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Financial Report 2023/2024

Sentosa Development Corporation and its subsidiaries

Annual Financial Statements

31 March 2024

Statement by Board

For the financial year ended 31 March 2024

In the opinion of the Board,

(a) the accompanying consolidated financial statements of Sentosa Development Corporation (the "Corporation") and its subsidiaries (the "Group"), as set out on pages 8 to 81 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Sentosa Development Corporation Act 1972 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and the Corporation as at 31 March 2024, and of the results, consolidated changes in equity and consolidated cash flows of the Group for the financial year covered by the financial statement;

(b) the receipts, expenditure, investments of moneys and the acquisition and disposal of assets by the Corporation during the financial year ended 31 March 2024 are in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation; and

(c) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise.

On behalf of the Board

Bob Tan Beng Hai
Chairman

Thien Kwee Eng
Chief Executive Officer/
Board Member

Independent Auditor's Report to the Member of Sentosa Development Corporation and its Subsidiaries

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Sentosa Development Corporation (the "Corporation") and its subsidiaries (the "Group"), the statement of comprehensive income, balance sheet and the statement of changes in equity of the Corporation are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "Public Sector (Governance) Act"), the Sentosa Development Corporation Act 1972 (the "Act"), and Statutory Board Financial Reporting Standards ("SB-FRSs") so as to present fairly, in all material respects, the state of affairs of the Group and the Corporation as at 31 March 2024 and the results and changes in equity of the Group and of the Corporation and cash flows of the Group for the year ended on that date.

What we have audited

The financial statements of the Corporation and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 March 2024;
- the statement of comprehensive income of the Corporation for the financial year ended 31 March 2024;
- the balance sheets of the Group and the Corporation as at 31 March 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Corporation for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

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

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

Independent Auditor's Report to the Member of Sentosa Development Corporation and its Subsidiaries

Other Information (continued)
In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Public Sector (Governance) Act 2018, the Act and SB-FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent Auditor's Report to the Member of Sentosa Development Corporation and its Subsidiaries

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In our opinion:

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Corporation during the year are, in all material respects, in accordance with the provisions of the Public Sector (Governance) Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Corporation; and

(b) proper accounting and other records have been kept, including records of all assets of the Corporation whether purchased, donated or otherwise.

Basis for Opinion

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

Independent Auditor's Report to the Member of Sentosa Development Corporation and its Subsidiaries

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and
Chartered Accountants
Singapore, 26 June 2024

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2024

GROUP		General Fund		Restricted Fund		Total	
	Note	2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
Income							
Revenue	4	**184,943**	141,287	**11,706**	11,678	**196,649**	152,965
Other income	5	**29,271**	15,723	**1,464**	697	**30,735**	16,420
		214,214	157,010	**13,170**	12,375	**227,384**	169,385
Investment gains/(losses), net	8	32,349	(27,726)	–	–	32,349	(27,726)
Expenditure							
Cost of sale for admission fees and packages		**5,905**	5,946	**24**	32	**5,929**	5,978
Staff costs	6	**114,002**	103,623	**-**	–	**114,002**	103,623
Depreciation of property, plant and equipment	17	**61,672**	58,671	**-**	–	**61,672**	58,671
Amortisation of land premium	18	**3,041**	3,041	**-**	–	**3,041**	3,041
Depreciation of right of use assets	19(a)	**1,183**	528	**-**	–	**1,183**	528
Repairs and maintenance		**41,456**	37,863	**2,050**	2,080	**43,506**	39,943
Publicity and promotion		**22,838**	20,065	**-**	–	**22,838**	20,065
Inventories used	13	**14,722**	12,344	**-**	–	**14,722**	12,344
Lease interest expense	19(e)	**485**	492	**-**	–	**485**	492
General and administrative expenses	7	**41,225**	39,102	**4,655**	3,917	**45,880**	43,019
		306,529	281,675	**6,729**	6,029	**313,258**	287,704

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2024

GROUP		General Fund		Restricted Fund		Total	
	Note	2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
(Deficit)/surplus before Government Grants from operations		**(59,966)**	(152,391)	**6,441**	6,346	**(53,525)**	(146,045)
Deferred capital grants amortised	21	**426**	473	**-**	–	**426**	473
Share of results of a joint venture, net of tax		**768**	799	**-**	–	**768**	799
Operating grants		**161,496**	149,403	**-**	–	**161,496**	149,403
Surplus/(deficit) before taxation and contribution to Consolidated Fund		**102,724**	(1,716)	**6,441**	6,346	**109,165**	4,630
Income tax expense	9	**(423)**	(359)	**-**	–	**(423)**	(359)
Contribution to Consolidated Fund	24	**(17,343)**	(182)	**(1,095)**	(1,079)	**(18,438)**	(1,261)
Net surplus/(deficit) for the year, representing total comprehensive income for the year		**84,958**	(2,257)	**5,346**	5,267	**90,304**	**3,010**

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

Statement of Comprehensive Income

For the financial year ended 31 March 2024

CORPORATION		General Fund		Restricted Fund		Total	
	Note	2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
Income							
Revenue	4	**134,463**	103,221	**11,706**	11,678	**146,169**	114,899
Other income	5	**28,257**	14,137	**1,464**	697	**29,721**	14,834
		162,720	117,358	**13,170**	12,375	**175,890**	129,733
Investment gains/(losses), net	8	32,349	(27,726)	–	–	32,349	(27,726)
Expenditure							
Cost of sale for admission fees and packages		**5,890**	5,202	**24**	32	**5,914**	5,234
Manpower services	6	**92,879**	82,037	**-**	–	**92,879**	82,037
Depreciation of property, plant and equipment	17	**55,455**	51,628	**-**	–	**55,455**	51,628
Amortisation of land premium	18	**3,041**	3,041	**-**	–	**3,041**	3,041
Depreciation of right of use assets	19(a)	**44**	118	**-**	–	**44**	118
Repairs and maintenance		**37,007**	33,042	**2,050**	2,080	**39,057**	35,122
Publicity and promotion		**21,514**	19,509	**-**	–	**21,514**	19,509
Inventories used	13	**6,774**	5,923	**-**	–	**6,774**	5,923
Lease interest expense	19(e)	**9**	10	**-**	–	**9**	10
General and administrative expenses	7	**32,360**	33,262	**4,655**	3,917	**37,015**	37,179
		254,973	233,772	**6,729**	6,029	**261,702**	239,801

Statement of Comprehensive Income

For the financial year ended 31 March 2024

CORPORATION		General Fund		Restricted Fund		Total	
	Note	2024	2023	2024	2023	2024	2023
		$'000	$'000	$'000	$'000	$'000	$'000
(Deficit)/surplus before Government Grants from operations		**(59,904)**	(144,140)	**6,441**	6,346	**(53,463)**	(137,794)
Deferred capital grants amortised	21	**426**	473	**-**	-	**426**	473
Operating grants		**161,496**	149,403	**-**	-	**161,496**	149,403
Surplus before contribution to Consolidated Fund		**102,018**	5,736	**6,441**	6,346	**108,459**	12,082
Contribution to Consolidated Fund	24	**(17,343)**	(182)	**(1,095)**	(1,079)	**(18,438)**	(1,261)
Net surplus for the year, representing total comprehensive income for the year		**84,675**	5,554	**5,346**	5,267	**90,021**	**10,821**

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

Balance Sheets — Group and Corporation

As at 31 March 2024

		GROUP		CORPORATION	
	Note	2024	2023	2024	2023
ASSETS		$'000	$'000	$'000	$'000
Current assets					
Cash and cash equivalents	10	**767,202**	662,637	**736,584**	631,195
Financial assets at FVPL	11	**664,931**	632,582	**664,931**	632,582
Trade and other receivables	12	**48,982**	44,638	**42,097**	36,986
Inventories	13	**6,387**	7,442	**5,968**	6,818
Prepayments		**7,681**	6,260	**6,314**	5,770
		1,495,183	1,353,559	**1,455,894**	1,313,351
Non-current assets					
Accrued lease income	14	**66,574**	60,929	**66,574**	60,929
Investments in subsidiaries	15	**-**	–	**41,108**	41,108
Investments in joint venture	16	**18,051**	17,283	**-**	–
Property, plant and equipment	17	**733,895**	723,193	**687,403**	675,267
Land premium	18	**34,741**	37,782	**34,741**	37,782
Right-of-use assets	19(a)	**12,140**	11,951	**524**	568
Deferred income tax assets	26	**1,366**	1,065	**-**	–
		866,767	852,203	**830,350**	815,654
Total assets		**2,361,950**	2,205,762	**2,286,244**	2,129,005

