive Director
Luxx Newhouse Pte Ltd

Mr Zahidi Bin Abdul Rahman (PBM)
Chairman
Siglap South Malay Activity Executive
Committee

Ms Diana Chua
Heritage Tour Consultant

Mr Loh Lik Peng
Director
K.M.C Holdings Pte Ltd

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

Ms Goh Sin Hwee
China News Editor
Lianhe Zaobao

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

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

Mr Look Boon Gee
Principal
Looks Architects Pte Ltd

MEMBERS

Mr Ashvinkumar s/o Kantilal
President
Singapore Institute of Architects

Mr Tan Shao Yen
Senior Vice President (Building)
CPG Consultants Pte Ltd

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

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 in Singapore.

CHAIRMAN

Mr Chan Sui Him
Chairman
DP Architects Pte Ltd

Mr Donald Han
Regional Managing Director
Cushman & Wakefield Singapore Pte Ltd

MEMBERS

Mr Chan Soo Khian
Founding Principal
SCDA Architects Pte Ltd

Mr Richard Hassell
Director
WOHA Designs Pte Ltd

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

Mr Liam Wee Sin
Chief Operating Officer
UOL Group Ltd

Mr Chng Chee Beow
Executive Director
Wing Tai Land Pte Ltd

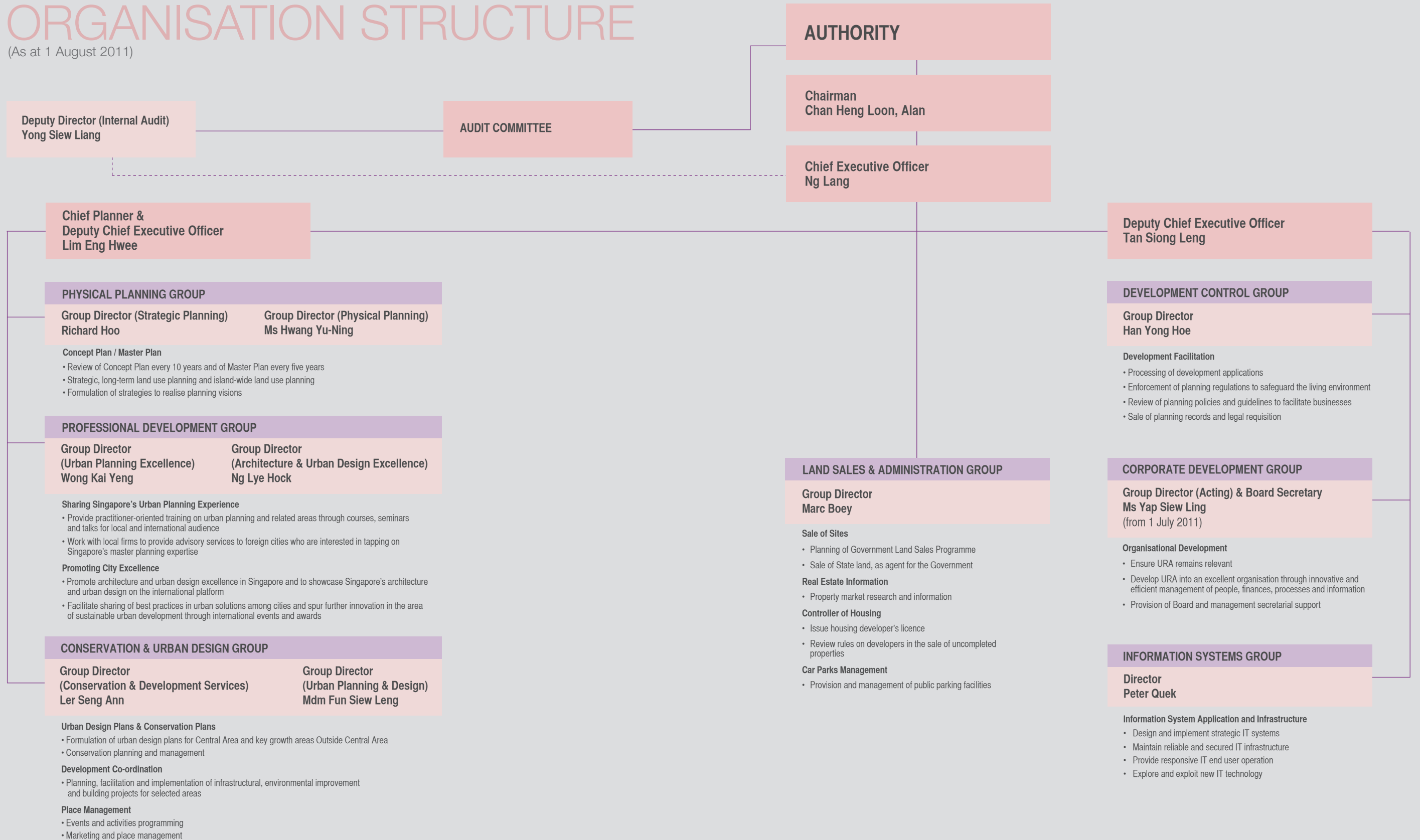
Mr Mok Wei Wei
Managing Director
W Architects Pte Ltd

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

Mr Benson Puah
Chief Executive Officer
The Esplanade Co Ltd

ORGANISATION STRUCTURE

(As at 1 August 2011)



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 rest 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 four 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 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 two 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 systems.

(1 April 2010 to 31 March 2011)

STAFF REVIEW COMMITTEE

Chairman

Mr Chan Heng Loon, Alan

Members

Mr Ng Lang
Mr Lionel Yeo

FINANCE & INVESTMENT COMMITTEE

Chairman

Mr Chan Heng Loon, Alan

Members

Mr Ng Lang
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 Liang Eng Hwa

Members

Mr Chan Sui Him
Mr Tan Chee 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 Operation 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; and
- 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 Department conducts audits and reviews 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 audits on key computerised systems and networks; and
- Performing checks on compliance with statutory requirements, regulations and standards.

The Internal Audit Department reports directly to the Chairman of 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 accounting and internal control issues, and also recommends possible ways in which the systems 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 Whistle Blower Policy Statement to strengthen its business and ethical conduct.

ACHIEVEMENTS FOR THE YEAR



TOWARDS A BETTER FUTURE

As the national planning agency, URA reviews our land use plans and strategies to provide for our country's needs in the medium to long term. The Concept Plan is reviewed every 10 years to ensure that our plans remain relevant and keep pace with the ever-changing environment. It contributes towards sustaining a strong and stable economy and provides for a good living environment for Singapore.

In July 2009, URA commenced the Concept Plan 2011 Review. To provide inputs for the review, a comprehensive public consultation programme was conducted. This included the URA Lifestyle Survey 2009 and online survey to understand the lifestyle needs and aspirations of our residents. Both surveys showed higher satisfaction levels with our living, working and leisure environment compared to previous surveys.

In January 2010, two focus groups comprising members from professional bodies, non-governmental organisations, academia, community leaders, and youths were formed to look into the four key issues in the review: quality of life, ageing issues, sustainability and identity. After conducting extensive discussions over four

months and sharing their draft recommendations at two public forums in May 2010, both focus groups released their final recommendations in August 2010. The final recommendations covered specific proposals to make Singapore more distinctive and vibrant and to cater to the needs of different age groups including our growing elderly population. The recommendations also spell out ways to involve the people in adopting sustainable practices and to enhance our sense of belonging and identity.

With the inputs from the public and private sector, we embarked on Phase Two of the Concept Plan 2011 Review. Together with our partners from various government ministries and agencies, we made a comprehensive study of the land use needs for uses such as housing, business, transport, infrastructure, recreation and community needs to formulate the strategic land use and transportation plans for the next 40 to 50 years. As part of the process, we also reviewed the focus groups' proposals for incorporation, conducted studies to better optimise the use of our limited land and developed strategies to guide the long term development of our land.

