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12/13 ANNUAL REPORT

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Sentosa Development Corporation and its Subsidiaries

Annual Report

Year ended 31 March 2013

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Independent Auditors' Report

Members of the Corporation
Sentosa Development Corporation

Report on the financial statements

We have audited the accompanying financial statements of Sentosa Development Corporation (the "Corporation") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and the Corporation as at 31 March 2013, the statements of comprehensive income and statements of changes in equity of the Group and the Corporation and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS51.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Sentosa Development Corporation Act (Chapter 291) (the "Act") and Statutory Board Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Corporation are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards to present fairly, in all material respects, the state of affairs of the Group and the Corporation as at 31 March 2013 and the results and changes in equity of the Group and the Corporation and cash flows of the Group for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion:

(a) the accounting and other records required by the Act to be kept by the Corporation have been properly kept in accordance with the provisions of the Act; and

(b) the accounting and other records of those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the Singapore Companies Act, Chapter 50.

KPMG LLP

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
24 June 2013

Statement of Financial Position

As at 31 March 2013

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Assets					
Property, plant and equipment	4	704,908	717,476	624,246	615,642
Land premium	5	16,722	18,648	16,722	18,648
Investments in subsidiaries	6	–	–	34,768	34,768
Investments in joint venture	7	2,208	16,502	–	–
Non-current assets		723,838	752,626	675,736	669,058
Inventories	8	7,948	8,397	3,504	3,722
Trade and other receivables	9	31,751	33,569	48,214	44,039
Assets classified as held for sale	31	-	-	-	19,868
Cash and bank balances	10	2,417,397	2,362,021	2,398,884	2,346,061
Current assets		2,457,096	2,403,987	2,450,602	2,413,690
Total assets		**3,180,934**	**3,156,613**	**3,126,338**	**3,082,748**
Equity					
Capital account	11	4,967	3,590	4,967	3,590
Accumulated surplus	12				
- General fund		2,549,910	2,561,810	2,458,813	2,470,218
- Restricted funds		150,115	150,115	150,115	150,115
		2,700,025	2,711,925	2,608,928	2,620,333
Revaluation reserve	13	16,176	16,176	-	-
Total equity		2,721,168	2,731,691	2,613,895	2,623,923
Liabilities					
Trade and other payables	14	170,706	116,221	231,611	161,643
Loans and borrowings	15	4,680	5,343	-	-
Specific fund	16	114	112	114	112
Provisions	17	127,825	10,060	127,825	9,953
Deferred capital grants	18	361	2,416	361	2,416
Deferred income	19	4,216	5,966	4,216	5,966
Provision for contribution to Consolidated Fund	20	-	5,510	-	5,510
Income tax payable		637	572	-	-
Liabilities classified as held for sale	31	-	-	-	2,087
Current liabilities		308,539	146,200	364,127	187,687

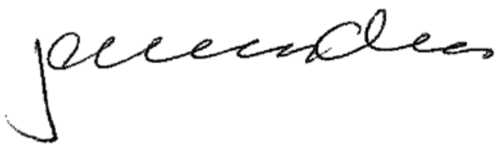
The accompanying notes form an integral part of these financial statements.

Statement of Financial Position (continued)

As at 31 March 2013

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Liabilities					
Other payables	14	500	1,195	-	20
Loans and borrowings	15	-	4,680	-	-
Provisions	17	98,635	219,676	98,498	219,646
Deferred capital grants	18	11,623	9,060	11,623	9,060
Deferred income	19	38,195	42,412	38,195	42,412
Deferred tax liabilities	21	2,274	1,699	-	-
Non-current liabilities		151,227	278,722	148,316	271,138
Total liabilities		459,766	424,922	512,443	458,825
Total equity and liabilities		**3,180,934**	**3,156,613**	**3,126,338**	**3,082,748**

Lee Kim Poo
Chairman



Jennie Chua Kheng Yeng
Board member

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

Statements of Comprehensive Income

Year ended 31 March 2013

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Continuing operations					
Income					
Land sale		77,646	5,968	77,646	5,968
Admission fees and packages		81,454	84,013	9,566	-
Rental and hiring of facilities	22	28,725	27,250	33,010	29,131
Intrest income		15,733	16,022	15,636	15,834
Other revenue	23	60,456	74,174	49,756	51,954
		264,014	207,427	185,614	102,887
Expenditure					
Cost of land sale		77,646	5,910	77,646	5,910
Cost of sale on admission fees and packages		17,666	9,615	9,566	-
Staff costs	24	68,881	64,606	32,781	32,047
Depreciation of property, plant and equipment		40,890	52,836	34,150	34,778
Amortisation of land premium		1,926	1,919	1,926	1,919
Repairs and maintenance		18,310	17,535	4,740	5,429
Publicity and promotion		13,527	12,639	3,566	3,926
Inventories used		11,359	18,442	4,389	4,094
Interest expense		173	278	1	-
Net reversal of provision for development charges	14	-	(42,045)	-	(42,045)
General and administrative expenses	25	29,736	30,936	15,493	18,036
Other expenses	26	621	-	17,770	-
		280,735	172,671	202,028	64,094
(Loss)/surplus before Government Grants from continuing operations		(16,721)	34,756	(16,414)	38,793
Deferred capital grants (reversed)/ amortised		(501)	2,416	(501)	2,416
Share of results of a joint venture, net of tax		837	481	-	-
(Loss)/surplus before taxation and contribution to Consolidated Fund		(16,385)	37,653	(16,915)	41,209
Income tax expense	27	(1,025)	(1,028)	-	-
Contribution to Consolidated Fund	20	5,510	(1,866)	5,510	(1,866)
Net (loss)/surplus for the year, net of taxation and contribution to Consolidated Fund from continuing operations		(11,900)	34,759	(11,405)	39,343

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

Statements of Comprehensive Income (continued)

Year ended 31 March 2013

		Group		Corporation	
	Note	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Discontinuing operations					
Deficit from discontinuing operations, net of contribution to Consolidated Fund	32	-	-	-	(7,185)
Net (loss)/surplus for the year, representing total comprehensive (loss)/ income for the year		**(11,900)**	**34,759**	**(11,405)**	**32,158**

