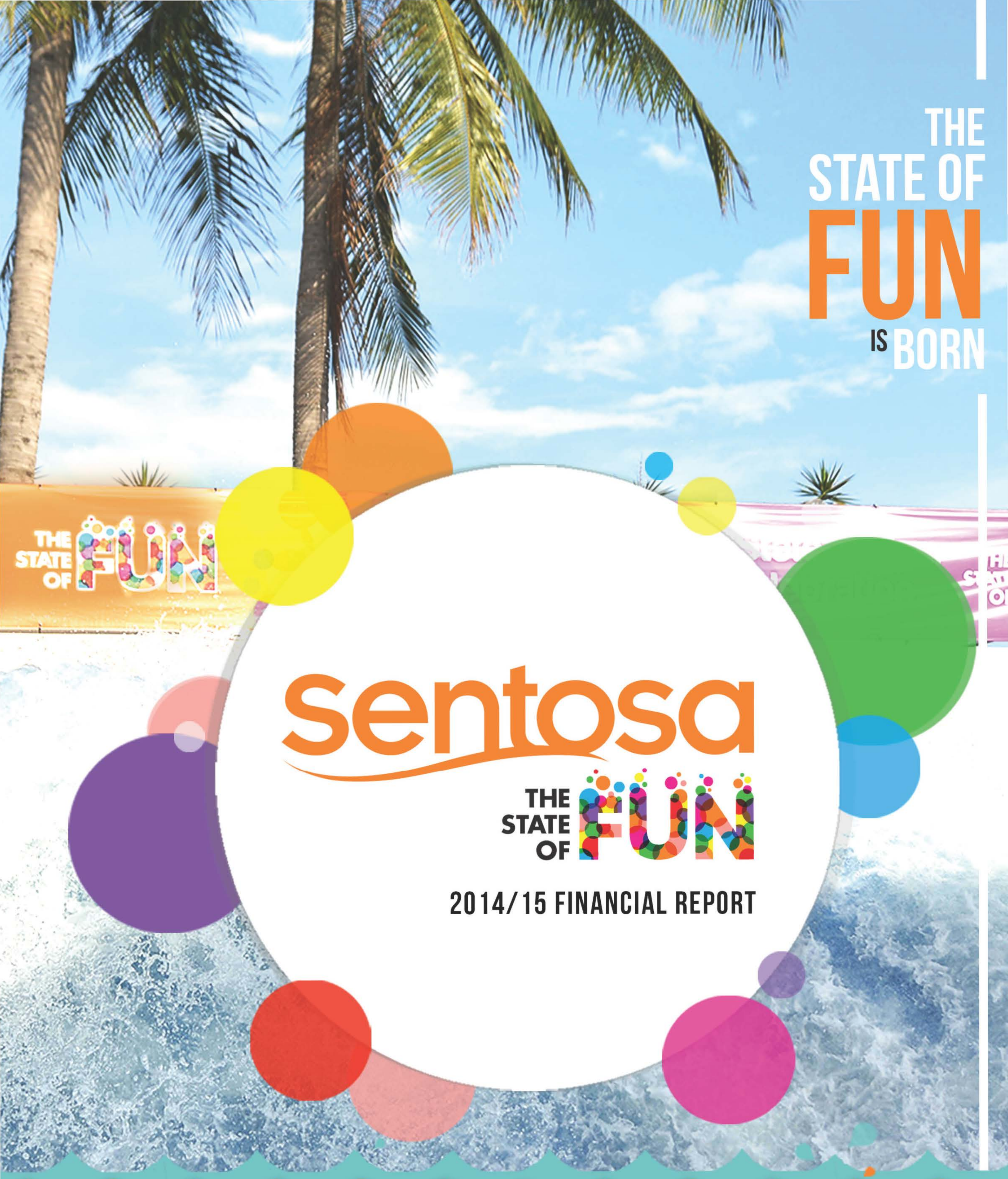

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2014/15 FINANCIAL REPORT

Sentosa Development Corporation
Annual Report 2014/15.

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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 2015, 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 FS47.

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 2015 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
Chartered Accountants