The URA Lifestyle Survey 2009 revealed higher satisfaction levels with our living, working and leisure environment



One of the key issues in the Concept Plan 2011 Review is how we can design our physical landscape to facilitate active ageing

The review of the Concept Plan is on-going and the draft proposals will be presented to the public for feedback when ready.

The development of capabilities and technologies is another important aspect of our work in creating a more liveable and sustainable Singapore. In 2009, URA in collaboration with the Housing and Development Board, Land Transport Authority and National Parks Board, had signed agreements with the National University of Singapore to embark on research projects to study issues on sustainable urban development. Since then, we have shared the findings at various international forums and conferences including modeling studies on heat and ventilation of urban areas, comparative analysis of the environmental performance of different housing typologies and reviews of public spaces in high-density urban environments.

Besides focusing on the future with the Concept Plan Review and research on sustainable urban redevelopment, the URA also ensures that the plans laid out in the Master Plan 2008 are realised on ground. In line with the Master Plan 2008, a community park will be developed in Holland Village by the fourth quarter of 2012. The park is set next to the future Holland Village Circle Line (CCL) station entrance and will serve as a new gateway to Holland Village. The park and the station entrance will be integrated seamlessly to allow CCL commuters to exit into a pleasant garden setting.

To enhance connectivity from the eastern corridors to the Central Business District (CBD) and developments in the Marina Bay area, a Downtown Line 3 (DTL3) was unveiled in August 2010. The 21 km long DTL3 will comprise of 16 stations to be linked to the CCL and East West Line (EWL). Besides providing greater accessibility to the area, the DTL3 will also significantly improve travelling time for commuters.



URA's Labrador Nature and Coastal Walk will open up currently inaccessible mangrove and coastal areas in the southern part of Singapore



URA's environmental improvement projects at the Woodlands Waterfront (left) and Punggol Promenade (right) offer unique leisure opportunities for the residents

ENHANCING OUR QUALITY OF LIFE

Against a backdrop of increasing globalisation, the URA has been working hard to enhance the living environment to match the rising aspirations of Singaporeans for a better quality of life. Projects which can improve the character and identity of areas and facilitate local activities are very much a part of our planning process. Proposals include the opening up of the waterfronts, improvements to connectivity and pedestrian linkages between major nodes, creation of community spaces, and greater provision of public amenities.

As part of URA's environmental improvement projects all across the island, a 2.1 km long extension will link the Southern Ridges and the Southern Waterfront through a series of connections from Alexandra Road to the waterfront at Bukit Chermin. This will bring us closer to transforming Singapore's Southern Waterfront into a new leisure playground for Singaporeans and visitors.

Residents of Upper Serangoon can enjoy an improved pedestrian experience with the completion of an enhanced 1.5 km long walkway along Upper Serangoon Road. URA transformed the 1.5 km stretch from Yio Chu Kang Road to Lim Ah Pin Road into a smooth and continuous pedestrian pathway with lush landscaping, which also doubles up as a heritage trail that showcases the rich history of the area.

For the past three years, an inter-agency government taskforce has been working with local stakeholders to improve the physical

environment in Little India to make it more pedestrian friendly. In particular, the Little India community and visitors can enjoy and benefit from new decorative lampposts, improved floor finishes, widened walkways and improved traffic movement.

URA also works closely with Public Utilities Board on their ABC Waters Programme to develop water bodies beyond their functions as resources for water collection, storage and drainage. To date, we have completed and opened up projects like Sungei Punggol (Sengkang Floating Wetland), Sungei Kallang (River Vista), Lower Seletar Reservoir (Family Bay & Rowers' Bay), Jurong Lake and Pandan Reservoir. Projects slated for completion in 2011 are Alexandra Canal, Kallang River-Bishan Park and Serangoon Reservoir-Lorong Halus.

The completion of Woodlands Waterfront in January 2011 brings a new leisure destination to residents in the north to leisurely roam and enjoy. The waterfront boasts of scenic and tranquil 9 ha coastal park and a 1.5 km long waterfront promenade. The area is also dotted with rest shelters, dedicated jogging and cycling tracks and fitness stations. The latest addition to Punggol Town in March 2011, the eco-friendly Lorong Halus Wetland and the Riverside Walk of the Punggol Promenade will bring about new places for members of the public to enjoy the tranquility and greenery of the wetland, and also provide a new habitat for birds, butterflies, dragonflies and other wildlife.



Children enjoying a game of football at the Sports Complex in Tampines, one of the earliest regional hubs away from the city centre

OPTIMISING OUR LAND USE

Given Singapore's land size, URA faces the challenge in the planning of land use to house the needs of a nation state. URA constantly looks at creative ways to ensure that we are able to meet the land needs of Singapore. As our city grows, there will be greater demands placed on our limited land resources. This is where we need to innovate and be more productive in the use of our land, as well as spatially distributing economic activities through development of integrated activity hubs to achieve both higher economic activity and quality of life for the people.

Outside of the city area, the URA plans for the distribution of mixed-use hubs throughout the island as part of the URA's de-centralisation strategy. The URA puts in place the necessary

infrastructure and services to ensure that such areas are conducive and attractive for businesses.

The Master Plan 2008 envisioned the development of growth areas such as Jurong Lake District, Paya Lebar and Kallang Riverside over the next 10 to 15 years and beyond. Over the past year, each of these growth areas has seen active development. In Jurong Lake District, URA oversaw the successful sale of two white sites to complement the development of JCube mall, the Continuing Education and Training (CET) Campus West and an integrated healthcare hub comprising the Ng Teng Fong Hospital and Jurong Community Hospital. Paya Lebar Central will be developed around the Paya Lebar MRT Interchange Station



Artist's impression of the future Paya Lebar Station Plaza

and plans are in place to incorporate the Geylang River into the developments together with new public spaces in the area. The tender for a commercial site was also launched in January 2011, next to the upcoming CET Campus East. The Kallang Riverside has been envisioned to be an urban waterfront district, with diverse amenities in the area to complement the development of the new Sports Hub.

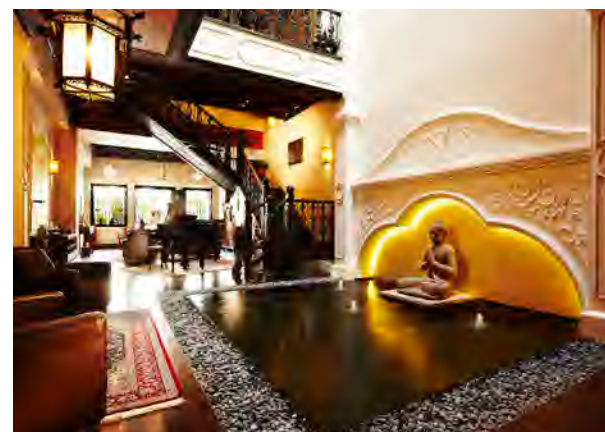
URA works with many other agencies to explore innovative ways to optimise our land resources. Sengkang and Punggol are one of the first few towns planned with co-location and clustering of a mixture of compatible community facilities. At Sengkang Square, there is a development shared by a community club, neighbourhood police

centre, a polyclinic and a Singapore Anti-Narcotics Association office. Marine Parade community club is another example of co-location use, with a branch of National Library and the theatre group 'The Necessary Stage' housed within it.

URA also worked with the People's Association and other relevant agencies to facilitate the development of the Tampines Town Hub Community Club (CC). Tampines Town Hub CC will be the first integrated lifestyle destination in the heartland to bring together retail, CC, sports and other civic and community facilities such as performing arts theatre, regional library all under one roof, providing a vibrant community space where residents can gather, interact and bond with others from the community.