Balance Sheets — Group and Corporation

As at 31 March 2024

		GROUP		CORPORATION	
	Note	2024	2023	2024	2023
LIABILITIES		$'000	$'000	$'000	$'000
Current liabilities					
Trade and other payables	20	**106,965**	81,189	**88,970**	65,496
Deferred capital grants	21	**425**	428	**425**	428
Deferred membership fees	22	**5,995**	6,122	**5,995**	6,122
Deferred lease income	23	**1,460**	1,435	**1,460**	1,435
Provision for contribution to Consolidated Fund	24	**18,438**	1,261	**18,438**	1,261
Bank borrowings	25	**1,000**	5,000	**-**	-
Current income tax liabilities	9	**727**	241	**-**	-
Lease liabilities	19(b)	**292**	222	**42**	41
		135,302	95,898	**115,330**	74,783
Non-current liabilities					
Trade and other payables	20	**6,596**	4,992	**5,222**	3,677
Deferred capital grants	21	**8,373**	8,796	**8,373**	8,796
Deferred membership fees	22	**48,589**	52,540	**48,589**	52,540
Deferred lease income	23	**51,260**	52,206	**51,260**	52,206
Lease liabilities	19(b)	**12,511**	12,803	**502**	544
		127,329	131,337	**113,946**	117,763
Total liabilities		262,631	227,235	229,276	192,546
NET ASSETS		**2,099,319**	1,978,527	**2,056,968**	1,936,459

Balance Sheets — Group and Corporation

As at 31 March 2024

		GROUP		CORPORATION	
	Note	2024	2023	2024	2023
		$'000	$'000	$'000	$'000
Equity attributable to owner of the Corporation					
Capital account	27	**107,010**	77,233	**107,010**	77,233
FUNDS AND RESERVES					
Accumulated funds					
- General fund	28(a)	**1,932,120**	1,847,162	**1,905,945**	1,821,270
- Restricted fund	28(b)	**44,013**	37,956	**44,013**	37,956
Revaluation reserve	29	**16,176**	16,176	**-**	-
Total equity		**2,099,319**	1,978,527	**2,056,968**	1,936,459

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

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2024

GROUP	Capital account (Note 27)	General fund	Restricted funds	Accumulated surplus (Note 28)	Revaluation reserve (Note 29)	Total equity
	$'000	$'000	$'000	$'000	$'000	$'000
2024						
Beginning of financial year	77,233	1,847,162	37,956	1,885,118	16,176	1,978,527
Net surplus and total comprehensive income for the year	–	84,958	5,346	90,304	–	90,304
Sinking fund	–	–	711	711	–	711
Capital contributed by the Government	29,777	–	–	–	–	29,777
End of financial year	107,010	1,932,120	44,013	1,976,133	16,176	2,099,319
2023						
Beginning of financial year	44,729	1,849,419	32,252	1,881,671	16,176	1,942,576
Net (deficit)/surplus and total comprehensive income for the year	–	(2,257)	5,267	3,010	–	3,010
Sinking fund	–	–	437	437	–	437
Capital contributed by the Government	32,504	–	–	–	–	32,504
End of financial year	77,233	1,847,162	37,956	1,885,118	16,176	1,978,527

Statement of Changes in Equity

For the financial year ended 31 March 2024

CORPORATION	Capital account (Note 27)	General fund	Restricted funds	Accumulated fund (Note 28)	Total equity
	$'000	$'000	$'000	$'000	$'000
2024					
Beginning of financial year	77,233	1,821,270	37,956	1,859,226	1,936,459
Net surplus and total comprehensive income for the year	–	84,675	5,346	90,021	90,021
Sinking fund	–	–	711	711	711
Capital contributed by the Government	29,777	–	–	–	29,777
End of financial year	107,010	1,905,945	44,013	1,949,958	2,056,968
2023					
Beginning of financial year	44,729	1,815,716	32,252	1,847,968	1,892,697
Net surplus and total comprehensive income for the year	–	5,554	5,267	10,821	10,821
Sinking fund	–	–	437	437	437
Capital contributed by the Government	32,504	–	–	–	32,504
End of financial year	77,233	1,821,270	37,956	1,859,226	1,936,459

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

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2024

	Note	2024	2023
		$'000	$'000
Cash flows from operating activities			
Surplus before taxation and contribution to Consolidated Fund		**109,165**	4,630
Adjustments for:			
- Interest income	5	**(24,099)**	(10,307)
- Investment income		**(45)**	-
- Depreciation of property, plant and equipment	17	**61,672**	58,671
- Amortisation of land premium	18	**3,041**	3,041
- Depreciation of rights of use assets	19(a)	**1,183**	528
- Loss on disposal/write-off of property, plant and equipment		**331**	344
- Provision of doubtful debts		**130**	60
- Provision for inventory obsolescence		**745**	-
- Unrealised fair value (gain)/loss on investments	8	**(32,349)**	27,726
- Amortisation of deferred membership		**(9,494)**	(9,581)
- Amortisation of deferred lease income	23	**(1,460)**	(1,435)
- Share of results of a joint venture	16	**(768)**	(799)
- Reversal of provision for cove infrastructure		**-**	(812)
- Amortisation of deferred capital grants	21	**(426)**	(473)
- Lease interest expense	19(e)	**485**	492
- Interest expense		**130**	376
		108,241	72,461

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2024

	Note	2024	2023
		$'000	$'000
Changes in working capital:			
- Inventories		**310**	(179)
- Trade and other receivables and prepayments		**(1,756)**	7,075
- Accrued lease income		**(5,645)**	(5,553)
- Trade and other payables		**27,919**	13,469
- Provisions		**-**	(67)
Cash generated from operations		**129,069**	87,206
Income tax paid		**(238)**	-
Contribution to Consolidated Fund	24	**(1,261)**	-
Membership fees received		**5,416**	5,456
Net decrease in cash of Sentosa Cove Residential Fund		**(5,450)**	(5,724)
Net cash provided by operating activities		**127,536**	86,938
Cash flows from investing activities			
Interest received		**20,671**	10,307
Investment income received		**45**	-
Purchase of property, plant and equipment	17	**(74,069)**	(72,152)
Purchase of investments		**-**	(300,125)
Disposal of property, plant and equipment		**(8)**	35
Net cash used in investing activities		**(53,361)**	(361,935)

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2024

	Note	2024	2023
		$'000	$'000
Cash flows from financing activities			
Proceeds from capital contributed by the Government	27	**29,777**	32,504
Proceeds from borrowings		**1,000**	-
Repayment of borrowings		**(5,000)**	(5,000)
Interest paid on borrowings		**(130)**	(376)
Principal repayment of lease liabilities		**(222)**	(214)
Interest paid on lease liabilities		**(485)**	(492)
Net cash provided by financing activities		**24,940**	26,422
Net increase/(decrease) in cash and cash equivalents		**99,115**	(248,575)
Cash and cash equivalents at the beginning of the financial year		**623,796**	872,371
Cash and cash equivalents at the end of the financial year	10	**722,911**	623,796

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

Notes to the Financial Statement

For the financial year ended 31 March 2024

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

1. General information

Sentosa Development Corporation (the "Corporation") is a statutory board established in Singapore under the Sentosa Development Corporation Act 1972 (the "Act"), under the purview of the Ministry of Trade and Industry ("MTI"). As a statutory board, the Corporation is subject to the directions of the MTI and is required to implement policies and policy changes as determined by its supervisory ministry and other Government ministries such as the Ministry of Finance from time to time. The address of the Corporation's registered office is 39 Artillery Avenue, Sentosa, Singapore 099958.

The Corporation's primary function is to control and administer Sentosa Island and encourage the development of services, facilities and amenities on the island for tourists and the public. There have been no significant changes in the nature of this function during the financial year.