Singapore
24 June 2015

Statements of financial position
As at 31 March 2015

	Note	Group 31 March 2015 $'000	Group 31 March 2014 $'000 Restated*	Group 1 April 2013 $'000 Restated*	Corporation 31 March 2015 $'000	Corporation 31 March 2014 $'000 Restated*	Corporation 1 April 2013 $'000 Restated*
Assets							
Property, plant and equipment	4	804,001	728,539	704,908	734,212	654,230	627,621
Land premium	5	12,870	14,796	16,722	12,870	14,796	16,722
Rights of use of an asset	6	770	–	–	770	–	–
Investments in subsidiaries	7	–	–		41,108	41,108	41,108
Investments in joint ventures	8	10,921	9,309	8,548	–	–	–
Accrued income	9	12,670	–	–	12,670	–	–
Non-current assets		841,232	752,644	730,178	801,630	710,134	685,451
Inventories	10	5,764	6,288	7,948	4,259	4,505	3,915
Trade and other receivables	11	42,768	37,042	31,751	57,006	53,496	160,356
Cash and cash equivalents	12	2,225,969	2,389,804	2,417,397	2,208,958	2,369,411	2,398,884
Current assets		2,274,501	2,433,134	2,457,096	2,270,223	2,427,412	2,563,155
Total assets		**3,115,733**	**3,185,778**	**3,187,274**	**3,071,853**	**3,137,546**	**3,248,606**
Equity							
Capital account	13	11,270	7,153	4,967	11,270	7,153	4,967
Accumulated surplus	14						
- General fund		2,804,111	2,548,248	2,550,456	2,711,939	2,458,652	2,462,086
- Restricted funds		–	150,115	150,115	–	150,115	150,115
Revaluation reserve	15	16,176	16,176	16,176	–	–	–
Total equity		2,831,557	2,721,692	2,721,714	2,723,209	2,615,920	2,617,168
Liabilities							
Trade and other payables	16	99,987	179,687	170,706	167,479	240,396	344,812
Loans and borrowings		–	–	4,680	–	–	–
Specific fund	17	–	112	114	–	112	114
Amounts held for Sentosa Cove Maintenance ("SCM")-Residential Fund	18	1,150	–	–	1,150	–	–
Provisions	19	19,467	127,825	127,825	19,467	127,825	127,825
Deferred capital grants	20	354	354	361	354	354	361
Deferred income	21	5,160	4,400	4,323	5,160	4,400	4,323
Provision for contribution to Consolidated Fund	22	–	–	–	–	–	–
Income tax payable		844	751	637	–	–	–
Current liabilities		126,962	313,129	308,646	193,610	373,087	477,435

* See Note 32

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

Statements of financial position (continued)
As at 31 March 2015

		Group			Corporation		
	Note	**31 March 2015 $'000**	**31 March 2014 $'000 Restated***	**1 April 2013 $'000 Restated***	**31 March 2015 $'000**	**31 March 2014 $'000 Restated***	**1 April 2013 $'000 Restated***
Liabilities							
Other payables	16	500	500	500	–	–	–
Provisions	19	73,923	93,658	98,635	73,786	93,520	98,498
Deferred capital grants	20	12,701	12,508	11,623	12,701	12,508	11,623
Deferred income	21	68,547	42,511	43,882	68,547	42,511	43,882
Deferred tax liabilities	23	1,543	1,780	2,274	–	–	–
Non-current liabilities		157,214	150,957	156,914	155,034	148,539	154,003
Total liabilities		284,176	464,086	465,560	348,644	521,626	631,438
Total equity and liabilities		**3,115,733**	**3,185,778**	**3,187,274**	**3,071,853**	**3,137,546**	**3,248,606**

* See Note 32

Lee Kim Poo
Chairman

Michael George William Barclay
Chief Executive Officer/Board member

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

Statements of comprehensive income
Year ended 31 March 2015

	Note	Group 2015 $'000	Group 2014 $'000 Restated*	Corporation 2015 $'000	Corporation 2014 $'000 Restated*
Income					
Admission fees and packages		99,433	94,647	82,097	77,179
Rental and hiring of facilities	24	42,403	30,543	44,052	32,186
Interest income		17,570	17,785	17,488	17,740
Other revenue	25	62,229	65,344	44,604	49,770
		221,635	208,319	188,241	176,875
Expenditure					
Write back of provision for differential premium	19	(108,095)	–	(108,095)	–
Cost of sale on admission fees and packages		23,190	20,463	27,689	21,543
Staff costs	26	78,251	72,499	63,289	58,774
Depreciation of property, plant and equipment		47,575	46,532	41,280	40,180
Amortisation of land premium		1,926	1,926	1,926	1,926
Amortisation of rights of use of an asset		24	–	24	–
Repairs and maintenance		21,555	22,555	20,089	20,469
Publicity and promotion		14,445	10,858	11,467	8,894
Inventories used		14,888	12,810	7,251	6,990
Interest expense		1	45	1	1
General and administrative expenses	27	23,753	24,747	20,502	21,886
		117,513	212,435	85,423	180,663
Surplus/(Deficit) before Government Grants from operations		104,122	(4,116)	102,818	(3,788)
Deferred capital grants amortised		354	354	354	354
Share of results of a joint venture, net of tax		1,612	761	–	–
Surplus/(Deficit) before taxation and contribution to Consolidated Fund		106,088	(3,001)	103,172	(3,434)
Income tax (expense)/credit	28	(340)	793	–	–
Contribution to Consolidated Fund	22	–	–	–	–
Net surplus/(deficit) for the year, net of taxation and contribution to Consolidated Fund from operations		105,748	(2,208)	103,172	(3,434)
Net surplus/(deficit) for the year, representing total comprehensive income for the year		105,748	(2,208)	103,172	(3,434)