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

Statements of Changes in Equity

Year ended 31 March 2013

Group	Capital account (note 11) $'000	General fund (note 12) $'000	Restricted funds (note 12) $'000	Accumulated Surplus (note 12) $'000	Revaluation reserve (note 13) $'000	Total equity $'000
At 1 April 2011	3,590	2,532,551	144,615	2,677,166	16,176	2,696,932
Surplus for the year	-	34,759	-	34,759	-	34,759
Total comprehensive income for the year	-	34,759	-	34,759	-	34,759
Transfer to restricted funds	-	(5,500)	5,500	-	-	-
At 31 March 2012	3,590	2,561,810	150,115	2,711,925	16,176	2,731,691
At 1 April 2012	3,590	2,561,810	150,115	2,711,925	16,176	2,731,691
Loss for the year	-	(11,900)	-	(11,900)	-	(11,900)
Total comprehensive income for the year	-	(11,900)	-	(11,900)	-	(11,900)
Capital contributed by the Government	1,377	-	-	-	-	1,377
At 31 March 2013	4,967	2,549,910	150,115	2,700,025	16,176	2,721,168

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

Statements of Changes in Equity (continued)

Year ended 31 March 2013

Corporation	Capital account (note 11) $'000	General fund (note 12) $'000	Restricted funds (note 12) $'000	Accumulated Surplus (note 12) $'000	Total equity $'000
At 1 April 2011	3,590	2,443,560	144,615	2,588,175	2,591,765
Surplus for the year	-	32,158	-	32,158	32,158
Total comprehensive income for the year	-	32,158	-	32,158	32,158
Transfer to restricted funds	-	(5,500)	5,500	-	-
At 31 March 2012	3,590	2,470,218	150,115	2,620,333	2,623,923
At 1 April 2012	3,590	2,470,218	150,115	2,620,333	2,623,923
Loss for the year	-	(11,405)	-	(11,405)	(11,405)
Total comprehensive income for the year	-	(11,405)	-	(11,405)	(11,405)
Capital contributed by the Government	1,377	-	-	-	1,377
At 31 March 2013	4,967	2,458,813	150,115	2,608,928	2,613,895

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

Consolidated Statement of Cash Flows

Year ended 31 March 2013

	Note	2013 $'000	2012 $'000
Cash flows from operating activities			
(Loss)/surplus before taxation and contribution to Consolidated Fund		(16,385)	37,653
Adjustments for:			
Interest expense		173	278
Interest income		(15,733)	(16,022)
Depreciation of property, plant and equipment		40,890	52,836
Amortisation of land premium		1,926	1,919
(Gain)/loss on disposal of property, plant and equipment		(115)	23
Impairment loss on doubtful trade receivables, net		3,350	5,276
Deferred income recognised		(5,967)	(7,216)
Impairment loss on investment in a joint venture		621	-
Share of results of a joint venture		(837)	(481)
Reversal of development charges		-	(42,045)
Reversal/(amortisation) of deferred capital grants		501	(2,416)
		8,424	29,805
Changes in working capital:			
Inventories		449	(511)
Trade and other receivables		(1,592)	(7,365)
Trade and other payables		71,886	2,222
Provision for cove infrastructure		(3,276)	(4,855)
Cash generated from operating activities		75,891	19,296
Tax paid		(586)	(290)
Tax refund		201	94
Net cash from operating activities		75,506	19,100
Cash flows from investing activities			
Interest received		15,793	14,399
Purchase of property, plant and equipment		(28,562)	(23,360)
Proceeds from disposal of property, plant and equipment		355	49
Proceeds from disposal of investments		-	2,000
Payment of development charges		(3,197)	(33,955)
Net cash used in investing activities		(15,611)	(40,867)

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

Consolidated Statement of Cash Flows
(continued)

Year ended 31 March 2013

	Note	2013 $'000	2012 $'000
Cash flows from financing activities			
Proceeds from capital contributed by the Government		1,377	-
Proceeds from Government grants		7	-
Repayment of finance lease obligations		(163)	(230)
Repayment of bank loans		(5,180)	(6,475)
Interest paid		(173)	(278)
Net cash used in financing activities		(4,132)	(6,983)
Net increase/(decrease) in cash and cash equivalents		55,763	(28,750)
Cash and cash equivalents at 1 April		2,361,048	2,389,798
Cash and cash equivalents at 31 March	10	2,416,811	2,361,048

Significant Non-Cash Transactions

(a) During the year, the Group recognised this amount as distribution of assets from the liquidation of its joint venture as disclosed in note 7, which amount in cash has been received in prior years and was recorded as amount due to a joint venture in prior year's financial statements.

(b) In 2012, property, plant and equipment creditors amounted to $10,209,000. Development charges of $247,000 were capitalised as cost of property, plant and equipment as disclosed in note 14.

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

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 24 June 2013.

1 Domicile and Activities

Sentosa Development Corporation (the "Corporation") is a corporation established under the Sentosa Development Corporation Act, Chapter 291 (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 and place of business is at 33 Allanbrooke Road, Sentosa, Singapore 099981.

The Corporation's primary function is to control and administer Sentosa Island and encourage the development of services, facilities and amenities on Sentosa 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 (Chapter 311). 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 financial statements of the Corporation as at and for the year ended 31 March 2013 comprise the Corporation and its subsidiaries (together referred to as the "Group") and the Group's interest in joint ventures.

2 Basis of Preparation

2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards ("SB-FRS").

2.2 Basis of Measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and Presentation Currency

These financial statements are presented in Singapore dollars, which is the Corporation's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of Estimates and Judgements

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.

There are no areas of critical judgement in applying accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Note 4 – Measurement of the recoverable amounts of property, plant and equipment
- Note 17 – Measurement of provisions

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by the Group.

3.1 Basis of Consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Investments in Jointly Controlled Entities

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in jointly controlled entities are accounted for using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investments includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss 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.

Jointly Controlled Operations

A jointly controlled operation is a joint venture carried on by each venturer using its own assets in pursuit of the joint operations. The consolidated financial statements include the assets that the Group controls and the liabilities that it incurs in the course of pursuing the joint operation, and the expenses that the Group incurs and its share of the income that it earns from the joint operation.

Transactions Eliminated on Consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and jointly-controlled entities in the separate financial statements

Investments in subsidiaries, associate and jointly controlled entities are stated in the Corporation's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign Currency

Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

3.3 Financial Instruments

Non-Derivative Financial Assets

The Group initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets comprise loans and receivables.

Loans and Receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables, and cash and cash equivalents.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, cash held with banks and Accountant-General's Department ("AGD"), and short-term deposits that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flow, cash and cash equivalents are presented net of cash and cash equivalents held on behalf of the Government-related specific funds, which form an integral part of the Group's cash management.

Non-Derivative Financial Liabilities

Financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables and loans and borrowings.