The Corporation has a division, Sentosa Golf Club (the "Club"), a proprietary club registered with the Registrar of Societies under the Societies Act 1966. The proprietor of the Club is Sentosa Development Corporation. The principal activities of the Club are to provide and maintain a clubhouse and facilities for golf and other recreational activities for its members. There have been no significant changes in the nature of these activities during the financial year. Transactions of the Club are accounted for as part of the Corporation's accounts.

The principal activities of the subsidiaries are disclosed in Note 15 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

These financial statements have been prepared in accordance with the provisions of the Public Sector (Governance) Act 2018, the Sentosa Development Corporation Act 1972 and Statutory Board Financial Reporting Standards ("SB-FRS") prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (SGD or $) and all values in the tables are rounded to the nearest thousand ($'000), except when otherwise indicated.

The preparation of financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements, are disclosed in Note 3.

2. Material accounting policy information (cont'd)

2.1 Basis of preparation (cont'd)

Interpretations and amendments to published standards effective in 2024

On 1 April 2023, the Group has adopted the new or amended SB-FRS and Interpretations of SB-FRS ("INT SB-FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

The adoption of these new or amended SB-FRS and INT SB-FRS did not result in substantial changes to the accounting policies of the Group and had no material effect on the amounts reported for the current or prior financial years.

2.2 Income

Income is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Income is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

(a) Admission fees and packages

Income from admission fees and packages is recognised on sale and presentation of admission tickets and packages, net of discount.

(b) Rental and hiring of facilities

Rental income is recognised on a straight-line basis over the terms of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Lease income from operating leases is recognised on a straight-line basis over the lease terms on ongoing leases. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease terms on a straight-line basis.

(c) Club income

Membership income comprises the following:

(i) Amortisation of the club membership fee are recognised on a straight-line basis over the remaining lease term of the land occupied by the Club;

(ii) Term membership fees are amortised over the term of membership, which can be one year or two years;

(iii) Transfer fees on club membership are recognised on approval of transfer;

2. Material accounting policy information (cont'd)

2.2 Income (cont'd)

(c) Club income (cont'd)

(iv) Upon sale of a corporate membership, nominee registration fees for two nominees are recognised on acceptance of the first nominee by the General Committee of the Club or upon the expiration of three months from admission of the Club Member, whichever is earlier;

(v) Upon a change of corporate nominee, nominee fees are recognised on approval of admission of the corporate nominee by the General Committee; and

(vi) Members' subscription income from subscription fees is recognised on an accrual basis.

(d) Sales of merchandise

Income from sales of merchandise is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer, net of trade discounts. Income is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(e) Service, development, project management fees and headquarter support cost recovery

Service, development, project management fees and headquarter support cost recovery are recognised as income when services are rendered, and accepted by customers or related parties.

(f) Food and beverage

Income from sales of food and beverage is recognised upon sales made to customers, net of discounts.

(g) Interest income

Interest income is recognised using the effective interest method.

(h) Sponsorship income

Sponsorship income is recognised at fair value as income as and when it is reasonably certain that they will be received and conditions for receipt have been met.

(i) Maintenance fund contributions

Maintenance fund contributions are recognised on an accrual basis.

(j) Dividend income

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

2. Material accounting policy information (cont'd)

2.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair values of the identifiable net assets acquired is recorded as goodwill.

2. Material accounting policy information (cont'd)

2.3 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Corporation.

(b) Joint ventures

Joint ventures are entities over which the Group has joint control as a result of contractual arrangements, and rights to the net assets of the entities.

Investments in joint ventures are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisition

Investments in joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on joint ventures represents the excess of the cost of acquisition of the joint ventures over the Group's share of the fair value of the identifiable net assets of the joint ventures and is included in the carrying amount of the investments.

2. Material accounting policy information (cont'd)

2.3 Group accounting (cont'd)

(b) Joint ventures (cont'd)

(ii) Equity method of accounting

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise Group's share of its joint ventures' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the joint ventures are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in a joint venture equals to or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised. Interest in a joint venture includes any long-term loans for which settlement is never planned nor likely to occur in the foreseeable future.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of joint ventures are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

(iii) Disposals

Investments in joint ventures are derecognised when the Group loses significant influence or joint control. If the retained equity interest in the former joint venture is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence or joint control is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss. Please refer to the paragraph "Investments in subsidiaries and joint ventures" for the accounting policy on investments in joint ventures in the separate financial statements of the Group.

Please refer to the paragraph "Investment in joint venture" for the accounting policy on investments in joint venture in the separate financial statements of the Corporation.

2. Material accounting policy information (cont'd)

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment that is directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment.

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

Leasehold land and improvements to land	10 to 103 years or over remaining lease terms ranging from 48 to 61 years
Buildings, attractions, facilities and renovations	3 to 50 years

Plant and machinery, operating equipment and other assets, comprising

(i) Plant and machinery (including cable car system)	3 to 50 years
(ii) Transportation assets	4 to 50 years
(iii) Furniture and fittings	1 to 27 years
(iv) Computer equipment	3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

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 within "other income".

2.5 Land premium

Leases of land under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases.

Land premium for land use rights is stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged to the income statement on a straight-line basis over the lease term.

2.6 Impairment of non-financial assets

Property, plant and equipment, land premium, right-of-use assets and investment in subsidiaries and joint venture are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

2. Material accounting policy information (cont'd)

2.6 Impairment of non-financial assets (cont'd)

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2.7 Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Corporation's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.8 Investment in joint venture

Investment in joint venture is accounted for using the equity method (equity-accounted investees) and is recognised initially at cost which includes transaction costs.

The consolidated financial statements include the Group's share of the income statement and other comprehensive income of the equity-accounted investees, after adjustments to align the accounting policies of the equity-accounted investees with those of the Group, from the date that joint control commences until the date that joint control ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

2. Material accounting policy information (cont'd)

2.8 Investment in joint venture (cont'd)

An impairment loss in respect of joint venture is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in income statement. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

2.9 Financial assets

(a) Classification and measurement

The Group classifies its financial assets in the measurement categories:

- Amortised cost; and
- Fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables.

There are two subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

2. Material accounting policy information (cont'd)

2.9 Financial assets (cont'd)

(a) Classification and measurement (cont'd)

At subsequent measurement (cont'd)

(i) Debt instruments (cont'd)

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "investment (income)/losses".

(ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "investment (income)/losses".

(b) Impairment

The Group assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 31(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the differences between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and the sale proceed amount would be recognised in other comprehensive income and transferred to retained earnings along with the amount previously recognised in other comprehensive income relating to that asset.

2. Material accounting policy information (cont'd)

2.9 Financial assets (cont'd)

(c) Recognition and derecognition (cont'd)

For other financial assets, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.10 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, cash held with banks and Accountant-General's Department ("AGD"), and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.11 Inventories

Inventories are carried at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Merchandise: cost is determined on a weighted average basis
- Food and beverage and consumables and spare parts: cost is determined based on a first-in first-out basis

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Other provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

2. Material accounting policy information (cont'd)

2.13 Restricted fund

The Sentosa Development Corporation Act (the "Act") provides that the Corporation shall establish a maintenance fund and levy a maintenance fee on the Sentosa Cove owners, for the purposes of managing and maintaining the Sentosa Cove resort area and of providing and maintaining the infrastructure and other facilities and services for the use of persons living and working in the resort area. The amounts in the Sentosa Cove Residential Fund relate to maintenance contribution received from the Sentosa Cove residents less the expenditure incurred for the residential precinct to date, and are restricted to be used for the specified purpose provided under the Act.

The income and expenditure that are subject to legal stipulation are accounted for under Restricted Fund in the Group's and Corporation's statement of comprehensive income.

2.14 Provision for contribution to Consolidated Fund

The Corporation is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The provision is based on guidelines specified by the Ministry of Finance. It is computed based on a percentage pegged at the prevailing corporate tax rate for the year of assessment on the net surplus of the Corporation and after deducting prior years' accumulated deficits. Contribution is provided for on an accrual basis.

The Corporation is allowed to carry forward its deficits to offset against its future surplus. The deficits have no expiry date.