Refurbished Art Deco style bungalow at 25 Chapel Road



An articularly preserved three-storey pre-war terrace house at 55 Spottiswoode Park Road



Victorian-style bungalows at Grand Duchess at St Patrick's



St James Power Station, Singapore's first coal-fired power plant, is now a modern nightspot

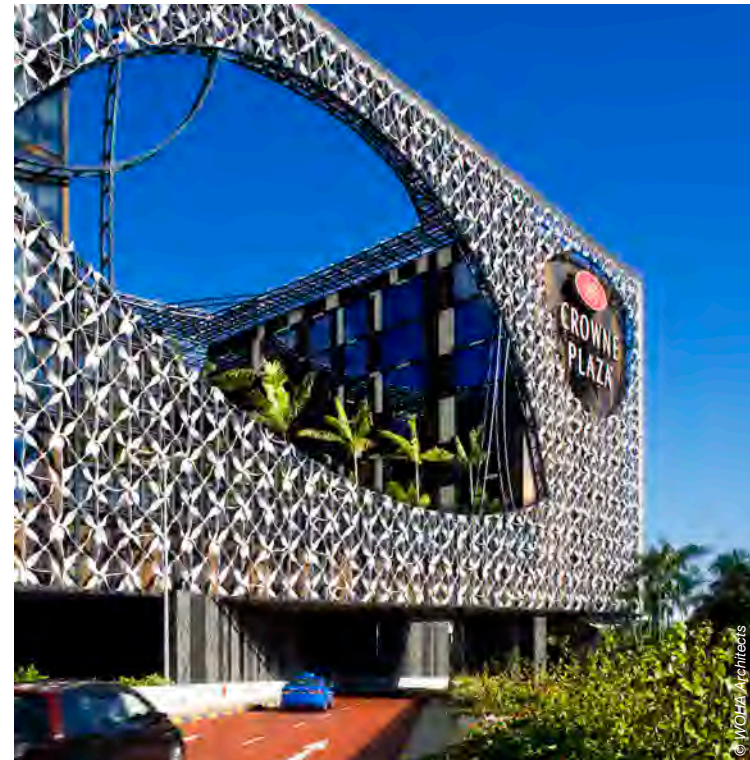
CONSERVING OUR BUILT HERITAGE

Even as the city state changes with exciting new projects, we are very mindful of the need to keep our built heritage. While urbanisation and redevelopment is essential for progress, memories and the conservation of existing buildings and places associated with these memories are tools to help keep Singaporeans and the younger generation rooted to their past and their identities.

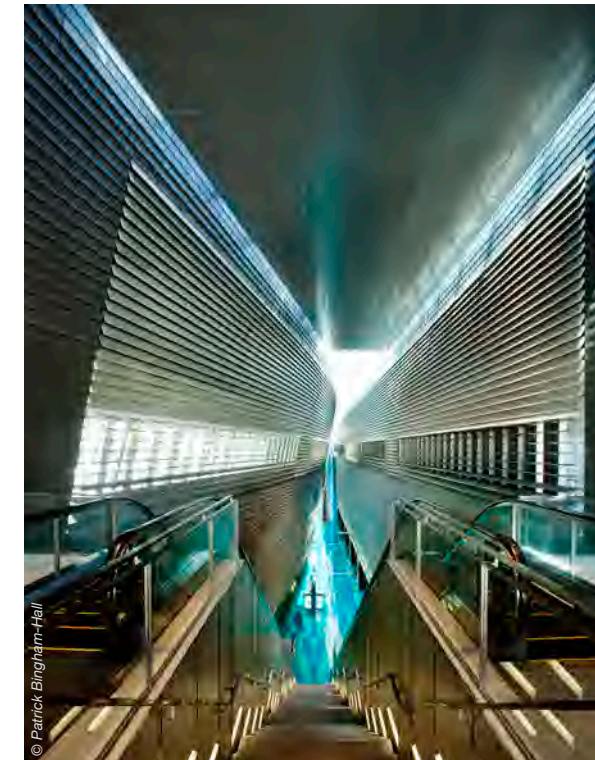
The year 2010 marked an important milestone, with URA giving out the 100th Architectural Heritage Award (AHA). Eight winners were awarded the AHA 2010 awards to recognise owners, professionals and contractors who have gone the extra mile to sensitively restore their heritage buildings to their former glory for today's use. Projects awarded the accolade includes St James Power Station, a cluster of 14 three-storey vintage shophouses at Murray Terrace, two Victorian-style bungalows at Grand Duchess at St Patrick's, a single-storey Art Deco style bungalow at 25 Chapel Road, a three-storey pre-war terrace house at 55 Spottiswoode Park Road, a two-storey terrace house at 55 Blair Road, and 68 Cairnhill Road, and two Art Deco four-storey shophouses at 36 and 38 Armenian Street.

In 2010, URA had successfully conserved 30 bungalows at Rochester Park, 13 bungalows at Nepal Park, Mahatma Gandhi Memorial Hall at Race Course Lane and two buildings along Old Dairy Farm Road. Over in Jalan Besar, URA had also conserved an additional 51 buildings and two structures. Jalan Besar is well known for its diverse and interesting mix of architecture, history, culture and activities. Among the conserved buildings in Jalan Besar is the landmark Lee Clan Association, with over 50 years of history. URA adopted a consultative approach in the conservation exercise for Jalan Besar and will continue to adopt such an approach in our conservation programme. This is critical in ensuring that we make a collective judgment as a society in deciding how much and what of our built heritage to conserve.

There is a need to balance development with conservation of our past and URA has an unenviable task managing this tightrope. To date, more than 7,000 buildings and structures have been gazetted for conservation in more than 100 areas.



Local talents such as Formwerkz Architects and WOHA Architects showcased their seminal works at the "20 Under 45: The Next Generation" exhibition. (Left to right) House at Jalan Sedap and the Crowne Plaza Hotel



President's Design Award 2010 winners include the Pinnacle@Duxton and the Stadium MRT Station

PROMOTING ARCHITECTURE AND URBAN DESIGN EXCELLENCE

Living in an urban jungle, good architecture and urban design takes on special emphasis. It will help to make our city both a functional and attractive place to residents and visitors. With the focus on the world evolving into a global village, and people becoming citizens of this global community, it is important to ensure that we focus on urban design to be the distinctive factor that sets our city apart from others in the competition to retain and attract people to live, work and visit.

URA has continued to support and co-fund private-initiative projects under the Architecture & Urban Design Excellence (A•UDE) Promotion Programme, and also organised talks, exhibitions, site visits, workshops and community-level projects. The second urban planning and design competition "Challenge for the Urban and Built Environment" (CUBE) 2010 was organised by URA for Junior College and Polytechnic students. It was conducted in a three-day workshop format to educate students on basic principles of urban planning, architecture and urban design.

URA also launched the "20 Under 45 : The Next Generation" exhibition of a selection of works by 20 Singapore-registered architects aged 45 years and under. The exhibits served to heighten the awareness and appreciation of design quality in the built environment and encourage a more vibrant professional design community by promoting and giving recognition and greater exposure to talented young architects in Singapore. The exhibits were so well-received that it was invited to be showcased at the prestigious Aedes Gallery in Berlin, Germany. Founded in 1980, the Aedes Gallery is the first private architecture gallery in Europe and is renowned for recognising and promoting leading architects around the world.

"Singapore 1:1 Island Travelling" exhibition, a follow-up exhibition from the "Singapore 1:1 City", which presents a selection of exemplary works in the Central Area by local and international architects travels to its fifth and final venue at the Republic Polytechnic in October 2010. The exhibition has been presented at many places since 2007.

URA has also been giving strong support to the ArchiFest 2010 since its inception in 2007. In partnership with the Singapore Institute of Architects, we will nurture ArchiFest into a premier event for exchanging and developing ideas to enhance our urban environment, as well as for raising awareness and appreciation of good architecture and urban design in the wider community.