3.4 Property, Plant and Equipment

Recognition and Measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Corporation has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

Subsequent Costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Leasehold land and improvements to land	-	10 to 103 years or over remaining lease terms
Buildings, attractions, facilities and renovations	-	3 years or over remaining lease terms
Plant and machinery, operating equipment and other assets, comprising:		
(i) Plant and machinery	-	5 to 10 years
(ii) Cable car system		
- property (operational)	-	10 to 25 years
- plant and machinery	-	3 to 20 years
(iii) Motor vehicles	-	5 years
(iv) Furniture and fittings	-	3 to 5 years
(v) Computer equipment	-	3 years

Development projects-in-progress are not depreciated until commissioned as these assets are not available for use.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 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 profit and loss on a straight-line basis over the lease term.

3.6 Inventories

Inventories comprise land held for sale, consumables and spare parts, merchandise, and food and beverage products. Inventories are stated at the lower of cost and net realisable value.

Cost of land held for sale includes land alienation costs, development costs, interest and other related expenditure to bring the land to a saleable condition.

The cost of consumables and spare parts, and food and beverage products is determined on a first-in-first-out basis while the cost of merchandise is determined on a weighted average 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 estimated costs of completion and the selling expenses.

3.7 Impairment

Non-Derivative Financial Assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loans and Receivables

The Group considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When a subsequent event (e.g. repayment by a debtor) causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-Financial Assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Employee Benefits

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

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.

3.9 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.10 Specific Fund

Specific fund is set up to account for funds received from the Government for specific purposes to be incurred on behalf of the Government.

3.11 Provision for Contribution to Consolidated Fund

This represents the provision for contribution to be made to the Consolidated Fund in accordance with the Statutory Corporations (Contribution to Consolidated Fund) Act (Chapter 319A).

3.12 Deferred Income

Deferred income comprises the following:

(a) Unamortised portion of the membership entrance fees, which is amortised and recognised as income on a straight-line basis over the remaining lease term of the land occupied by the Club;

(b) Premium received in respect of long-term leases, which is amortised and recognised as income on a straight-line basis over the period of the respective leases; and

(c) 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.

3.13 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable. The following specific recognition criteria must also be met before revenue is recognised:

(a) Land sale

Revenue from sale of land is recognised on the sale sites for which sales agreements have been concluded.

(b) Admission fees and packages

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

(c) 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.

(d) Club membership - related income

Club membership entrance fee is recognised on a straight-line basis over the remaining lease term of the land occupied by the Club.

Transfer fees on club membership are recognised on approval of transfer.

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.

Golf course income, representing income from green fees and fees from other social facilities provided by the Club, are recognised when services have been rendered, and accepted by customers.

Income from subscription fees are recognised on an accrual basis.

(e) Sales of merchandise

Revenue from sale of merchandise is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer, net of trade discounts. Revenue 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.

(f) Service, development, and project management fees

Service, development, and project management fees are recognised as revenue when services are rendered, and accepted by customers.

(g) Food and beverage

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

(h) Interest income

Interest income is recognised using the effective interest method.

(i) Sponsorship income

Sponsorship income from public entities and private third parties are 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.

(j) Maintenance fund contributions

Maintenance fund contributions are recognised on an accrual basis.

(k) Dividend income

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

3.14 Cost of Sales

Cost of land sale is calculated using percentage of saleable gross floor area and all direct costs incurred in the course of sale of land.

Cost of admission fees and packages comprises cost of island partners' attractions based on agreed settlement rates, logistics and other direct costs incurred in organising the events and packages.

3.15 Government Grants

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 on profit or loss 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 profit or loss over the periods necessary to match the depreciation and gain or loss on disposal of the property, plant and equipment purchased with the grants.

3.16 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.

3.17 Lease Payments

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

(a) As lessee

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the profit and loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) As lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 3.13(c). Contingent rents are recognised as revenue in the period in which they are earned.

3.18 Borrowing Costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.19 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors including interpretations of tax law and prior experience. The assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities, such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.20 Discontinued Operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year.

3.21 New Standards and Interpretations Not Adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2012, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and Corporation.

4 Property, Plant and Equipment

Group	Leasehold land and improvements to land $'000	Buildings, attractions, facilities and renovations $'000	Development projects-in-progress $'000	Plant and machinery, operating equipment and other assets $'000	Total $'000
Cost					
At 1 April 2011	276,333	680,965	8,464	155,001	1,120,763
Additions	–	3,694	25,598	4,524	33,816
Disposals	–	(102)	–	(418)	(520)
Reclassifications	439	16,883	(20,691)	3,369	–
At 31 March 2012	276,772	701,440	13,371	162,476	1,154,059
Additions	128	2,600	21,466	4,368	28,562
Disposals	(132)	(227)	(907)	(1,361)	(2,627)
Reclassifications	10,384	5,006	(16,760)	1,370	–
At 31 March 2013	287,152	708,819	17,170	166,853	1,179,994
Accumulated depreciation					
At 1 April 2011	87,102	199,008	–	98,085	384,195
Charge for the year	7,219	25,560	–	20,057	52,836
Disposals	–	(14)	–	(434)	(448)
At 31 March 2012	94,321	224,554	–	117,708	436,583
Charge for the year	5,421	26,601	–	8,868	40,890
Disposals	(65)	(373)	–	(1,949)	(2,387)
At 31 March 2013	99,677	250,782	–	124,627	475,086
Net carrying amounts					
At 1 April 2011	189,231	481,957	8,464	56,916	736,568
At 31 March 2012	182,451	476,886	13,371	44,768	717,476
At 31 March 2013	187,475	458,037	17,170	42,226	704,908

The net carrying value of leasehold land and buildings of the Group which were leased out under operating leases as at 31 March 2013 was $26,931,000 (2012: $27,026,000). Included in the cost of fixed asset was an amount of $500,000 (2012: $500,000) related to reinstatement costs for dismantling removal, and restoration of property, plant and equipment, which was provided for as reinstatement costs.