2.15 Deferred membership fees

Deferred membership fee comprises club membership fee and term membership fee. These fees are the contract liabilities which relates to the Group's obligation to provide utilisation of the Club to its members for which the Club has received the membership fees in advance.

Club membership fee refers to the lump sum payment made by members for the ordinary membership which is amortised and recognised as income on a straight-line basis over the lease term of the land occupied by the Club.

Term membership fee refers to membership fee paid by members in advance and it is amortised and recognised as income on a straight-line basis over the term.

2.16 Deferred lease income

Deferred lease income is service income and development fee in respect of long-term leases, which is amortised and recognised as income on the basis so as to match the related costs.

2. Material accounting policy information (cont'd)

2.17 Government grants

Capital grant

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that the grants will be received and the Group will comply with the conditions associated with the grant. These grants are then recognised in income statement as other income on a systematic basis over the useful life of the asset.

Government grants for the establishment of the Corporation are taken to the capital account.

Government grants and contributions for the purchase of depreciable property, plant and equipment are taken to the deferred capital grants account. The deferred capital grants are recognised in the income statement over the periods necessary to match the depreciation and gain or loss on disposal of the property, plant and equipment purchased with the grants.

Operating grant

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are either recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis or offset against the related expenses in profit or loss.

2.18 Capital

Capital contributed by the Government is recognised in the capital account. Incremental costs directly attributable to the capital are recognised as a deduction from the capital, net of any tax effects.

2.19 Employee benefits

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(c) Employee leave entitlements

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

Notes to the Financial Statement

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.20 Leases

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

- **Right-of-use assets**

  The Group recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

  These right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

- **Lease liabilities**

  The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

  Lease payments include the following:

  - Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
  - Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
  - Amount expected to be payable under residual value guarantees;
  - The exercise price of a purchase option if is reasonably certain to exercise the option; and
  - Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

  For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

2. Material accounting policy information (cont'd)

2.20 Leases (cont'd)

When the Group is the lessee: (cont'd)

- **Lease liabilities (cont'd)**

  Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

  - There is a change in future lease payments arising from changes in an index or rate;
  - There is a change in the Group's assessment of whether it will exercise an extension option; or
  - There are modifications in the scope or the consideration of the lease that was not part of the original term.

  Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

- **Short term and low value leases**

  The Group has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

When the Group is the lessor:

The Group leases commercial space under operating leases to non-related parties.

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Contingent rents are recognised as income in profit or loss when earned.

2.21 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2. Material accounting policy information (cont'd)

2.22 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial period which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.23 Currency translation

(a) Functional currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Group.

(b) Transactions and balances

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 exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.24 Income taxes

Sentosa Development Corporation is a tax-exempted institution under the provisions of the Income Tax Act 1947. The subsidiaries of the Corporation are subject to local tax legislation.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

2. Material accounting policy information (cont'd)

2.24 Income taxes (cont'd)

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(a) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(b) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.25 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances

3.1 Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

The preparation of the financial statements in conformity with SB-FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Useful life of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 2 to 103 years (2023: 2 to 103 years). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The carrying amounts of the Group's and the Corporation's property, plant and equipment as at 31 March 2024 are disclosed in Note 17 to the financial statements.

Notes to the Financial Statement

For the financial year ended 31 March 2024

4. Revenue

Disaggregation of income

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Major product or service lines				
Admission fees and packages	**70,042**	32,554	**34,902**	9,104
Rental and hiring of facilities	**51,657**	46,944	**56,083**	49,969
Club income	**35,148**	36,456	**35,148**	36,456
Sales of merchandise, net of discounts	**6,163**	4,070	**-**	-
Food and beverage	**20,461**	19,841	**6,858**	6,270
Maintenance fund contributions	**13,178**	13,100	**13,178**	13,100
	196,649	152,965	**146,169**	114,899
Primary geographical markets				
Singapore	**196,649**	152,965	**146,169**	114,899
Timing of transfer of goods or services				
At a point in time	**112,722**	72,639	**57,816**	31,548
Over time	**83,927**	80,326	**88,353**	83,351
	196,649	152,965	**146,169**	114,899

Notes to the Financial Statement

For the financial year ended 31 March 2024

5. Other income

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Interest income	**24,099**	10,307	**23,173**	9,755
Sponsorship income	**518**	894	**517**	920
Others	**6,118**	5,219	**6,031**	4,159
	30,735	16,420	**29,721**	14,834

6. Staff costs / Manpower services

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Wages and salaries	**96,330**	87,921	**83,660**	73,980
CPF contributions	**17,672**	15,702	**9,219**	8,057
	114,002	103,623	**92,879**	82,037

Included in the Corporation's wages and salaries and CPF contributions are payroll recharges from its wholly-owned subsidiary amounting to $44,349,000 (2023: $38,366,000) and $5,821,000 (2023: $4,953,000) respectively. The remaining balance pertains to wages and salaries and CPF contributions of employees directly contracted with the Corporation.

Government grants of $1,728,000 (2023: $3,534,000) include Job Support Scheme (JSS), Progressive Wages Credit Scheme (PWCS) and STB Prep-Up Fund which the Group has met the qualifying conditions and is entitled to receive. These government grants have been credited against the Group's wages and salaries expenses.

Notes to the Financial Statement

For the financial year ended 31 March 2024

7. General and administrative expenses

The following items have been included in arriving at general and administrative expenses:

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Property tax	**5,811**	5,484	**4,906**	5,036
Utilities	**7,814**	7,672	**5,854**	5,725
Professional and consultancy fees	**3,909**	3,776	**3,241**	2,780
Printing and stationery	**150**	558	**109**	399
Travelling and transport	**2,807**	2,709	**2,424**	2,323
Exchange loss	**2,404**	2,526	**2,377**	2,527
Loss on disposal of property, plant and equipment	**38**	320	**28**	292
Bank charges	**1,776**	1,243	**481**	363
Insurance	**1,160**	1,050	**935**	852
GST expenses	**7,340**	7,170	**7,340**	7,170
Others	**12,671**	10,511	**9,320**	9,712
	45,880	43,019	**37,015**	37,179

8. Investment gains/(losses), net

	GROUP AND CORPORATION	
	2024	2023
	$'000	$'000
Unrealised fair value gain/(loss) on investments, net	**32,349**	(27,726)

9. Income taxes

The Corporation is a tax-exempt institution under the provision of the Income Tax Act 1947. The subsidiaries of the Corporation are subject to tax under Singapore income tax legislation.

Income tax expense

	GROUP	
	2024	**2023**
	$'000	$'000
Tax expense attributable to profit is made up of:		
- Current income tax	**727**	241
- Deferred income tax	**(301)**	123
	426	364
Over provision in prior financial years		
- Current income tax	**(3)**	-
- Deferred income tax	**-**	(5)
	(3)	(5)
	423	359

9. Income taxes (cont'd)

The tax on profit before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	GROUP	
	2024	**2023**
	$'000	$'000
Surplus before income tax	**109,165**	4,630
Tax using Singapore tax rate at 17% (2023: 17%)	**18,558**	787
Effects of:		
- Surplus not subject to tax	**(18,438)**	(2,053)
- Expenses not deductible for tax purposes	**170**	845
- Income not subject to tax	**(30)**	(51)
- Singapore statutory stepped income exemption	**(35)**	(17)
- Deferred tax assets not recognised	**141**	1,085
- Over-provision in respect of prior years	**(3)**	(5)
- Others	**60**	(232)
Tax charge	**423**	359

Notes to the Financial Statement

For the financial year ended 31 March 2024

10. Cash and cash equivalents

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cash at bank and on hand	**10,396**	16,846	**10,163**	16,682
Deposits placed with Accountant-General's Department ("AGD")	**751,723**	645,791	**726,421**	614,513
Short-term bank deposits	**5,083**	–	**–**	–
	767,202	662,637	**736,584**	631,195
Less: Cash held under Sentosa Cove Residential Fund	**(44,291)**	(38,841)	**(44,291)**	(38,841)
Cash and cash equivalents	**722,911**	623,796	**692,293**	592,354

Deposits are placed with Accountant-General's Department under the Whole-of-Government Centralised Liquidity Management.