The President's Design Award 2010 which is into its fifth year, honoured 11 exceptional Singapore designs and designers, with President S R Nathan presenting the awards to the winners at a ceremony in November 2010. Winning projects included the Pinnacle@Duxton and the Stadium MRT Station. The inaugural Lee Kuan Yew World City Prize concluded with great success in June 2010. At the Lee Kuan Yew Prize Award Ceremony and Banquet, Bilbao City was conferred the Lee Kuan Yew World City Prize Laureate in recognition of its integrated and holistic approach to urban transformation.

URA was also one of the lead supporting agencies for World Cities Summit (WCS) 2010, a premier international event bringing

together practitioners, policy makers and leading experts in their field to identify innovative solutions to the most pressing challenges facing cities today. URA was involved in organising many high-profile events at the Summit, including the World Cities Summit Expo, WCS Learning Journeys, URA Expert Panel Session, Lee Kuan Yew World City Prize Lecture and Forum, Singapore International Water Week Technical Tour and hosting VIP visits to the URA City Gallery.

For the first time, URA had taken the bold step to showcase all 14 concept proposals that URA received for the Capitol Sale Site tender. The 'Concept Proposals for Capitol Sale Site' exhibition served as an educational platform for the public to gain insight and appreciate the high quality designs and development concepts submitted by the tenderers, and provided an overview of the benefits of the Concept and Price Revenue Tender system. The exhibition was on display at the URA Centre from 31 March to 29 April 2011 and received positive feedback from the architectural community, visitors to the exhibition as well as the developers and architects who took part in the Capitol Sale Site tender.



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CREATING SPACES FOR PEOPLE TO LIVE, WORK, PLAY

Marina Bay, the pièce de résistance of Singapore's landscape has seen a dynamic transformation. It continues to be an exemplary role model for our motto in making Singapore a great city to "Live, Work and Play" in, with residential, commercial and entertainment elements all integrated in one place.

2010 was an important year for Marina Bay as it marked the completion of many new developments Marina Bay Financial Centre Phase One and Marina Sands Integrated Resort, as well as infrastructure such as the Helix bridge and the Marina Bay waterfront promenade. The Helix bridge symbolises 'life', 'continuity', 'renewal' and 'growth', and the unique design of the structure was inspired by the structure of DNA, the basic building block of life. With the completion of the pedestrian and vehicular bridge, Bayfront became accessible from Marina Centre, completing a 3.5 km waterfront loop around the bay.

The Marina Bay waterfront promenade and The Lawn@Marina Bay form part of a series of open spaces to allow everyone to gather and spend time bonding together, to recreate and reconnect with our city. The Marina Bay City Gallery which opened in July 2010, tells of the story of Singapore's urban transformation and development of Marina Bay through an interactive model and various exhibits.

URA also successfully staged a series of anchor events in 2010 under the theme of "Marina Bay Invitations 2010" (MBI 2010). The events attracted people of all ages and from all walks of life and underpin the vision of Marina Bay as the Bay of Celebration, brimming with activity and energy.

MBI 2010 got underway in December 2009 with the Marina Bay Singapore Countdown 2009/2010, and the momentum was sustained over the entire year with the official opening of The Helix, Bayfront Bridge and Youth Olympic Park in April 2010.

This was followed by The New Paper Big Walk & Big Carnival in July 2010 to mark the opening of the new waterfront promenade and Marina Bay City Gallery. Asia's first sustainable light art festival - i Light Marina Bay held for three weeks from October to November 2010 attracted more than 430,000 people. MBI 2010 culminated on a high note with Marina Bay Singapore Countdown 2010/11 on 31 December 2010. These events successfully introduced Marina Bay to more than one million visitors and generated more than \$4.5 million in local and international media value.

The success of the events was made possible through the engagement of the public using various platforms such as internet websites, social media (Marina Bay Singapore Facebook and Flickr), blogs and even customised iPhone applications for

the i Light Marina Bay Light Festival, etc. In the latest survey carried out in March 2011, respondents ranked Marina Bay favourably as their top local waterfront, securing 60.5 per cent of the votes. This was a significant jump from the previous two surveys conducted in March and September 2010, where Marina Bay ranked third and fourth garnering about 12.5 per cent of the votes. The total weekly visitor-ship to Marina Bay rose to 460,000 (March 2011), an all time high, compared to the previous figures of 290,000 (September 2010) and 130,000 (March 2010). For tourists, satisfaction level was higher than the last round with respondents more satisfied with provision of amenities and facilities in the area. While overall satisfaction remained stable for locals, there was a significant increase in ratings for various aspects of Marina Bay.

MAINTAINING A STABLE AND SUSTAINABLE PROPERTY MARKET

URA continues to play a major role in maintaining a stable and sustainable property market through calibrated policies and a responsive Government Land Sales (GLS) Programme.

The GLS Programmes in 2010 and 2011 made available ample supply of land for private residential and commercial developments to meet strong demand on the back of Singapore's robust economic growth.

For the residential sector, most of the sites released for sale are located in areas where more affordable private housing are expected to be built to meet anticipated demand. To offer more housing and development options, the GLS Programme also made available smaller landed residential land parcels in Sembawang Greenvale for sale via auction.

For the commercial sector, a wide variety of sale sites were made available, both within and outside the CBD, so that businesses can have more location choices. Notable sites that were made available include sites at Robinson Road / Cecil Street and Marina Bay that can help cater to demand for office space in CBD. Two white sites were successfully sold in Jurong Gateway. These developments which will have an attractive mix of office and retail uses, will transform the precinct into an attractive destination for business and leisure. To provide businesses with even more location options, two commercial sites were also made available in Paya Lebar to catalyse the development of Paya Lebar Central into a commercial hub at the fringe of the city centre.

The GLS Programme was instrumental in realising our planning vision. As part of our plans to develop a vibrant work-play-live environment with round-the-clock buzz in the city centre,

we successfully sold two white sites for mixed-use development at Stamford Road / North Bridge Road, the site of the former Capitol Theatre and Peck Seah Street / Choon Guan Street. In particular, the site at Stamford Road / North Bridge Road includes three historical buildings, namely the Capitol Theatre, the Capitol Building and Stamford House. To build on its illustrious history and to transform it into a compelling lifestyle precinct, a Concept and Price revenue tender system was adopted to select a proposal that would satisfy the planning vision for the site.

In all, 10 residential sites, 8 industrial sites, 1 commercial site, 3 hotels sites and 2 white sites were sold by URA in the FY 2010.

Besides ensuring a steady supply of land to meet demand, URA also continues to closely monitor market trends and review key property market policies. To maintain a stable and sustainable property market, two sets of market cooling measures were introduced in August 2010 and January 2011 respectively.

The measures include increasing holding period of Seller's Stamp Duty (SSD) and raising the SSD rate for residential properties, and decreasing the Loan-to-Value (LTV) limit for housing loans for home-buyers with one or more outstanding housing loans. URA has also shortened the project completion period for all sale sites in the FY 2010 to ensure that supply of residential units and commercial spaces under the GLS programme can come on stream in a timely manner to meet demand.

A review of the Housing Developers (Control & Licensing) Act & Housing Developers Rules was also carried out to give home-buyers better access to accurate and timely information about the market. A public consultation exercise was conducted in March 2011 to seek public feedback to ensure that views from Singaporeans were taken into consideration in the review. The public is supportive of the proposals, which include requiring developers to provide more information in showflats and housing units to prospective home-buyers.

The landmark Capitol site will be transformed into a new residential, hotel and entertainment precinct



Artist's impression of the Galleria which will be lined with eateries and shops





URA's development guidelines help to facilitate a quality environment for living and working, as well as public spaces for people to enjoy

FACILITATING DEVELOPMENTS AND BALANCING COMMUNITY AND BUSINESS NEEDS

A broad outline for urban redevelopment or land use is only as effective as its implementation. It is important to have in place a good development control system to ensure that all development proposals fall within the parameters of the Concept and Master Plans. Through the Master Plan provisions and Development Control policy guidelines, URA ensures the amenities and interests of the larger community are protected while it facilitates the development needs of the individual land owners and businesses.