4 Property, Plant and Equipment (Continued)

Corporation	Note	Leasehold land and improvements to land $'000	Buildings, attractions, facilities and renovations $'000	Development projects-in-progress $'000	Plant and machinery, operating equipment and other assets $'000	Total $'000
Cost						
At 1 April 2011		256,893	610,278	8,464	149,024	1,024,659
Additions		-	2,528	24,930	4,010	31,468
Disposals		-	(62)	–	(418)	(480)
Assets classified as held for sale	31	(59)	(4,989)	–	(65,067)	(70,115)
Reclassifications		439	16,769	(20,109)	2,901	–
At 31 March 2012		257,273	624,524	13,285	90,450	985,532
Additions		127	940	20,515	3,438	25,020
Disposals		(132)	(77)	–	(1,627)	(1,836)
Assets classified as held for sale	31	59	4,989	–	(65,067)	70,115
Reclassifications		10,384	5,006	(16,760)	1,370	–
At 31 March 2013		267,711	635,382	17,040	158,698	1,078,831
Accumulated depreciation						
At 1 April 2011		86,531	195,296	-	94,701	376,528
Charge for the year		6,894	20,561	-	18,656	46,111
Disposals		-	(30)	-	(418)	(448)
Assets classified as held for sale	31	(22)	(1,986)	-	(50,293)	(52,301)
At 31 March 2012		93,403	213,841	-	62,646	369,890
Charge for the year		5,096	21,527	-	7,527	34,150
Disposals		(65)	-	-	(1,691)	(1,756)
Assets classified as held for sale	31	22	1,986	-	50,293	52,301
At 31 March 2013		98,456	237,354	-	118,775	454,585
Net carrying amounts						
At 1 April 2011		170,362	414,982	8,464	54,323	648,131
At 31 March 2012		163,870	410,683	13,285	27,804	615,642
At 31 March 2013		169,255	398,028	17,040	39,923	624,246

Useful Lives of Property, Plant and Equipment

Management estimates the useful lives of these property, plant and equipment to be within 3 to 103 years. The Group reviews annually the estimated useful lives of property, plant and equipment based on factors that include asset utilisation, technological changes and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the estimated useful lives of property, plant and equipment would increase depreciation expense and decrease non-current assets.

Impairment Assessment

At the end of reporting date, the Group carried out a review of recoverable amounts of its property, plant and equipment. The recoverable amount of the assets was estimated based on value in use. Based on the assessment, the recoverable amount of these assets was determined to the higher than their carrying amount, and hence no impairment is required (2012: $Nil). The estimate of value in use was determined using the weighted average cost of capital applicable to statutory boards.

Assets and Under Finance Lease

The carrying amount of plant and equipment of the Group held under finance lease obligation as at 31 March 2013 is $Nil (2012: $262,000). Leased assets are pledged as security for the related finance lease obligation.

5 Land Premium

	Group and Corporation	
	2013	**2012**
	$'000	**$'000**
Cost		
At 1 April and 31 March	26,482	26,482
Accumulated depreciation		
At 1 April	7,834	5,915
Charge for the year	1,926	1,919
At 31 March	9,760	7,834
Net carrying amount	16,722	18,648

6 Investment in Subsidiaries

	Corporation 2013 $'000	Corporation 2012 $'000
Unquoted equity shares, at cost	34,768	34,768

Details of the subsidiaries are as follows:

Name of company	**Principal activities**	**Country of incorporation/ place of business**	**Percentage of ownership held by the Group 2013 %**	**Percentage of ownership held by the Group 2012 %**
Held by the Corporation		Singapore	100	100
Sentosa Leisure Holdings Pte Ltd*	Investment holding and carrying out the activity of a hiring entity for staff on behalf of its holding corporation			
Mount Faber Leisure Group Pte Ltd *	Operation of the cable car system and wholesale and retail business, food and beverage services, marketing of panel advertisements, and provision of ground handling for ferry operations	Singapore	100	100
Held by subsidiaries				
Sentosa Leisure Management Pte Ltd *	Sales, ticketing, marketing and operations; attractions operator, retailers of merchandise, and food and beverage operator	Singapore	100	100
Sentosa Cove Pte Ltd #	Marketing managers for the Group in the sales of sites and management of the Sentosa Cove project on Sentosa Island	Singapore	100	100
Sentosa Cove Resort Management Pte Ltd *	Agent for Cove community	Singapore	100	100
Faber Tours Pte Ltd *	A full-fledged tour operator for inbound tours and travel related services, and private care hire services	Singapore	100	100

* Audited by KPMG LLP, Singapore

Liquidated on 27 May 2013

7 Investment in Joint Ventures

	Group 2013 $'000	Group 2012 $'000
Unquoted shares, at cost	10,884	10,884
Share of post-acquisition profits (net of tax)	8,670	7,833
Goodwill on consolidation written off	(2,215)	(2,215)
Distribution received on liquidation	(14,510)	–
Impairment loss	(621)	–
	2,208	16,502

There are no contingent liabilities relating to the Group's interest in its joint ventures.

During the year, the Group recognised distribution on liquidation from its investment in a joint venture amounting to $14,510,000. As a result of this liquidation, the Group reassessed the recoverable amount of this investment and an impairment loss of $621,000 was recognised as other expenses in the profit or loss.

Details of the joint ventures are as follows:

Name of company	Principal activities	Country of incorporation/ place of business	Percentage of effective interest held by the Group 2013 %	2012 %
Held by subsidiaries				
DCP (Sentosa) Pte Ltd *	Construction, development and operation of a district cooling plant supplying chilled water for air-conditioning needs at Sentosa	Singapore	20	20
Cableways International Pte Ltd ("Cableways") #	In progress of voluntary liquidation	Singapore	42.84	42.84

* Audited by PricewaterhouseCoopers LLP, Singapore

On 22 March 2012, at the Extraordinary General Meeting, the members passed a Special Resolution for the members' voluntary winding-up of Cableways and for the appointment of liquidators. Cableways is currently in members' voluntary liquidation.

The aggregate amounts of each of current assets, non-current assets, current liabilities, non-current liabilities, income and expenses related to the Group's interests in the joint ventures are as follows:

	2013 $'000	2012 $'000
Assets		
Current assets	3,209	17,192
Non-current assets	12,765	12,698
	15,974	29,890
Liabilities		
Current liabilities	2,735	2,382
Non-current liabilities	3,262	4,651
	5,997	7,033
Income and expenses		
Income	5,548	4,524
Expenses	(4,733)	(4,043)

8 Inventories

	Group		Corporation	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Land held for sale	3,028	3,028	3,028	3,028
Consumables and spare parts	2,686	2,762	380	635
Merchandise	1,857	2,251	–	–
Food and beverage products	377	356	96	59
	7,948	8,397	3,504	3,722

9 Trade and Other Receivables

	Group		Corporation	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Trade receivables, net of impairment loss	16,707	20,327	14,542	20,008
Other receivables	11,782	10,607	9,615	9,414
Deposits	2,342	2,050	1,344	1,057
Amounts due from subsidiaries	–	–	22,334	13,370
Loans and receivables	30,830	32,984	47,835	43,849
Prepayments	921	585	379	190
	31,751	33,569	48,214	44,039

Trade receivables are non-interest bearing, and are generally on 30 to 60 (2012: 30 to 60) days' credit terms. They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Included in trade receivables of the Corporation and the Group is an amount of $950,000 (2012: $948,000) relating to receivables for expenses incurred for the maintenance of offshore islands on behalf of the Government.