11. Financial assets at FVPL

	GROUP AND CORPORATION	
	2024	**2023**
	$'000	$'000
Current		
Unquoted investments:		
Fund investments	**664,931**	632,582

The fund investments comprise investments in unit trusts that are managed by professional fund managers awarded by Accountant-General's Department ("AGD") under the Demand Aggregation IV Scheme.

The fair values of the fund investments at financial year end are determined based on the net asset values provided by the fund managers at the last market day of the financial year.

Notes to the Financial Statement

For the financial year ended 31 March 2024

12. Trade and other receivables

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Trade receivables				
- Non-related parties	**10,486**	9,177	**6,680**	5,564
Unbilled receivables	**13,253**	8,274	**13,253**	8,274
Less: Loss allowance	**(869)**	(828)	**(791)**	(788)
	22,870	16,623	**19,142**	13,050
Other receivables	**24,056**	25,392	**20,693**	21,234
Deposits	**2,056**	2,623	**854**	964
Amounts due from subsidiaries (non-trade)	**-**	-	**1,408**	1,738
	48,982	44,638	**42,097**	36,986

Non-trade amounts due from subsidiaries are unsecured, interest-free and repayable on demand.

13. Inventories

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Consumables and spare parts	**6,613**	6,708	**6,613**	6,708
Merchandise	**270**	540	**-**	-
Food and beverage products	**376**	474	**101**	110
Less: Allowance for inventories obsolescence	**(872)**	(280)	**(746)**	-
	6,387	7,442	**5,968**	6,818

The cost of inventories recognised as an expense and included in "inventories used" amounted to $14,722,000 (2023: $12,344,000) for Group and $6,774,000 (2023: $5,923,000) for Corporation.

14. Accrued lease income

Accrued lease income relates to recognition of guaranteed annual payments which are expected to be received in subsequent periods from lessees on long term leases. The income on these leases is recognised on a straight-line basis.

15. Investments in subsidiaries

	CORPORATION	
	2024	**2023**
	$'000	$'000
Equity investments at cost		
Beginning and end of financial year	**41,108**	41,108

Notes to the Financial Statement

For the financial year ended 31 March 2024

15. Investments in subsidiaries (cont'd)

Details of the subsidiaries are as follows:

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION/ PLACE OF BUSINESS	PERCENTAGE OF OWNERSHIP HELD BY THE GROUP	
			2024	2023
			%	%
Held by the Corporation				
Mount Faber Leisure Group Pte Ltd*	Operation of the cable car system and attractions, wholesaler and retailer of merchandise and food and beverage services	Singapore	**100**	100
Sentosa Leisure Management Pte Ltd*	An agent of Sentosa Development Corporation in fulfilling the Corporation's economic and social roles, which include functions such as corporate services (IT, HR, Finance)	Singapore	**100**	100
Sentosa Cove Resort Management Pte Ltd*	Estate and community management, including property and facility management of common properties within Sentosa Cove	Singapore	**100**	100

* Audited by PricewaterhouseCoopers LLP, Singapore

16. Investments in joint venture

	GROUP	
	2024	**2023**
	$'000	$'000
Unquoted shares, at cost	**6,340**	6,340
Accumulated share of post-acquisition profits (net of tax)	**11,711**	10,943
	18,051	17,283

Set out below is the details of the joint venture of the Group:

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION/ PLACE OF BUSINESS	PERCENTAGE OF OWNERSHIP HELD BY THE GROUP	
			2024	**2023**
			%	%
Held by subsidiary				
DCP (Sentosa) Pte Ltd*	Generation and sale of chilled water at Sentosa	Singapore	**20**	20

* Audited by PricewaterhouseCoopers LLP, Singapore

Resort World Singapore ("RWS") and the Group's subsidiary, Sentosa Leisure Management Pte Ltd ("SLM"), has 80% and 20% share respectively in DCP (Sentosa) Pte Ltd ("DCP").

Based on the joint venture agreement, the quorum of shareholders and directors meeting can only be achieved with the presence of at least one director/representative each from SLM and RWS. Board resolutions must be unanimously approved by both the Company and RWS. Accordingly, DCP is accounted for as a joint venture.

16. Investments in joint venture (cont'd)

The following table summarises the financial information of the joint venture and reconciliation of the investment in the consolidated financial statements are as follow:

	2024	2023
	$'000	$'000
Income	**26,149**	25,494
Expenses	**(22,311)**	(21,499)
Total profit	**3,838**	3,995
Current assets	**55,513**	49,493
Non-current assets	**63,495**	62,167
Current liabilities	**(5,295)**	(3,733)
Non-current liabilities	**(22,019)**	(21,538)
Net assets	**91,694**	86,389
Group's interest in net assets of joint venture at beginning of year	**17,283**	16,484
Share of total profit	**768**	799
Carrying amount of interest in joint venture at end of the year	**18,051**	17,283

Notes to the Financial Statement

For the financial year ended 31 March 2024

17. Property, plant and equipment

GROUP	LEASEHOLD LAND AND IMPROVEMENTS TO LAND	BUILDINGS, ATTRACTIONS, FACILITIES AND RENOVATIONS	DEVELOPMENT PROJECTS-IN-PROGRESS	PLANT AND MACHINERY, OPERATING EQUIPMENT AND OTHER ASSETS	TOTAL
2024					
	$'000	$'000	$'000	$'000	$'000
Cost					
Beginning of financial year	520,975	529,212	93,382	395,755	1,539,324
Additions	6,028	7,660	17,666	42,715	74,069
Disposals	(538)	(4,053)	–	(2,710)	(7,301)
Written off	–	(31)	(283)	(166)	(480)
Transfers	9,496	53,907	(70,152)	6,749	–
Reclassification (Note 19)	(1,372)	-	-	-	(1,372)
End of financial year	534,589	586,695	40,613	442,343	1,604,240
Accumulated depreciation					
Beginning of financial year	244,499	286,929	–	284,703	816,131
Charge for the year	14,973	13,611	–	33,088	61,672
Disposals	(537)	(4,045)	–	(2,688)	(7,270)
Written off	–	(25)	–	(163)	(188)
Transfers	3045	(3045)	–	–	–
End of financial year	261,980	293,425	–	314,940	870,345
Net book value					
End of financial year	**272,609**	**293,270**	**40,613**	**127,403**	**733,895**

17. Property, plant and equipment (cont'd)

GROUP	LEASEHOLD LAND AND IMPROVEMENTS TO LAND	BUILDINGS, ATTRACTIONS, FACILITIES AND RENOVATIONS	DEVELOPMENT PROJECTS-IN-PROGRESS	PLANT AND MACHINERY, OPERATING EQUIPMENT AND OTHER ASSETS	TOTAL
2023					
	$'000	$'000	$'000	$'000	$'000
Cost					
Beginning of financial year	519,928	522,802	62,203	379,620	1,484,553
Additions	1,973	3,685	38,947	27,547	72,152
Disposals	(1,197)	(3,354)	–	(12,806)	(17,357)
Written off	–	–	(24)	–	(24)
Transfers	271	6,079	(7,744)	1,394	–
End of financial year	520,975	529,212	93,382	395,755	1,539,324
Accumulated depreciation					
Beginning of financial year	233,759	276,672	–	264,032	774,463
Charge for the year	11,798	13,574	–	33,299	58,671
Disposals	(1,058)	(3,317)	–	(12,628)	(17,003)
End of financial year	244,499	286,929	–	284,703	816,131
Net book value					
End of financial year	**276,476**	**242,283**	**93,382**	**111,052**	**723,193**

Notes to the Financial Statement

For the financial year ended 31 March 2024

17. Property, plant and equipment (cont'd)

CORPORATION	LEASEHOLD LAND AND IMPROVEMENTS TO LAND	BUILDINGS, ATTRACTIONS, FACILITIES AND RENOVATIONS	DEVELOPMENT PROJECTS-IN-PROGRESS	PLANT AND MACHINERY, OPERATING EQUIPMENT AND OTHER ASSETS	TOTAL
2024					
	$'000	$'000	$'000	$'000	$'000
Cost					
Beginning of financial year	490,916	449,581	93,001	381,131	1,414,629
Additions	5,799	7,359	12,325	42,420	67,903
Disposals	(538)	(4,053)	–	(2,707)	(7,298)
Written off	–	–	(283)	–	(283)
Transfers	8,504	52,219	(66,807)	6,084	–
End of financial year	504,681	505,106	38,236	426,928	1,474,951
Accumulated depreciation					
Beginning of financial year	233,227	233,412	–	272,723	739,362
Charge for the year	11,605	12,105	–	31,745	55,455
Disposals	(537)	(4,047)	–	(2,685)	(7,269)
Transfers	3,045	(3,045)	–	–	–
End of financial year	247,340	238,425	–	301,783	787,548
Net book value					
End of financial year	**257,341**	**266,681**	**38,236**	**125,145**	**687,403**