With the improved economy in 2010, the number of Development Applications received increased significantly from 14,500 in the FY 2009 to 15,300 in FY 2010. Despite the increased workload, URA cleared 97 per cent within the four weeks time-frame. Similarly, given the buoyant property market in 2010, the number of Legal Requisitions (LR) soared from 35,300 in FY 2009 to 40,200 in FY 2010. These LRs were cleared within three days.

URA constantly seeks new ways to allow for design creativity of individual projects and at the same time, safeguard the neighbourhood. For example, as an alternative to the normal prescriptive planning guidelines for landed housing developments, URA decided to try out a pilot project using an envelop control approach for a URA sale site for landed housing at Sembawang. nine out of 14 land parcels in the Sembawang Greenvale Phase Three sale site were sold under this envelop control approach. The envelop control guidelines adopt a volumetric approach which allow landed houses to be creatively designed so long as the house is within the permissible overall building envelop. The envelop control approach was the result of a Focus Group consultation on landed housing guidelines and involved various stakeholders such as property owners, residents, and building industry professionals.

URA continues to streamline its processes to improve efficiency and response time to reduce business costs. For instance, the Home Office permits used to have a five-year validity period. URA changed it to a hassle-free one-time permit for private residential properties. It removes the administrative requirement to renew the validity period and saves applicants the inconvenience and renewal costs of \$20 per renewal. It introduced a pro-business initiative for the simpler change of use renewal applications by proactively screening and pre-approving the cases due for renewal early. This will allow the applicants to continue their businesses by paying up the renewal fees. Another pro-business initiative introduced is for business uses within HDB commercial properties and living quarters. They no longer need to apply to URA for planning permission and can simply obtain HDB's approval to do so. More significantly, URA reduced the Fees for Change of Use and related applications by more than 50 per cent as part of its efforts to help reduce business costs of small businesses. URA also developed and enhanced our electronic application systems like the Online Legal Requisition system and the Housing Developer's Licence Application System to improve our response time and customer service.



URA's urban planning forum in Pudong, Shanghai offered a chance for all to share best practices and experiences on developing sustainable and liveable cities

OUR INTERNATIONAL FOOTPRINT

URA is recognised by many countries for our land use planning and our ability to translate plans into reality. Many foreign cities and officials are keen to learn from our experience. URA seeks to establish an overseas presence to strengthen the URA brand internationally through a series of seminars, consultancy projects and training courses.

In July 2010, URA organised the Urban Planning Forum titled "Making Cities Sustainable & Liveable" in Shanghai. The panel of international speakers at the forum included Mr Mah Bow Tan, then the Minister for National Development of Singapore, Dr Qiu Baoxing, Vice Minister for Housing and Urban-Rural Development of China, Dr Liu Thai Ker, Chairman of the Centre for Liveable Cities in Singapore and renowned architects Mr Daniel Libeskind and Mr Moshe Safdie. URA also participated in the 7th China-ASEAN Expo convened in Nanning, an annual event that promotes regional economic and trade cooperation.

URA continues to help build on our bilateral relationship with China by being actively involved in the Sino-Singapore Tianjin Eco City project, and also by participating in conferences and

forums such as the Binhai International Eco-city Forum in Tianjin and the APEC Meeting on Smart City and Intelligent Industry in Langfang. In other international engagements, URA co-organised the inaugural Singapore-Qatar Urban Planning Forum with the Qatar Ministry of Municipality and Urban Planning which was held in Singapore in April 2010. URA was also a member of the international INTA Panel to offer international perspectives on the Bordeaux Metropolis 3.0 plan.

URA provides consultancy services and conducts professional courses and seminars. In partnership with local firms, URA participated in projects in India, and Nanjing and Chongqing in China. URA conducted three runs of the four-day Integrated Land Use Planning course last year which shared our planning experience with both local and foreign participants. In 2010 alone, URA hosted and trained more than 2,800 delegates from about 140 delegations coming from countries like China, India, and Russia as well as regions such as ASEAN, South America and Africa. URA also conducted customised training programmes in Abu Dhabi and Liangshanzhou, China for their planners and officials.

ORGANISATIONAL EXCELLENCE

As the nation's land use planning authority, URA plays an important role in supporting our city's growth and social cohesion. To realise our vision in making Singapore a thriving global city, we formulate strategic development programmes for key areas in the city. With the use of cutting edge technology to help us make informed decisions on land use and the trade-offs involved, URA can better meet the challenges of planning for our island city-state.

We continue to leverage on new technologies such as our 3D digital modelling. With Phase One of the Digital 3D Urban Model System completed in September 2010, URA had built models for four growth areas, namely Marina Bay and CBD, Jurong Lake District, Kallang Riverside and Paya Lebar Central. Phase Two was initiated to model the rest of the Central Region, including the Greater Southern Waterfront. URA had also implemented iPhone and iPad applications to provide timely property market and master plan information to the public.

In support of the Whole-Of-Government (WOG) effort, URA is also leading the Urban Planning Working Group, under the Singapore Geospatial Collaborative Environment (SG-SPACE) to define 3D Urban Model data standards and to share best practices with other government agencies.



Searching for information on land use and transacted prices of private housing projects in Singapore has been made easier with URA's Master Plan and property market mobile applications

BUSINESS AND ORGANISATIONAL AWARDS

(Covering the period 1 April 2010 - 31 March 2011)

Urban Land Institute (ULI) Awards for Excellence 2010 : Global and Asia Pacific Awards
for **The Southern Ridges**

CAPAM (Common-wealth Association for Public Administration and Management Award (Certificate of Achievement))
for **URA Stakeholder engagement in the planning of Singapore**

International Architecture Award 2010
by The Chicago Athenaeum : Museum of Architecture and Design and
The European Centre for Architecture Art Design and Urban Studies
for **Dhoby Ghaut Green**

Public Services (PS) Distinguished Award 2010
for **achieving SQA in 2008, SQC and PD in 2007 and I-Class in 2006**

Re-certification of Innovation-Class, People Developer and Certification of Service-Class
for **organisational excellence**

Work-Life Excellence Award 2010
for **promoting work-life harmony**

Distinguished Defence Partner Award
for **contribution and support towards National Service**

Minister for Home Affairs Awards
for **support towards National Service activities**

Excellence Service Award (Silver)
for **contribution to Chaoyang School (CYS)**

Singapore HEALTH Award 2010 - Platinum Award
for **promoting Workplace Health Promotion programmes**

SHARE Platinum Award
for **significant contribution to the Community Chest**

2011 CIO 100 Honouree
for **URA 3D Digital Urban Model System**

FINANCIAL REPORT

For the financial year ended 31 March 2011

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INDEPENDENT AUDITOR'S REPORT TO URBAN REDEVELOPMENT AUTHORITY

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Urban Redevelopment Authority (the "Authority") set out on pages 40 to 68, which comprise the Statement of Financial Position as at 31 March 2011, Statement of Comprehensive Income, Statement of Changes in Capital and Reserves and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, 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 2011, and the results, changes in capital and reserves and cash flows of the Authority for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion,

- (a) 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
- (b) 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.

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 have not been in accordance with the provisions of the Act.

EMPHASIS OF MATTER

We draw attention to Note 6 to the financial statements. At 31 March 2011, the Authority has capitalised \$40,426,000 (31 March 2010 : \$154,521,000) relating to infrastructural projects-in-progress. These amounts are recognised as an asset on the Authority's Statement of Financial Position 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. Our opinion is not qualified in respect of this matter.