Included in deposits of the Corporation and the Group is an amount of $112,000 (2012: $112,000) recoverable from a contractor for the Southern Island reclamation (note 16).

Amounts due from subsidiaries are non-trade in nature, unsecured, interest free and have no fixed terms of repayment.

The Company's exposure to credit risk, and impairment losses related to trade and other receivables, is disclosed in note 30.

10 Cash and Cash Equivalents

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Cash at bank and on hand		14,671	1,285	6,114	819
Deposits placed with Accountant-General's Department		2,387,488	2,355,608	2,377,532	2,341,980
Fixed deposits with financial institutions		15,238	5,128	15,238	3,262
Total cash and bank balances		2,417,397	2,362,021	2,398,884	2,346,061
Less: Cash held on behalf of the Government	16	(86)	(473)	(86)	(473)
Less: Cash held on behalf of a statutory board		(500)	(500)	(500)	(500)
Total cash and cash equivalents		2,416,811	2,361,048	2,398,298	2,345,088

Fixed deposits placed with financial institutions and deposits placed with the Accountant-General's Department mature in varying periods of between 1 day and 1 year (2012: 1 day and 1 year), depending on the immediate cash requirements of the Corporation and the Group, and earn interest income at the respective fixed deposit rates.

Included in the cash and cash equivalents of the Group and Corporation is an amount of $86,000 (2012: $473,000) held on behalf of the Government for the Southern Islands Development Fund (note 16).

Included in the cash and cash equivalents of the Group and Corporation is an amount of $500,000 (2012: $500,000) held on behalf of a statutory board for the Southern Islands Maintenance Project.

11 Capital Account

The capital account represents government grants given to the Corporation for its establishment, and capital contributed by the Government.

Group and Corporation	**2013 $'000**	**2012 $'000**
At 1 April	3,590	3,590
Capital contributed by the Government	1,377	–
At 31 March	4,967	3,590

Capital management

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 surpluses, existing equity, debt or additional equity contribution from the Government.

12 Accumulated Surplus

General fund

Income and expenditure are generally accounted for under the General fund in the profit and loss.

Restricted funds

Group and Corporation	Golf Sinking Fund $'000	Cove Infrastructure Fund $'000	Total $'000
At 1 April 2011	41,146	103,469	144,615
Transfer from general fund	5,500	–	5,500
At 31 March 2012	41,146	103,469	150,115
At 1 April 2012	46,646	103,469	150,115
Transfer from general fund	–	–	–
At 31 March 2013	46,646	103,469	150,115

Golf sinking fund represents accumulated surplus set aside by the Corporation for the renewal of the golf course land lease.

Cove infrastructure development fund represents accumulated surplus set aside by the Corporation for capital expenditure and replacements in maintaining the physical environment of Sentosa Cove.

13 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.

14 Trade and Other Payables

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Current					
Trade payables		16,220	10,943	9,104	9,304
Accrued operating expenses		128,792	62,512	110,541	52,142
Provision for development charges		–	3,197	–	–
Deposits		4,824	4,804	4,316	4,795
Accruals for property tax		3,078	4,620	3,078	4,620
Advance receipts		10,350	9,014	10,318	6,892
Liability for short-term compensating absences		1,098	1,214	650	971
Other payables		6,344	5,407	1,227	1,984
Amount due to a joint venture		–	14,510	–	–
Amounts due to subsidiaries		–	–	92,377	80,935
		170,706	116,221	231,611	161,643
Non-current					
Other payables		500	1,195	–	20
Total trade and other payables		171,206	117,416	231,611	161,663
Add: Loans and borrowings	17	4,680	10,023	–	–
Total financial liabilities		175,886	127,439	231,611	161,663

Provision for development charges

	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
At 1 April	3,197	78,950	–	76,000
Provision during the year	–	247	–	–
Reversal during the year	–	(42,045)	–	(42,045)
Utilised during the year	(3,197)	(33,955)	–	(33,955)
At 31 March	–	3,197	–	–

The provision for development charges arises from the enhancements in land value of Sentosa Integrated Resort land as a result of the change in use and upgrading of cable car station at the Mount Faber. The provision of development charges of $3,197,000 relating to the upgrade of cable car station was paid during the year.

During the year ended 31 March 2012, URA has issued interim orders to the Corporation to finalise the development charges. As a result, the provision for development charges of $42,045,000 was reversed. No development charges (2012: $247,000) was capitalised as cost of building, attractions, facilities and renovations.

Amount due to a joint venture

Amount due to a joint venture was non-trade in nature, unsecured, non-interest bearing and repayable on demand.

Amounts due to subsidiaries

Amounts due to subsidiaries are non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment.

The Group's exposure to liquidity risk related to trade and other payables is disclosed in note 30.

15 Loans and Borrowings

	Group	
	2013 **$'000**	**2012** **$'000**
Current		
Bank loans (unsecured)	4,680	5,180
Obligations under a finance lease	–	163
	4,680	5,343
Non-current		
Bank loans (unsecured)	–	4,680
Total loans and borrowings	4,680	10,023

The bank loans are denominated in Singapore dollars, and bear interest at Swap Offer Rate plus a margin of 1.65% (2012: 1.65%) per annum. Interest rate reprices every 3 months. The repayment dates are 30 December 2013 and 30 March 2014 respectively.

The Group had obligations under a finance lease for certain plant and equipment. This lease was classified as a finance lease and expired in December 2012. The implicit average interest rate in the leases was 6.83% per annum. These obligations were secured by the rights to the leased plant and equipment (note 4).

Finance lease liabilities are payable as follows:

	Future minimum lease payment 2013 $'000	Interest 2013 $'000	Principal 2013 $'000	Future minimum lease payment 2012 $'000	Interest 2012 $'000	Principal 2012 $'000
Group and Company						
Within one year	–	–	–	174	11	163
Between one and five years	–	–	–	–	–	–
	–	–	–	174	11	163

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

	Group 2013 $'000	Group 2012 $'000
Within 1 year	–	174
Within 2 to 5 years	–	–
Total minimum lease payments	–	174
Less: Amounts representing finance charges	–	(11)
Present value of minimum lease payments	–	163
Present value of minimum lease payments:		
Within 1 year	–	163
Within 2 to 5 years	–	–
Total	–	163

16 Specific Fund

The balance in this fund represents unutilised government funds received.