Notes to the Financial Statement

For the financial year ended 31 March 2024

17. Property, plant and equipment (cont'd)

CORPORATION	LEASEHOLD LAND AND IMPROVEMENTS TO LAND	BUILDINGS, ATTRACTIONS, FACILITIES AND RENOVATIONS	DEVELOPMENT PROJECTS-IN-PROGRESS	PLANT AND MACHINERY, OPERATING EQUIPMENT AND OTHER ASSETS	TOTAL
2023					
	$'000	$'000	$'000	$'000	$'000
Cost					
Beginning of financial year	490,229	447,792	60,568	365,684	1,364,273
Additions	1,618	3,450	34,076	27,205	66,349
Disposals	(1,188)	(2,268)	-	(12,513)	(15,969)
Written off	-	-	(24)	-	(24)
Transfers	257	607	(1,619)	755	-
End of financial year	490,916	449,581	93,001	381,131	1,414,629
Accumulated depreciation					
Beginning of financial year	223,498	226,130	-	253,747	703,375
Charge for the year	10,779	9,528	-	31,321	51,628
Disposals/written-off	(1,050)	(2,246)	-	(12,345)	(15,641)
End of financial year	233,227	233,412	-	272,723	739,362
Net book value					
End of financial year	**257,689**	**216,169**	**93,001**	**108,408**	**675,267**

Notes to the Financial Statement

For the financial year ended 31 March 2024

18. Land premium

	GROUP AND CORPORATION	
	2024	**2023**
	$'000	$'000
Cost		
Beginning and end of financial year	**68,065**	68,065
Accumulated amortisation		
Beginning of financial year	**30,283**	27,242
Charged to profit or loss	**3,041**	3,041
End of financial year	**33,324**	30,283
Net book value		
End of financial year	**34,741**	37,782

The cost of land premium for Sentosa Golf Club is capitalised in accordance with accounting policy in Note 2.5 and represents the amounts paid to Singapore Land Authority for the current and renewed lease term of the golf course land.

In 2015, the Club extended its land lease period of the Tanjong Golf Course and Serapong Golf Course for 19 years and 9 years respectively with effect from 31 December 2021 for $41,613,000.

19. Right-of-use assets and lease liabilities

Group as a lessee

Nature of the Group's leasing activities

Leasehold land and buildings

The Group has lease contracts for leasehold land and buildings used in its operations. Leases of leasehold land and buildings have lease term of up to 30 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. This lease contract that includes extension and termination options and variable lease payments.

Equipment

The Group leases IT equipment used in its operations. The Group applies the 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amounts of right-of-use assets recognised and the movements during the year:

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Cost				
Beginning of financial year	**14,597**	14,597	**1,536**	1,536
Reclassification (Note 17)	**1,372**	–	**–**	–
End of financial year	**15,969**	14,597	**1,536**	1,536
Accumulated depreciation				
Beginning of financial year	**2,646**	2,118	**968**	850
Charged to profit or loss	**1,183**	528	**44**	118
End of financial year	**3,829**	2,646	**1,012**	968
Net book value				
End of financial year	**12,140**	11,951	**524**	568

19. Right-of-use assets and lease liabilities (cont'd)

Group as a lessee (cont'd)

(b) Carrying amounts of lease liabilities during the year:

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Current	**292**	222	**42**	41
Non-current	**12,511**	12,803	**502**	544
	12,803	13,025	**544**	585

(c) Lease expense not capitalised in lease liabilities:

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Variable lease payments	**279**	278	**-**	-

(d) Total cash outflow for all leases in 2024 was $986,000 (2023: $985,000).

19. Right-of-use assets and lease liabilities (cont'd)

Group as a lessee (cont'd)

(e) A reconciliation of liabilities arising from the Group's financing activities is as follows:

	1 APRIL 2023	PROCEEDS FROM BORROWINGS	PRINCIPAL AND INTEREST PAYMENTS	NON-CASH CHANGES – INTEREST EXPENSE	31 MARCH 2024
	$'000	$'000	$'000	$'000	$'000
Lease liabilities	13,025	-	(707)	485	12,803
Bank borrowings	5,000	1,000	(5,130)	130	1,000

	1 APRIL 2022	PROCEEDS FROM BORROWINGS	PRINCIPAL AND INTEREST PAYMENTS	NON-CASH CHANGES – INTEREST EXPENSE	31 MARCH 2023
	$'000	$'000	$'000	$'000	$'000
Lease liabilities	13,239	-	(706)	492	13,025
Bank borrowings	10,000	-	(5,376)	376	5,000

Notes to the Financial Statement

For the financial year ended 31 March 2024

20. Trade and other payables

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Current				
Trade payables				
- Non-related parties	**7,207**	6,889	**5,013**	5,027
Other payables	**8,909**	5,737	**5,681**	3,153
Amounts due to subsidiaries (non-trade)	**-**	-	**13,075**	12,019
Accrued operating expenses	**58,694**	42,821	**42,778**	27,493
Grants received in advance	**2,380**	-	**2,380**	-
Deposits	**4,607**	3,887	**4,387**	3,679
Advance receipts	**22,761**	19,360	**14,656**	13,164
Liability for short-term compensating absences	**2,407**	2,495	**1,000**	961
	106,965	81,189	**88,970**	65,496
Non-current				
Other payables	**6,596**	4,992	**5,222**	3,677
	113,561	86,181	**94,192**	69,172

20. Trade and other payables (cont'd)

Amount due to subsidiaries (non-trade) are unsecured, interest-free and repayable on demand.

Advance receipts

Advance receipts comprise revenues received or invoiced at the reporting date which relate to future periods. The main component of advance receipts relates to advanced rental and advanced admission tickets and packages revenue in respect of online bookings and bulk purchases by customers.

(i) Revenue recognised in relation to advance receipts:

	GROUP	
	2024	2023
	$'000	$'000
Revenue recognised that was included in the advance receipts balance at the beginning of the year	**17,829**	17,680

(ii) Unsatisfied performance obligations

As permitted under the SB-FRS 115, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less is not disclosed.

Notes to the Financial Statement

For the financial year ended 31 March 2024

21. Deferred capital grants

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Beginning of financial year	**9,224**	9,697	**9,224**	9,697
Credited to profit or loss	**(426)**	(473)	**(426)**	(473)
End of financial year	**8,798**	9,224	**8,798**	9,224
Comprises:				
Current	**425**	428	**425**	428
Non-current	**8,373**	8,796	**8,373**	8,796
Total	**8,798**	9,224	**8,798**	9,224
Total deferred capital grants received since establishment	**511,147**	511,147	**510,938**	510,938

Deferred capital grants relate to grants received from the Government for the purchase of certain property, plant and equipment.

22. Deferred membership fee

Club membership fee

	GROUP AND CORPORATION	
	2024	2023
	$'000	$'000
Beginning of financial year	**56,500**	60,461
Credited to profit or loss	**(3,961)**	(3,961)
End of financial year	**52,539**	56,500

Term membership fee

	GROUP AND CORPORATION	
	2024	2023
	$'000	$'000
Beginning of financial year	**2,162**	2,326
Additions	**5,416**	5,456
Credited to profit or loss	**(5,533)**	(5,620)
At 31 March	**2,045**	2,162
Deferred membership fee comprises:		
Current	**5,995**	6,122
Non-current	**48,589**	52,540
	54,584	58,662

23. Deferred lease income

	GROUP AND CORPORATION	
	2024	**2023**
	$'000	$'000
Beginning of financial year	**53,641**	49,076
Additions	**539**	6,000
Credited to profit or loss:		
- Lease income amortised	**(1,460)**	(1,435)
End of financial year	**52,720**	53,641
Comprises:		
Current	**1,460**	1,435
Non-current	**51,260**	52,206
	52,720	53,641

Deferred lease income mainly comprises lease, service and development fees, and upfront premium received in respect of long-term leases.