Public Accountants and
Certified Public Accountants

Singapore
3 June 2011

STATEMENT OF FINANCIAL POSITION

As at 31 March 2011

	Note	31 March 2011 \$'000	31 March 2010 \$'000
Non-current assets			
Property, plant and equipment	5	249,034	248,300
Infrastructural projects-in-progress	6	384	629
Staff loans	7	25	5
		<u>249,443</u>	<u>248,934</u>
Current assets			
Infrastructural projects-in-progress	6	40,042	153,892
Debtors, accrued interest, prepayments and other debtors	8	71,974	56,842
Other financial assets	9	487,490	512,618
Cash and cash equivalents	10	618,769	557,519
		<u>1,218,275</u>	<u>1,280,871</u>
Less:			
Current liabilities			
Deferred income	11	2,799	3,094
Agency and other deposits		56,591	18,941
Contribution to Consolidated Fund	12	12,099	10,806
Creditors and accrued operating expenses	13	82,941	83,774
Other financial liabilities	9	78	2,846
		<u>154,508</u>	<u>119,461</u>
Net current assets		<u>1,063,767</u>	<u>1,161,410</u>
Less:			
Non-current liabilities			
Deferred income	11	3,421	1,745
Creditors and accrued operating expenses	13	3,037	3,002
Provision for pensions and gratuities	14	3,457	3,419
		<u>9,915</u>	<u>8,166</u>
Capital and reserves			
Capital account	15	27,692	27,692
Accumulated surplus		<u>1,275,603</u>	<u>1,374,486</u>
		<u>1,303,295</u>	<u>1,402,178</u>



CHAN HENG LOON ALAN
Chairman
3 June 2011



NG LANG
Chief Executive Officer

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

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2011

	Note	2010/2011 \$'000	2009/2010 \$'000
Operating income			
Parking fees and related charges	16	63,867	62,490
Recovery of costs	17	80,624	54,679
Agency and consultancy fees	18	39,936	25,332
Income from development control	19	30,092	23,918
Operating lease income		6,335	5,685
Other operating income		1,594	1,744
		<u>222,448</u>	<u>173,848</u>
Less:			
Operating expenses			
Expenditure on manpower	20	88,017	72,512
Operating supplies and services		39,920	32,839
Temporary occupation licence fees	21	25,289	21,192
Depreciation of property, plant and equipment	5	10,605	8,925
Property and car park maintenance		9,485	8,010
		<u>173,316</u>	<u>143,478</u>
Operating surplus	22	<u>49,132</u>	<u>30,370</u>
Non-operating surplus			
Net income from bank deposits and investments	23	21,996	100,737
Other non-operating income		45	134
		<u>22,041</u>	<u>100,871</u>
Surplus before contribution to Consolidated Fund		<u>71,173</u>	<u>131,241</u>
Contribution to Consolidated Fund	12	(12,099)	(10,806)
Net surplus for the financial year, representing total comprehensive income for the financial year		<u>59,074</u>	<u>120,435</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 2011

	Note	Capital Account \$'000	Accumulated Surplus \$'000	Total \$'000
Balance at 1 April 2009		27,692	1,257,458	1,285,150
Total comprehensive income for the year		-	120,435	120,435
Funding for government projects	24	-	(3,407)	(3,407)
Balance at 31 March 2010		27,692	1,374,486	1,402,178
Balance at 1 April 2010		27,692	1,374,486	1,402,178
Total comprehensive income for the year		-	59,074	59,074
Transfer of completed infrastructural projects	6	-	(144,516)	(144,516)
Funding for government projects	24	-	(12,113)	(12,113)
Dividend paid	25	-	(1,328)	(1,328)
Balance at 31 March 2011		27,692	1,275,603	1,303,295

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

STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2011

	Note	2010/2011 \$'000	2009/2010 \$'000
Cash flows from operating activities			
Surplus before contribution to Consolidated Fund		71,173	131,241
Adjustments for:			
- Depreciation of property, plant and equipment		10,605	8,925
- Provision made for pensions and gratuities		540	520
- Deferred agency fee income recognised		(3,093)	(3,252)
- Income from bank deposits and investments		(21,996)	(100,737)
- Gain on disposal of property, plant and equipment		16	(7)
Operating cash flows before working capital changes		57,245	36,690
Change in operating assets and liabilities			
- Debtors, prepayments and other debtors		(21,864)	(6,052)
- Agency and other deposits		37,650	9
- Creditors and accrued operating expenses		7,014	2,091
Payments for pensions and gratuities		(502)	(733)
Deferred agency fees received		4,474	1,314
Cash generated from operations		84,017	33,401
Contribution to Consolidated Fund		(10,806)	-
Net cash generated from operating activities		73,211	33,401
Cash flows from investing activities			
Purchase of property, plant and equipment		(14,634)	(14,993)
Proceeds from disposal of property, plant and equipment		3	7
Interest received		5,816	11,071
Dividend received		6,016	4,812
Net payment on purchase of financial assets designated as at fair value through profit or loss at inception		(9,477)	(107,637)
Net receipts for sale and purchase of financial assets held for trading		6,363	306,929
Purchase of available-for-sale financial assets		(32)	(128,120)
Proceeds from disposal of available-for-sale financial assets		45,000	98,101
Net cash provided by investing activities		39,055	170,170
Cash flows from financing activities			
Funding for government projects		(12,113)	(3,407)
Payments made for infrastructural projects-in-progress		(37,575)	(95,099)
Dividends paid		(1,328)	-
Net cash used in financing activities		(51,016)	(98,506)
Net increase in cash and cash equivalents		61,250	105,065
Cash and cash equivalents at beginning of financial year		557,519	452,454
Cash and cash equivalents at end of financial year	10	618,769	557,519

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2011

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 in accordance with the historical cost basis, 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 Reporting 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 2010. 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments

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

(a) Financial assets

Investments are recognised and de-recognised 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 end of the reporting period. The designation of financial assets at fair value through profit or loss is irrevocable.

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 end of the reporting period 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 Statement of Financial Position. 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 end of the reporting period.

(iv) Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at the end of each reporting period. 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.

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 other comprehensive income.

(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.

(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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments (continued)

(b) Financial liabilities and equity instruments (continued)

(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 other than unit trusts are based on quoted market prices at the end of the reporting period. 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 fund comprise mainly quoted equities and bonds whose fair values are 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 end of the reporting period.

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

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Financial instruments (continued)

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

Financial instruments measured at fair value

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
31 March 2011				
Financial assets				
Financial assets at fair value through profit or loss	482,468	120,836	361,632	-
Available-for-sale investments	5,022	-	5,022	-
Total	487,490	120,836	366,654	-
Financial liabilities				
Financial liabilities at fair value through profit or loss	(78)	-	(78)	-
Total	(78)	-	(78)	-
31 March 2010				
Financial assets				
Financial assets at fair value through profit or loss	462,628	106,326	356,302	-
Available-for-sale investments	49,990	-	49,990	-
Total	512,618	106,326	406,292	-
Financial liabilities				
Financial liabilities at fair value through profit or loss	(2,846)	-	(2,846)	-
Total	(2,846)	-	(2,846)	-

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial year.

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 profit or loss 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 profit or loss 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.

(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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

(b) Depreciation (continued)

Other assets consist of Singapore City 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 the end of each reporting period. The effects of any revisions are included in profit or loss 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 expense are recognised in profit or loss 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 profit or loss.

2.6 Impairment of assets

At the end of each reporting period, 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 profit or loss.

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 profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 end of the reporting period.

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.

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 profit or loss 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 end of the reporting period.

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 end of the reporting period are recognised in profit or loss.

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.

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. 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. The main foreign currency for these investments is the US Dollar. 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 US Dollar with all other variables being held constant is expected to increase/decrease the net surplus of the Authority by \$2,019,037 (31 March 2010 : \$1,923,080).

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.

(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. The interest rates for cash with the Accountant-General's Department ("AGD") under the Centralised Liquidity Management ("CLM") are based on deposit rates determined by the financial institutions with which the cash are deposited and are expected to move in tandem with market interest rate movements. There is no interest earned for cash with AGD under the Statutory Board Approved Fund ("SBAF").

4 FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (continued)

4.1 Market risk (continued)

(c) Price risk

The Authority is exposed to price risk arising from financial assets at fair value through profit or 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 2011 would increase/decrease by \$13,940,000 (31 March 2010 : \$13,132,000).