	Note	Group and Corporation 2013 $'000	Group and Corporation 2012 $'000
Statements of financial position as at 31 March:			
Accumulated surplus			
Restricted fund		114	112
Current assets			
Deposit recoverable	9	112	112
Cash and bank balances	10	86	473
		198	585
Current liabilities			
Trade payables		(84)	(115)
Other payables		–	(358)
		(84)	(473)
Net assets		114	112

	Group and Corporation	
	2013 $'000	2012 $'000
Statement of Comprehensive Income:		
Income:		
Government grant	144	517
Interest income	3	2
	147	519
Expenditure:		
Civil work	137	997
Services	8	41
Other operating expenditure	–	33
	145	1,071
At 1 April	112	664
Movements for the year	2	(552)
At 31 March	114	112

17 Provisions

	Group		Corporation	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
Provision for Cove infrastructure	118,102	121,378	117,965	121,241
Provision for differential premium	108,358	108,358	108,358	108,358
	226,460	229,736	226,323	229,599
Comprises:				
Current	127,825	10,060	127,825	9,953
Non-current	98,635	219,676	98,498	219,646
Total	226,460	229,736	226,323	229,599

Provision for Cove infrastructure

	Group		Corporation	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
At 1 April	121,378	126,233	121,241	126,233
Provision utilised during the year	(3,276)	(4,855)	(3,276)	(4,992)
At 31 March	118,102	121,378	117,965	121,241
Comprises:				
Current	19,467	10,060	19,467	9,953
Non-current	98,635	111,318	98,498	111,288
Total	118,102	121,378	117,965	121,241

Provision for Cove infrastructure represents legal and constructive obligation for the provision of certain infrastructure and amenities to purchasers of Cove land, for which management expects to incur expenditure.

Provision for differential premium

	Group and Corporation	
	2013 $'000	2012 $'000
Current:		
At 1 April and 31 March	108,358	–
Non-current:		
At 1 April and 31 March	–	108,358

Provision for differential premium represents legal and constructive obligation for the provision of changes in land parcel use that is payable to the government. There is no change to management's best estimate from prior years.

18 Deferred Capital Grants

	Group and Corporation	
	2013 $'000	2012 $'000
At 1 April	11,476	13,892
Amounts reversed/(amortised)	501	(2,416)
Amounts received	7	–
At 31 March	11,984	11,476
Comprises:		
Current	361	2,416
Non-current	11,623	9,060
Total	11,984	11,476
Total capital grants received since establishment	508,531	508,524

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

19 Deferred Income

	Note	Group and Corporation	
		2013 $'000	2012 $'000
Deferred lease income			
At 1 April		13,476	16,980
Amounts taken to profit or loss:			
- Lease income amortised	22	(504)	(504)
- Service and development fee	23	(1,750)	(3,000)
At 31 March		11,222	13,476
Deferred membership entrance fee			
At 1 April		34,902	38,614
Amounts taken to profit or loss:		(3,713)	(3,712)
At 31 March		31,189	34,902
Total		42,411	48,378

	Group and Corporation	
	2013 $'000	2012 $'000
Comprises:		
Current	4,216	5,966
Non-current	38,195	42,412
Total	42,411	48,378

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

Deferred membership entrance fees relate to the unamortised portion of the club's membership entrance fees.

20 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 (Chapter 319A).

The Club has obtained written consent from the Ministry of Finance, that membership entrance fees recognised as income upfront prior to 1 April 1999 under the previous revenue recognition policy would not be subject to contribution, when these fees are deferred and recognised as income over the remaining lease term of the land under the current accounting policy. Hence, the membership entrance fee income of $2,029,000 (2012: $2,029,000) resulting from the amortisation of deferred income is not subject to contribution to Consolidated Fund.

	Corporation	
	2013 $'000	2012 $'000
Net (loss)/surplus of the Corporation before contribution to Consolidated Fund	(16,915)	34,024
Deferred income on membership entrance fee	(2,029)	(2,029)
Net (loss)/surplus subject to contribution to Consolidated Fund	(18,944)	31,995
Contribution to Consolidated Fund:		
- Current year	–	5,510
- Overprovision in respect of prior year	(5,510)	(3,644)
	(5,510)	1,866

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

21 Deferred Tax Liabilities

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The amounts determined after appropriate offsetting are included in the statement of financial position as follows:

	At 1 April 2011 $'000	Recongised in profit or loss (note 27) $'000	At 31 March 2012 $'000	Recognised in profit or loss (note 27) $'000	At 31 March 2013 $'000
Group					
Deferred tax (liabilities)/ assets					
Property, plant and equipment	(1,547)	(153)	(1,700)	(574)	(2,274)
Unabsorbed capital allowances	577	(576)	1	(1)	–
	(970)	(729)	(1,699)	(575)	(2,274)

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

	2013 $'000	2012 $'000
Group and Corporation		
Unutilised tax losses	971	278
Unutilised capital allowances	861	861
	1,832	1,139

The unutilised capital allowances are subject to agreement by the tax authorities and compliance with the relevant provisions of Singapore Income Tax Act.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profits will be available against which the Group can utilise the benefits.

22 Rental and Hiring of Facilities

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Rental income		28,221	26,746	32,506	28,627
Lease income amortised	19	504	504	504	504
		28,725	27,250	33,010	29,131

23 Other Revenue

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Club membership – related income		24,082	24,555	24,082	24,555
Sales of merchandise, net of discounts		9,445	9,374	–	–
Service and development fees	19	1,750	3,000	1,750	3,000
Headquarter support cost recovery		–	–	11,440	–
Project management fees		604	490	609	490
Sponsorship income		225	860	18	512
Food and beverage		16,631	15,437	4,710	4,710
Gain/(loss) on disposal of property, plant and equipment		115	(23)	93	(23)
Unrealised exchange gain		54	60	54	60
Maintenance fund contribution		4,509	3,203	4,509	3,203
Liquidated damages		500	14,865	500	14,865
Others		2,541	2,353	1,991	582
		60,456	74,174	49,756	51,954

24 Staff Costs

	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Direct staff:				
Wages and salaries	62,095	60,845	30,633	13,642
CPF contributions	8,556	6,231	2,856	889
	70,651	67,076	33,489	14,531
Outsourced to a subsidiary:				
Wages and salaries	–	–	871	18,277
CPF contributions	–	–	191	1,709
	–	–	1,062	19,986
Total staff costs	70,651	67,076	34,551	34,517
Staff costs capitalised in development projects-in-progress	(1,770)	(2,470)	(1,770)	(2,470)
	68,881	64,606	32,781	32,047