24. Provision for contribution to Consolidated Fund

The Corporation is required to contribute to the Consolidated Fund in accordance with the Statutory Corporations (Contribution to Consolidated Fund) Act 1989.

	CORPORATION	
	2024	2023
	$'000	$'000
Surplus of the Corporation before contribution to Consolidated Fund	**108,459**	12,082
Less: Unutilised deficit brought forward	**-**	(4,663)
Surplus subject to contribution to Consolidated Fund	**108,459**	7,419
Contribution to Consolidated Fund @ 17%	**18,438**	1,261
Movement in Contribution to Consolidated Fund:		
Beginning of financial year	**1,261**	–
Contribution for the year	**18,438**	1,261
Paid during the year	**(1,261)**	–
End of financial year	**18,438**	1,261

The contribution for the financial year under review is based on 17% of the surplus, if any, of the Corporation.

As at end of both reporting periods, the Corporation has no unutilised deficits available for offset against future operating surpluses.

25. Bank borrowings

	GROUP	
	2024	**2023**
	$'000	$'000
Current		
Bank borrowings	**1,000**	5,000

The bank borrowings by a wholly-owned subsidiary is unsecured and denominated in Singapore dollars, with tenure of 1 month (2023: 1 month) and bear interest at 5.19% (2023: 5.37%) per annum.

(a) Undrawn borrowing facilities

	GROUP	
	2024	**2023**
	$'000	$'000
Expiring beyond one year	**19,000**	15,000

26. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The deferred income tax assets are shown on the balance sheet as follows:

	GROUP	
	2024	**2023**
	$'000	$'000
Deferred income tax assets	**1,366**	1,065

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For the financial year ended 31 March 2024

26. Deferred income taxes (cont'd)

Movement in deferred income tax assets is as follows:

GROUP	PROVISION FOR UNUTILISED LEAVE	PROVISION FOR NON-CONTRACTUAL BONUS	PROPERTY, PLANT AND EQUIPMENT	UNUTILISED CAPITAL ALLOWANCES	TOTAL
	$'000	$'000	$'000	$'000	$'000
2024					
Beginning of financial year	145	920	-	-	1,065
Charged to profit or loss	14	275	12	-	301
End of financial year	159	1,195	12	-	1,366
2023					
Beginning of financial year	161	953	-	69	1,183
Credited to profit or loss	(16)	(33)	-	(69)	(118)
End of financial year	145	920	-	-	1,065

26. Deferred income taxes (cont'd)

Deferred tax assets have not been recognised in respect of the following items:

	GROUP	
	2024	2023
	$'000	$'000
Unutilised tax losses	**32,870**	24,730
Unutilised capital allowances	**5,300**	14,466

At the reporting date, the Group has not recognised deferred tax assets arising from unutilised tax losses and unutilised capital allowances that relate to certain subsidiaries. These are available for offset against future taxable profits. No deferred tax asset is recognised, as it is not probable that taxable profits will be available against which the deferred tax assets can be utilised.

These unutilised tax losses and capital allowances relating to certain subsidiaries are subject to agreement by the tax authorities and compliance with the relevant provisions of Singapore Income Tax Act. The tax losses and capital allowances have no expiry date.

27. Capital account

	GROUP AND CORPORATION	
	2024	2023
	$'000	$'000
Beginning of financial year	**77,233**	44,729
Capital contributed by the Government	**29,777**	32,504
End of financial year	**107,010**	77,233

28. Accumulated funds

(a) General Fund

Income and expenditure of the Group are generally accounted for under the General Fund in the income statement.

(b) Restricted Fund

The restricted fund refers to the net funds held in the Sentosa Cove Residential Fund. The accounting policy for the Restricted Fund is disclosed in Note 2.13.

The assets and liabilities of the restricted fund are as follows:

	GROUP AND CORPORATION	
	2024	2023
	$'000	$'000
Trade and other receivables	**1,810**	1,761
Prepayments	**18**	17
Cash and cash equivalents	**44,291**	38,841
	46,119	40,619
Trade and other payables	**1,011**	1,585
Provision for contribution to Consolidated Fund	**1,095**	1,078
	2,106	2,663
Net assets	**44,013**	37,956

29. Revaluation reserve

Revaluation reserve represents the impact of fair value adjustment on the land and buildings acquired in respect of the acquisition of a subsidiary in prior years.

30. Commitments

(a) Capital commitments

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements is as follows:

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Capital commitments in respect of property, plant and equipment	**173,590**	82,812	**170,670**	79,093

(b) Lease commitments — as lessor

The Group leases land to certain hotels and tenants for 3 to 85 (2023: 3 to 85) years under operating leases. There are no restrictions placed upon the Group and the Corporation by entering into these leases. Lease income is based on a fixed lump sum payment, which is amortised over the lease period, a fixed monthly rental, and a variable rental payment based on a percentage of the tenant's income derived from using the leased land.

Lease income recognised in the income statement of the Group and the Corporation during the financial year amounted to $50,197,000 (2023: $45,509,000) and $54,623,000 (2023: $48,533,000) respectively, of which $19,177,000 (2023: $16,906,000) and $21,263,000 (2023: $18,479,000) was related to the variable rental income received during the financial year respectively.

30. Commitments (cont'd)

(b) Lease commitments — as lessor (cont'd)

Future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Within 1 year	**27,846**	27,196	**27,649**	27,039
Between 2 to 5 years	**62,980**	76,997	**62,772**	76,632
	90,826	104,193	**90,421**	103,671

31. Financial risk management

The Group's activities expose it to a variety of financial risks: market rate (including interest rate risk, currency risk and market price risk), credit risk and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management team then establishes detailed policies such as risk identification and measurement, exposure limits and hedging strategies. It has always been the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. The information presented below is based on information received by the management team.

31. Financial risk management (cont'd)

(a) Market risk

(i) Interest rate risk

The Group is exposure to interest rate risk on its deposits with the Accountant-General's Department and bank borrowings. The Group's policy is to obtain the most favourable interest rates available without increasing its interest rate exposure.

If interest rates had been 25 (2023: 25) basis points higher/lower with all other variables held constant, the effects on the Group's and the Corporation's surplus before contribution to Consolidated Fund would have been lower/higher by $1,879,000 (2023: $1,614,000) for the Group and $1,816,000 (2023: $1,536,000) for the Corporation respectively.

(ii) Currency risk

The Group's operation is not exposed to significant foreign exchange risk as most of its transactions are transacted in Singapore Dollars.

At the end of each reporting period, the carrying amounts of non-investment financial assets and liabilities denominated in foreign currencies at 31 March are mainly in Japanese Yen. The foreign currencies mainly arise from cash and cash equivalents of $8,470,000 (2023: $15,441,000).

If Japanese Yen had been 5% (2023: 5%) higher/lower with all other variables held constant, the effects on the Group's and the Corporation's surplus before contribution to Consolidated Fund would have been lower/higher by $424,000 (2023: $772,000) for the Group and Corporation.

(iii) Market price risk

The Group is exposed to market price risk arising from its investments through the fund placement with AGD DA scheme (Note 11). The Group manages its market price risk by ensuring the fund maintains a diversified portfolio based on its investment guidelines, thus monitoring and controlling exposure risk. The performance of the externally managed funds is regularly monitored by the Internal Investment Team and reported to the Management and the Board of Directors.

In respect of these investments, if the investment fair value had increased/decreased by 2% (2023: 2%) with all other variables being held constant, this will result in a $13,299,000 (2023: $12,652,000) increase/decrease in net deficit for the Group and Corporation.

31. Financial risk management (cont'd)

(a) Market risk (cont'd)

(iii) Market price risk (cont'd)

All the above sensitivity disclosures in this note have been disclosed in accordance with the requirements of SB-FRS 107. In Management's opinion, the sensitivity analysis is not fully representative of the risk considerations for its investments. The Group's investments are regularly assessed with a larger spectrum of risk considerations included in the long term asset allocation policy.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Group. The major classes of financial assets of the Group are investments managed by professional fund managers, cash and cash equivalents and trade and other receivables.