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 2011 would increase/decrease by \$3,743,000 (31 March 2010 : \$4,222,000).

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 Statement of Financial Position.

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. Cash with AGD are placed with high credit quality financial institutions, and are available upon request.

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.

4 FINANCIAL RISKS 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.

Liquidity risk analysis

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 \$'000	Between 1 and 5 years \$'000	Total \$'000
31 March 2011			
Agency and other deposits	56,591	-	56,591
Creditors and accrued operating expenses	82,941	3,037	85,978
Forward foreign exchange contracts	78	-	78
Provision for pensions and gratuities	-	3,457	3,457
	139,610	6,494	146,104
31 March 2010			
Agency and other deposits	18,941	-	18,941
Creditors and accrued operating expenses	83,774	3,002	86,776
Forward foreign exchange contracts	82	2,764	2,846
Provision for pensions and gratuities	-	3,419	3,419
	102,797	9,185	111,982

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.

5 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land \$'000	Buildings \$'000	Plant and machinery \$'000	Surface car parks \$'000	IT equipment \$'000	Other assets \$'000	Projects-in -progress \$'000	Total \$'000
Cost								
At 1 April 2010	153,151	116,839	31,122	34,094	59,234	11,942	18,300	424,682
Additions	-	-	-	49	515	46	11,821	12,431
Transfers	-	-	10,642	3,128	418	13,534	(27,722)	-
Disposals/write off	-	-	(3,251)	(602)	(37,485)	(6,231)	(960)	(48,529)
At 31 March 2011	153,151	116,839	38,513	36,669	22,682	19,291	1,439	388,584
Accumulated depreciation								
At 1 April 2010	18,678	34,294	29,282	30,454	52,889	10,785	-	176,382
Depreciation charge	1,581	2,634	1,033	1,693	2,545	1,119	-	10,605
Disposals/write off	-	-	(3,251)	(540)	(37,418)	(6,228)	-	(47,437)
At 31 March 2011	20,259	36,928	27,064	31,607	18,016	5,676	-	139,550
Net book value At 31 March 2011	132,892	79,911	11,449	5,062	4,666	13,615	1,439	249,034
	Leasehold land \$'000	Buildings \$'000	Plant and machinery \$'000	Surface car parks \$'000	IT equipment \$'000	Other assets \$'000	Projects-in -progress \$'000	Total \$'000
Cost								
At 1 April 2009	153,151	116,839	31,122	39,429	63,730	14,755	711	419,737
Additions	-	-	-	38	1,120	223	17,589	18,970
Disposals/write off	-	-	-	(5,373)	(5,616)	(3,036)	-	(14,025)
At 31 March 2010	153,151	116,839	31,122	34,094	59,234	11,942	18,300	424,682
Accumulated depreciation								
At 1 April 2009	17,097	31,660	28,958	34,344	55,973	13,450	-	181,482
Depreciation charge	1,581	2,634	324	1,483	2,532	371	-	8,925
Disposals/write off	-	-	-	(5,373)	(5,616)	(3,036)	-	(14,025)
At 31 March 2010	18,678	34,294	29,282	30,454	52,889	10,785	-	176,382
Net book value At 31 March 2010	134,473	82,545	1,840	3,640	6,345	1,157	18,300	248,300

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 2011, the Authority had a total of 46 land parcels (31 March 2010 : 47 land parcels) of which 42 land parcels (31 March 2010 : 43 land parcels) were with nominal value of \$1 each. The value of reversionary interest for the other 4 land parcels (31 March 2010 : 4 land parcels) was estimated at \$8,274,000 (31 March 2010 : \$6,011,000). 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 Statement of Financial Position 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 2011 \$'000	31 March 2010 \$'000
Beginning of financial year	154,521	65,965
Additions	30,421	88,556
Transfer upon completion	(144,516)	-
End of financial year	<u>40,426</u>	<u>154,521</u>
Presented as:		
Current - to be transferred within 12 months	40,042	153,892
Non-current - to be transferred after 12 months	384	629
	<u>40,426</u>	<u>154,521</u>

7 STAFF LOANS

	31 March 2011 \$'000	31 March 2010 \$'000
Current:		
Not later than one year (Note 8)	<u>3</u>	<u>10</u>
Non-current:		
Between one and five years	<u>25</u>	<u>5</u>

7 STAFF LOANS (continued)

Staff loans had the following weighted average effective interest rates:

	31 March 2011	31 March 2010
Staff loans	<u>4.25%</u>	<u>4.25%</u>

8 DEBTORS, ACCRUED INTEREST, PREPAYMENTS AND OTHER DEBTORS

	31 March 2011 \$'000	31 March 2010 \$'000
Operating debtors	36,196	31,340
Recoverables		
- agency projects	28,756	12,351
- others	878	320
Accrued interest and dividend receivables	1,832	2,721
Prepayments	2,664	2,605
Receivables for sale of investments	1,235	7,058
Other debtors	410	437
Staff loans (Note 7)	3	10
	<u>71,974</u>	<u>56,842</u>

Included in the above are operating debtors and recoverables relating to agency works undertaken on behalf of Ministry of National Development amounting to \$35,405,000 (31 March 2010 : \$38,212,000).

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 credit period given to the Authority's debtors is 30 days (31 March 2010 : 30 days).

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

The ageing analysis of operating debtors past due and not impaired 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 2011 \$'000	31 March 2010 \$'000
Past due 0 - 30 days	1,032	-
Past due 31 - 60 days	11	15
	<u>1,043</u>	<u>15</u>

9 OTHER FINANCIAL ASSETS/(LIABILITIES)

Financial assets/(liabilities) are measured in accordance with the accounting policies as set out in Notes 2.2 and 2.3.

Financial assets/(liabilities) include the following:

	31 March 2011 \$'000	31 March 2010 \$'000
Financial assets at fair value through profit or loss		
Quoted marketable securities:		
- bonds	193,821	199,953
- unit trusts	157,969	156,306
- equity shares	120,836	106,326
Forward foreign exchange contracts	9,842	43
	<u>482,468</u>	<u>462,628</u>
Available-for-sale financial assets		
Money market fund	5,022	49,990
	<u>487,490</u>	<u>512,618</u>
Financial liabilities at fair value through profit or loss		
Forward foreign exchange contracts	(78)	(2,846)
	<u>487,412</u>	<u>509,772</u>

9 OTHER FINANCIAL ASSETS/(LIABILITIES) (continued)

- At the end of the reporting period, financial assets/(liabilities) at fair value through profit or loss comprised financial assets/(liabilities) classified as held for trading and designated as at inception of \$358,007,000 and \$124,383,000 respectively (31 March 2010 : \$341,747,000 and \$118,036,000 respectively).
- Included in quoted marketable securities were bonds, which had a weighted average effective interest rate of 1.62% per annum (31 March 2010 : 2.08% per annum).
- Foreign exchange contracts are used to hedge foreign exchange risks arising from investments in some quoted bonds and equities. The notional principal amounts of outstanding forward foreign exchange contracts of the Authority as at 31 March 2011 is \$150,511,000 (31 March 2010 : \$164,577,000).

Total outstanding foreign exchange contracts comprise mainly contracts involving US Dollar and Euro, with notional principals which amounted to \$100,028,000 and \$22,789,000 respectively as at 31 March 2011 (31 March 2010 : US Dollar and Euro of \$109,021,000 and \$24,415,000 respectively).

At 31 March 2011, the settlement dates on forward foreign exchange contracts ranged between 0.62 and 41.69 months (31 March 2010 : between 0.99 and 53.69 months).