25 General and Administrative Expenses

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

	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Impairment loss recognised on doubtful trade receivables, net	3,350	5,276	3,335	5,276
Property taxes	6,953	4,878	4,320	4,678
Utilities	7,779	8,511	2,364	2,659
Exchange loss	9	13	1	11
Operating lease expenses	1,525	957	92	272

26 Other Expenses

	Note	Group 2013 $'000	Group 2012 $'000	Corporation 2013 $'000	Corporation 2012 $'000
Impairment loss on liquidation in a joint venture	7	621	–	–	–
Management fee charged by a subsidiary		–	–	17,770	–
		621	–	17,770	–

27 Income Tax Expense

	Group 2013 $'000	Group 2012 $'000
Current tax expense		
Current year	627	558
Over provision in respect of prior years	(177)	(259)
	450	299
Deferred tax (credit)/expense		
Current year	(248)	120
Under provision in respect of prior years	823	609
	575	729
Total income tax expense	1,025	1,028

Reconciliation of effective tax rate

	Group 2013 $'000	Group 2012 $'000
(Loss)/surplus before income tax	(16,385)	37,653
Statutory tax expense at corporate rate of 17%	(2,785)	6,401
Non-deductible expenses	142	70
Income not subject to tax	2,865	(5,725)
Effect of partial tax exemption	–	(87)
Deferred tax assets not recognised	118	–
Under provision in respect of prior years	646	350
Others	39	19
	1,025	1,028

Corporation

The Corporation is not subject to income tax. However, it is required to contribute to the Consolidated Fund (note 20).

28 Commitments

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	
	2012 **$'000**	**2011** **$'000**	**2012** **$'000**	**2011** **$'000**
Capital commitments in respect of property, plant and equipment	54,934	13,260	54,745	12,516

Operating lease commitments – as lessor

The Group leases land to certain hotels and other tenants for 3 to 92 (2012: 8 to 97) years under operating leases. There are no restrictions placed upon the Group and the Corporation by entering into these leases. One of these leases has an escalation clause. 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 revenue derived from using the leased land.

Lease income recognised in the profit or loss of the Group and the Corporation during the financial year amounted to $28,725,000 (2012: $27,250,000) and $33,010,000 (2012: $29,131,000) respectively, of which $14,222,000 (2012: $12,432,000) was related to the variable rental income received during the financial year.

At 31 March, the Group has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	Group		Corporation	
	2013 **$'000**	**2012** **$'000**	**2013** **$'000**	**2012** **$'000**
Within 1 year	25,668	24,165	26,619	25,201
Within 2 to 5 years	78,395	76,179	79,049	76,869
After 5 years	506,661	518,085	506,661	518,085
	610,724	618,429	612,329	620,155

Operating lease commitments – as lessee

The operating lease commitments mainly relate to the tenancy of the Group's premises. The leases run for a period of 2 to 18 (2012: 3 to 19) years with an option to renew the leases after that date.

	Group		Corporation	
	2013 **$'000**	**2012** **$'000**	**2013** **$'000**	**2012** **$'000**
Within 1 year	752	909	92	272
Within 2 to 5 years	2,451	3,301	139	951
After 5 years	8,114	8,691	-	-
	11,317	12,901	231	1,223

29 Significant Related Party Transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group		Corporation	
	2013	**2012**	**2013**	**2012**
	$'000	**$'000**	**$'000**	**$'000**
Short-term employee benefits	8,269	6,929	2,831	6,116
CPF contributions	399	278	88	213
Board members' allowances	186	122	148	106
	8,854	7,329	3,067	6,435

Nature and of individually significant transactions

Except as disclosed elsewhere in the financial statements, there are no individually significant transactions with related parties.

30 Financial Risk Management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- interest rate risk
- liquidity risk
- foreign currency risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Credit risk

Credit risk is risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and credit-worthy third parties. It is the Group's corporate credit policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored closely on an on-going basis with the result that the Group's exposure to bad debts is not significant. Security deposits are collected from tenants, and debts are monitored regularly to minimise the risk of non-payment. Hence, the Group does not expect to incur material credit losses. Cash and fixed deposits are placed with government and reputable and regulated financial institutions.

In addition, the Board assesses the financial positions of its subsidiary and holding corporation to ensure that they are of good credit standing. As such, the Board members expect these companies to be able to meet their obligations.

At the reporting date, approximately 26% (2012: 17%) of the Group's trade receivables were due from 5 (2012: 5) major customers located in Singapore.

Impairment losses

The ageing of trade receivables at the reporting date is:

	Gross 2013 $'000	Impairment losses 2013 $'000	Gross 2012 $'000	Impairment losses 2012 $'000
Group				
Not past due	13,805	–	13,415	–
Past due less than 30 days	794	–	1,936	–
Past due 30-60 days	329	–	1,945	(2)
Past due 61 to 90 days	193	–	90	–
Past due more than 90 days	8,308	(6,768)	8,491	(5,548)
	23,474	(6,768)	25,877	(5,550)
Corporation				
Not past due	12,422	–	13,362	–
Past due less than 30 days	363	–	1,782	–
Past due 30-60 days	218	–	1,914	(2)
Past due 61 to 90 days	107	–	39	–
Past due more than 90 days	8,186	(6,754)	8,456	(5,543)
	21,296	(6,754)	25,553	(5,545)

The movements in allowance accounts in respect of trade receivables during the year are as follows:

	Group		Corporation	
	2013 $'000	2012 $'000	2013 $'000	2012 $'000
At 1 April	5,550	370	5,545	276
Provided during the year	3,350	5,279	3,335	5,279
Write-back during the year	–	(3)	–	(3)
Utilised during the year	(2,132)	(96)	(2,126)	(7)
At 31 March	6,768	5,550	6,754	5,545

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of trade receivables not past due or past due up to 90 days. These receivables are mainly arising by customers that have a good record with the Group.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and Corporation's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Corporation's exposure to interest rate risk arises primarily from their fixed deposits. The fixed deposits are placed with financial institutions with varying maturities according to the policies and mandate as approved by the Board members.

Sensitivity analysis

At the reporting date, if interest rates had been 25 (2012: 25) basis points higher/lower with all other variables held constant, the Group's and the Corporation's net (loss)/surplus before contribution to Consolidated Fund would have been lower/higher by the amounts shown below.