(i) Risk management

The Group adopts the following policy to mitigate its credit risk.

The Group has financial assets invested through AGD Demand Aggregation (DA) Scheme which consists of funds placements under the AGD panel of approved fund managers. The underlying financial assets of these funds include fixed income instruments, equities and commodities, of which the fixed income securities are of high credit ratings as determined by recognised rating agencies. The Group mitigates its credit risk exposure through regular monitoring of the fund and recoverability of the financial assets.

For trade receivables from non-related parties, the Group's objective is to seek continual income growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. Hence, the Group does not expect to incur material credit losses.

31. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(i) Risk management (cont'd)

Cash and cash equivalents are placed with government and reputable and regulated financial institutions. For other financial assets, the Group minimises credit risk by dealing mainly with high credit rating counterparties.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet.

At the reporting date, approximately 4% (2023: 4%) of the Group's trade receivables were due from 5 (2023: 5) major customers located in Singapore.

(ii) Impairment of trade receivables

The Group has applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for trade receivables from customers.

In measuring the expected credit losses, these receivables are grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts for forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The historical loss rates are adjusted based on expected changes in these factors.

Trade and other receivables are written off when there is no reasonable expectation of recovery, with the case by case assessment performed based on indicators such as insolvency or demise. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due where applicable. Where recoveries are made, these are recognised in income statement.

31. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(ii) Impairment of trade receivables (cont'd)

The Group's credit risk exposure in relation to trade receivables from customers as at 31 March 2024 and 31 March 2023 are set out in the provision matrix as follows:

	CURRENT	WITHIN 30 DAYS PAST DUE	30 TO 60 DAYS PAST DUE	60 TO 90 DAYS PAST DUE	MORE THAN 90 DAYS PAST DUE	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000
31 March 2024						
Trade receivables						
- Non-related parties	8,538	333	192	121	1,302	10,486
Loss allowances	(4)	-	(8)	-	(857)	(869)
31 March 2023						
Trade receivables						
- Non-related parties	7,751	253	188	99	886	9,177
Loss allowances	(10)	(6)	(13)	(10)	(789)	(828)

31. Financial risk management (cont'd)

(b) Credit risk (cont'd)

(ii) Impairment of trade receivables (cont'd)

Movement in credit loss allowance for financial assets are set out as follows:

	GROUP		CORPORATION	
	2024	2023	**2024**	2023
	$'000	$'000	$'000	$'000
Balance at 1 April	**828**	768	**788**	727
Loss allowance recognised in profit or loss during the year on:				
- Asset acquired/originated	**176**	110	**139**	105
- Reversal of unutilised amount	**(46)**	(50)	**(46)**	(44)
- Utilised during the year	**(89)**	–	**(90)**	–
Balance at 31 March	**869**	828	**791**	788

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(iii) Other receivables

Other receivables are short-term in nature. Impairment on other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of exposures. The Group considers its receivables to have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on other receivables is insignificant.

(iv) Cash and cash equivalents

The Group held cash and cash equivalents of $767,016,000 (2023: $662,454,000) with reputable financial institutions with high credit ratings and no history of default. The cash balances are measured on 12-months expected credit losses and subject to immaterial credit loss.

31. Financial risk management (cont'd)

(c) Liquidity risk

As part of its overall liquidity management, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. SDC also limits exposure to only investments and financial instruments with sufficient market liquidity.

The table below analyses the Group's and Corporation's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not expected to be significant.

GROUP	LESS THAN 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
	$'000	$'000	$'000	$'000
At 31 March 2024				
Trade and other payables	80,613	6,596	–	–
Bank borrowings	1,001	–	–	–
Lease liabilities	768	779	2,331	16,519
At 31 March 2023				
Trade and other payables	60,842	4,992	–	–
Bank borrowings	5,022	–	–	–
Lease liabilities	706	768	2,331	17,298

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31. Financial risk management (cont'd)

(c) Liquidity risk (cont'd)

CORPORATION	LESS THAN 1 YEAR	BETWEEN 1 AND 2 YEARS	BETWEEN 2 AND 5 YEARS	OVER 5 YEARS
	$'000	$'000	$'000	$'000
At 31 March 2024				
Trade and other payables	71,218	5,222	–	–
Lease liabilities	50	50	150	350
At 31 March 2023				
Trade and other payables	51,807	3,677	–	–
Lease liabilities	50	50	150	400

31. Financial risk management (cont'd)

(d) Capital risk

The Group manages its capital in accordance with the Capital Management Framework formulated by the Ministry of Finance. Under this Framework, the Group is required to draw on its accumulated funds, existing equity, debt or additional equity contribution from the Government.

The Group defines capital as capital contributed by government and accumulated funds.

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Capital account	**107,010**	77,233	**107,010**	77,233
Accumulated funds	**1,992,309**	1,901,294	**1,949,958**	1,859,226
Total capital	**2,099,319**	1,978,527	**2,056,968**	1,936,459

The Group is in compliance with all externally imposed capital requirements for the financial year ended 31 March 2024 and 2023. The Corporation is not subjected to any externally imposed capital requirements for the financial year ended 31 March 2024 and 2023.

(e) Fair value measurements

The table below presents assets recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31. Financial risk management (cont'd)

(e) Fair value measurements (cont'd)

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of reporting period:

GROUP AND CORPORATION	LEVEL 1	LEVEL 2	TOTAL
	$'000	$'000	$'000
2024			
Assets			
Financial assets at FVPL	–	664,931	664,931
2023			
Assets			
Financial assets at FVPL	–	632,582	632,582

Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Financial assets at FVPL - Fund investments

The fair values of the fund investments are determined based on the fund net asset values provided by the external investment managers at the last market day of the financial year.

Other financial assets and liabilities

The fair values of other financial assets and liabilities in the balance sheet approximate their carrying amounts.

31. Financial risk management (cont'd)

(f) Financial instruments by category

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

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Financial assets, at FVPL	**664,931**	632,582	**664,931**	632,582
Financial assets, at amortised cost	**813,959**	706,309	**776,456**	667,215
Financial liabilities, at amortised cost	**101,012**	83,859	**76,984**	56,070

32. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and Corporation with related parties at the prevailing market terms:

(a) Key management personnel compensation

Key management personnel of the Group and the Corporation are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Corporation.

Key management personnel compensation comprises:

	GROUP		CORPORATION	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Short-term employee benefits	**10,887**	9,685	**8,193**	7,548
CPF contributions	**589**	545	**400**	377
Board members' fees	**149**	154	**119**	124
	11,625	10,384	**8,712**	8,049

32. Related party transactions (cont'd)

(b) Sales and purchase of goods and services

During the financial year, other than those disclosed elsewhere in the financial statements, the following significant transactions were carried out by the Group and Corporation with its related parties in the normal course of business on terms agreed between the parties.

	GROUP		CORPORATION	
	2024	2023	**2024**	2023
	$'000	$'000	$'000	$'000
Ministries and Statutory Boards				
Purchases and services paid to other ministries	**68**	239	**67**	232
Purchases and services paid to other statutory boards	**9,541**	8,690	**9,007**	8,568
Services rendered to other ministries	**282**	507	**101**	270
Services rendered to other statutory boards	**979**	1,092	**608**	716
Subsidiaries				
Admission fee income from subsidiaries	**-**	–	**2,209**	–
Rental income from subsidiaries	**-**	–	**5,053**	3,447
Headquarter support fee recovery from subsidiaries	**-**	–	**1,032**	13
Purchase of goods from subsidiaries	**-**	–	**1,874**	2,034
Management fee expense paid to subsidiaries	**-**	–	**51,398**	41,440

32. Related party transactions (cont'd)

(b) Sales and purchase of goods and services (cont'd)

	GROUP		CORPORATION	
	2024	**2023**	**2024**	**2023**
	$'000	$'000	$'000	$'000
Joint ventures				
Rental income from joint venture	**689**	689	**689**	689
Other related parties				
Services rendered by related parties	**86**	16	**84**	14
Services rendered to related parties	**103**	–	**102**	–

33. Authorisation of financial statements for issue

The consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 26 June 2024.