- Investments denominated in foreign currencies amounted to \$210,646,000 as at 31 March 2011 (31 March 2010 : \$217,329,000). The foreign currency exposure arises primarily from the Authority's investment in unit trusts, global bonds and equity shares of which approximately 65% and 10% (31 March 2010 : approximately 64% and 10%) are denominated in US Dollar and Euro respectively. The remaining investments are held in various currencies which are individually not significant.
- The financial assets at fair value through profit or loss included an investment portfolio managed internally amounting to \$124,383,000 (31 March 2010 : \$118,036,000). The portfolio comprised mainly corporate and agency bonds, Singapore and foreign government securities and other statutory boards' bonds.

9 OTHER FINANCIAL ASSETS/(LIABILITIES) (continued)

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

	31 March 2011 \$'000	31 March 2010 \$'000
Financial assets/(liabilities) at fair value through profit or loss		
Quoted marketable securities:		
- bonds	82,658	79,139
- unit trusts	157,969	156,306
- equity shares	117,437	106,326
Forward foreign exchange contracts	(57)	(24)
	358,007	341,747
Available-for-sale financial assets		
Money market fund	5,022	49,990
	363,029	391,737
Other assets/(liabilities)*		
Bank balances	3,696	3,963
Interest, dividend receivables and recoverables	788	823
Receivables for purchase of investments	1,235	7,058
Payables for purchase of investments	(2,180)	(6,529)
Accrued expenses and other payables	(231)	(301)
	3,308	5,014
	366,337	396,751

* These items have been included in the respective current assets and liabilities categories in the Statement of Financial Position.

10 CASH AND CASH EQUIVALENTS

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

	31 March 2011 \$'000	31 March 2010 \$'000
Cash and bank balances	55,664	18,866
Cash with Accountant-General's Department	559,409	-
Fixed deposits with banks	-	534,690
Cash balances and fixed deposits held by fund managers	3,696	3,963
Cash and cash equivalents per Statement of Cash Flows	618,769	557,519

10 CASH AND CASH EQUIVALENTS (continued)

- (a) Included in cash and bank balances was an amount of \$55,088,000 (31 March 2010: \$13,639,000) 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 13) and "Agency and other deposits".
- (b) Cash with the Accountant-General's Department ("AGD") comprises \$133,253,000 (31 March 2010 : \$Nil) that are managed by AGD under the Centralised Liquidity Management ("CLM") and \$426,156,000 (31 March 2010 : \$Nil) managed under the Statutory Board Approved Funds ("SBAF"). Under the CLM, cash is managed centrally to achieve greater efficiency. Under the SBAF, funds approved for infrastructural projects are placed with AGD and will not be subject to dividend payment (Note 25).
- (c) There is no fixed deposit as at 31 March 2011. The weighted average effective interest rate of the fixed deposits as at 31 March 2010 was 0.44% per annum and the remaining tenure period was from 1 day to 198 days.
- (d) Cash and cash equivalents denominated in foreign currencies amounted to \$1,092,000 (31 March 2010 : \$228,000) and were denominated mainly in British Pound, Taiwan Dollar and US Dollar (31 March 2010 : US Dollar, Taiwan Dollar and Korean Won). The cash in foreign currencies were held in relation to the Authority's investment in quoted equity shares and 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 2011 \$'000	31 March 2010 \$'000
Presented as:		
Current - to be recognised within 12 months	2,799	3,094
Non-current - to be recognised after 12 months	3,421	1,745
	6,220	4,839

Movements in deferred income account were as follows:

	31 March 2011 \$'000	31 March 2010 \$'000
Beginning of financial year	4,839	6,777
Income deferred for financial year	4,474	1,314
Transfer to profit or loss	(3,093)	(3,252)
End of financial year	6,220	4,839

12 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 17% (2009/2010 : 17%) of the net surplus for the financial year.

There was no contribution for the financial year ended 31 March 2009 as a deficit was incurred for the financial year. In arriving at the contribution for the financial year ended 31 March 2010, the deficit incurred in 2009 was set-off against the surplus for 2010.

13 CREDITORS AND ACCRUED OPERATING EXPENSES

	31 March 2011 \$'000	31 March 2010 \$'000
Current:		
Collections on behalf of Ministry of National Development and government agencies		
- development charges and parking fees	25,067	16,414
- others	1,000	54
Operating creditors and advances	18,268	24,637
Accrued operating expenses and other creditors	26,185	22,401
Payables for infrastructural projects-in-progress	7,105	8,335
Payables for purchase of investments	2,416	6,830
Payables for property, plant and equipment	2,900	5,103
	82,941	83,774
Non-current:		
Operating creditors and advances	3,037	3,002
	85,978	86,776

Included in "Operating creditors and advances" and "Accrued operating expenses and other creditors" was an amount of \$25,319,000 (31 March 2010 : \$32,743,000) relating to agency projects. Other than collections on behalf of Ministry of National Development and government agencies, the average credit period is 30 days (31 March 2010 : 30 days).

14 PROVISION FOR PENSIONS AND GRATUITIES

Movements in provision for pensions and gratuities were as follows:

	31 March 2011 \$'000	31 March 2010 \$'000
Beginning of financial year	3,419	3,632
Provision made during financial year	540	520
Provision utilised during financial year	(502)	(733)
End of financial year	3,457	3,419

15 CAPITAL ACCOUNT

The balance in this account represents:

- 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;
- 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
- 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.

16 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.

17 RECOVERY OF COSTS

	2010/2011 \$'000	2009/2010 \$'000
Recovery of costs from the government		
- planning services	36,700	35,026
- stores and services	42,443	18,031
- agency car parks	1,273	1,430
- Preservation of Monuments Board	208	192
	<u>80,624</u>	<u>54,679</u>

18 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.

19 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.

20 EXPENDITURE ON MANPOWER

	2010/2011 \$'000	2009/2010 \$'000
Salaries, allowances and bonus	79,339	65,050
Employer's contribution to Central Provident Fund	7,869	6,590
Other staff costs	809	872
	<u>88,017</u>	<u>72,512</u>

Key management personnel compensation is as follows:

	2010/2011 \$'000	2009/2010 \$'000
Salaries and other short-term employee benefits	4,721	4,127
Employer's contribution to Central Provident Fund	124	111
	<u>4,845</u>	<u>4,238</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.

21 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.

22 OPERATING SURPLUS

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

	2010/2011 \$'000	2009/2010 \$'000
Charging:		
Operating lease expenses	481	605
Board members' allowances	143	143

23 INCOME/(LOSS) FROM BANK DEPOSITS AND INVESTMENTS

	2010/2011 \$'000	2009/2010 \$'000
Interest income from bank deposits	669	2,321
Investments*		
Gain/(Loss) from sale of investments	3,303	(3,043)
Dividend income	4,392	6,403
Interest income	5,882	6,478
Fair value gain arising from financial assets		
- designated as at fair value through profit or loss	516	252
- held for trading	12,249	104,928
Foreign exchange loss - net	(3,616)	(14,697)
Income from investments	22,726	100,321
Fund management expenses	(1,399)	(1,905)
	<u>21,327</u>	<u>98,416</u>
Net income from bank deposits and investments	<u>21,996</u>	<u>100,737</u>

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

24 FUNDING FOR GOVERNMENT PROJECTS

The Authority incurred an amount of \$12,113,000 (2009/2010 : \$3,407,000) 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 \$1,328,000 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 2010 (2009/2010 : \$Nil).

26 COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the end of the reporting period but not recognised in the financial statements are analysed as follows:

	31 March 2011 \$'000	31 March 2010 \$'000
Infrastructural projects	12,853	44,144
Property, plant and equipment	417	15,754
Amounts approved and contracted for	13,270	59,898

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

The future minimum lease receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as receivables, are analysed as follows:

	31 March 2011 \$'000	31 March 2010 \$'000
Not later than one year	6,680	5,364
Between one and five years	11,537	118
	18,217	5,482

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:

- **Improvements to Financial Reporting Standards (issued in November 2010)**
- **SB-FRS 24 Related Party Disclosures**

Consequential amendments were also made to various standards as a result of these new/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 3 June 2011.