		2013		2012	
	Note	25 bp increase $'000	25 bp decrease $'000	25 bp increase $'000	25 bp decrease $'000
Group					
Deposits placed with Accountant-General's Department	10	5,969	(5,969)	5,889	(5,889)
Fixed deposits	10	38	(38)	13	(13)
		6,007	(6,007)	5,902	(5,902)
Corporation					
Deposits placed with Accountant-General's Department	10	5,944	(5,944)	5,855	(5,855)
Fixed deposits	10	38	(38)	8	(8)
		5,982	(5,982)	5,863	(5,863)

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments and excluding the impact of netting agreements:

	Note	Carrying amount $'000	Cash flows: Contractual cash flows $'000	Within 1 year $'000	Within 2 to 5 years $'000
Group					
2013					
Financial liabilities					
Trade and other payables	14	171,206	(171,206)	(170,706)	(500)
Loans and borrowings	15	4,680	(4,735)	(4,735)	–
		175,886	(175,941)	(175,441)	(500)
2012					
Financial liabilities					
Trade and other payables*	14	114,219	(114,219)	(113,024)	(1.195)
Loans and borrowings	15	10,023	(10,125)	(5,377)	(4,748)
		124,242	(124,344)	(118,401)	(5.943)
Corporation					
2013					
Financial liabilities					
Trade and other payables	14	231,611	(231,611)	(231,611)	–
2012					
Financial liabilities					
Trade and other payables	14	161,663	(161,663)	(161,643)	(20)

** Excludes provision for development charges*

Foreign currency risk

The Group incurs foreign currency risk on balances with related companies that are denominated in currencies other than its functional currencies. The currency giving rise to this risk is primarily US dollar (USD) and Euro dollar (EUR).

The Group's and the Corporation's exposures to foreign currency are as follows:

	Group and Corporation	
	USD $'000	USD $'000
2013		
Cash and cash equivalents	37	9,559
2012		
Cash and cash equivalents	3,262	–

Sensitivity analysis

A 10% strengthening of USD and EUR against the Singapore dollar at 31 March would decrease/increase loss or surplus by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant, as indicated below:

	Group and Corporation	
	USD **$'000**	**EUR** **$'000**
2013		
Cash and cash equivalents	4	956
2012		
Cash and cash equivalents	326	–

A 10% weakening of the Singapore dollar against the above currency at 31 March would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

Estimation of fair values

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities of the Group and Corporation with a maturity of less than one year (including trade and other receivables, trade and other payables, cash and bank balances, and loans and borrowings) are assumed to approximate their fair values because of the short period to maturity.

Non-derivative financial liabilities

The carrying value of unsecured bank loans approximate its fair value as the interest rate approximates the market rate of interest rate at the reporting date.

The fair value of financial assets and liabilities, together with the carrying amount shown in the statement of financial position, are as follows:

	Note	Loans and receivables $'000	Other financial liabilities: Within the scope of FRS39 $'000	Other financial liabilities: Outside the scope of FRS39 $'000	Carrying amount $'000	Fair value $'000
Group						
31 March 2013						
Trade and other receivables	9	30,830	–	–	30,830	30,830
Cash and cash equivalents	10	2,417,397	–	–	2,417,397	2,417,397
		2,448,227	–	–	2,448,227	2,448,227
Trade and other payables	14	–	171,206	–	171,206	171,206
Loans and borrowings	15	–	4,680	–	4,680	4,680
Finance lease liabilities	15	–	–	–	–	–
		–	175,886	–	175,886	175,886
31 March 2012						
Trade and other receivables	9	32,984	–	–	32,984	32,984
Cash and cash equivalents	10	2,362,021	–	–	2,362,021	2,362,021
		2,395,005	–	–	2,395,005	2,395,005
Trade and other payables*	14	–	114,219	–	114,219	114,219
Loans and borrowings	15	–	9,860	–	9,860	9,860
Finance lease liabilities	15	–	–	163	163	163
		–	124,079	163	124,242	124,242

** Excludes provision for development charges*

	Note	Loans and receivables $'000	Other financial liabilities: Within the scope of FRS39 $'000	Other financial liabilities: Outside the scope of FRS39 $'000	Carrying amount $'000	Fair value $'000
Corporation						
31 March 2013						
Trade and other receivables	9	47,835	–	–	47,835	47,835
Cash and cash equivalents	10	2,398,884	–	–	2,398,884	2,398,884
		2,446,719	–	–	2,446,719	2,446,719
Trade and other payables	14	–	231,611	–	231,611	231,611
31 March 2012						
Trade and other receivables	9	43,849	–	–	43,849	43,849
Cash and cash equivalents	10	2,346,061	–	–	2,346,061	2,346,061
		2,389,910	–	–	2,389,910	2,389,910
Trade and other payables	14	–	161,663	–	161,663	161,663

31 Assets/(Liabilities) Classified as Held for Sale

Following the Group's reorganisation plan on 1 April 2012, the Corporation's assets and liabilities were presented as assets held for sale.

At 31 March 2012, the assets and liabilities held for sale were as follows:

	Corporation $'000
Assets classified as held for sale	
Property, plant and equipment	17,814
Inventories	2,054
	19,868
Liabilities classified as held for sale	
Advance receipts	(2,087)

The intended transfer of property, plant and equipment to its subsidiary did not materialise due to the recent group reorganisation exercise. As a result, the property, plant and equipment were reclassified to non-current assets in note 4.

32 Discontinued Operation

On 1 April 2012, the Corporation transferred its Operations and Commercial business units to its wholly owned subsidiary, Sentosa Leisure Management Pte Ltd.

The results of the transferred operations are as follows:

	Corporation 2012 $'000
Income	
Admission fees and packages	63,044
Other revenue	1,108
	64,152
Expenditure	
Cost of sale on admission fees and packages	13,916
Staff costs	20,215
Depreciation of property, plant and equipment	11,333
Repairs and maintenance	10,755
Publicity and promotion	6,600
General and administrative expenses	8,518
	71,337
Deficit before contribution to Consolidated Fund	(7,185)
Contribution to Consolidated Fund	–
Net deficit for the year, net of contribution to Consolidated Fund	(7,185)

32 Discontinued Operation (continued)

There was no significant cash flow impact on Corporation's cash flows.

The effects of the transfer of business were as follows (Note 31):

	Corporation
	2012
	$'000
Property, plant and equipment	17,814
Inventories	2,054
	19,868
Less:	
Advance receipts	(2,087)
Consideration receivable	17,781

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