* See Note 32

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

Statements of changes in equity
Year ended 31 March 2015

	Note	Capital account (Note 13) $'000	General fund (Note 14) $'000	Restricted funds (Note 14) $'000	Accumulated surplus (Note 14) $'000	Revaluation reserve (Note 15) $'000	Total equity $'000
Group							
At 1 April 2013, as previously reported		4,967	2,549,910	150,115	2,700,025	16,176	2,721,168
Effect of restatement	32	–	546	–	546	–	546
At 1 April 2013, as restated		4,967	2,550,456	150,115	2,700,571	16,176	2,721,714
Deficit for the year, as previously reported		–	(2,315)	–	(2,315)	–	(2,315)
Effect of restatement	32	–	107	–	107	–	107
Total comprehensive income for the year, as restated		–	(2,208)	–	(2,208)	–	(2,208)
Capital contributed by the Government	13	2,186	–	–	–	–	2,186
At 31 March 2014		7,153	2,548,248	150,115	2,698,363	16,176	2,721,692
At 1 April 2014		7,153	2,548,248	150,115	2,698,363	16,176	2,721,692
Surplus for the year		–	105,748	–	105,748	–	105,748
Total comprehensive income for the year		–	105,748	–	105,748	–	105,748
Transfer from Restricted funds to General funds		–	150,115	(150,115)	–	–	–
Capital contributed by the Government	13	4,117	–	–	–	–	4,117
At 31 March 2015		11,270	2,804,111	–	2,804,111	16,176	2,831,557

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

Statements of changes in equity (continued)
Year ended 31 March 2015

	Note	Capital account (Note 13) $'000	General fund (Note 14) $'000	Restricted funds (Note 14) $'000	Accumulated surplus (Note 14) $'000	Total equity $'000
Corporation						
At 1 April 2013, as previously reported		4,967	2,461,540	150,115	2,611,655	2,616,622
Effect of restatement	32	–	546	–	546	546
At 1 April 2013, as restated		4,967	2,462,086	150,115	2,612,201	2,617,168
Deficit for the year, as previously reported		–	(3,541)	–	(3,541)	(3,541)
Effect of restatement	32	–	107	–	107	107
Total comprehensive income for the year, as restated		–	(3,434)	–	(3,434)	(3,434)
Capital contributed by the Government	13	2,186	–	–	–	2,186
At 31 March 2014		7,153	2,458,652	150,115	2,608,767	2,615,920
At 1 April 2014		7,153	2,458,652	150,115	2,608,767	2,615,920
Surplus for the year, as previously reported		–	103,172	–	103,172	103,172
Total comprehensive income for the year		–	103,172	–	103,172	103,172
Transfer from Restricted funds to General funds		–	150,115	(150,115)	–	–
Capital contributed by the Government	13	4,117	–	–	–	4,117
At 31 March 2015		11,270	2,711,939	–	2,711,939	2,723,209

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

Consolidated statement of cash flows
Year ended 31 March 2015

	Note	2015 $'000	2014 $'000 Restated*
Cash flows from operating activities			
Surplus/(Deficit) before taxation and contribution to Consolidated Fund		106,088	(3,001)
Adjustments for:			
Interest expense		1	45
Interest income		(17,570)	(17,785)
Depreciation of property, plant and equipment		47,575	46,532
Amortisation of land premium		1,926	1,926
Amortisation of rights of use of an asset		24	–
Loss/(Gain) on disposal of property, plant and equipment		444	(2,095)
Deferred income recognised		(5,204)	(4,400)
Share of results of a joint venture		(1,612)	(761)
Write back of differential premium	19	(108,095)	–
Gain on liquidation of a joint venture		(486)	–
Amortisation of deferred capital grants		(354)	(354)
Proceeds from sale of membership		–	3,106
		22,737	23,213
Changes in working capital:			
Inventories		524	1,660
Trade and other receivables		(5,547)	(4,152)
Accrued income		(12,670)	–
Trade and other payables		(101,715)	8,979
Amounts held for SCM – Residential Fund		1,150	–
Provision for cove infrastructure		(19,998)	(4,977)
Deferred income		32,000	–
Cash (used in)/generated from operating activities		(83,519)	24,723
Amount returned to government – Specific fund	17	(112)	–
Tax paid		(484)	(86)
Tax refund		–	499
Net cash (used in)/from operating activities		(84,115)	25,136
Cash flows from investing activities			
Interest received		17,570	16,553
Purchase of property, plant and equipment		(102,104)	(71,870)
Purchase of rights of use of an asset		(794)	–
Proceeds from liquidation of a joint venture		486	–
Proceeds from disposal of property, plant and equipment		638	3,802
Net cash used in investing activities		(84,204)	(51,515)
Cash flows from financing activities			
Proceeds from capital contributed by the Government	13	4,117	2,186
Proceeds from Government grants		547	1,232
Repayment of bank loans		–	(4,680)
Interest paid		(1)	(45)
Net cash from/(used in) financing activities		4,663	(1,307)
Net decrease in cash and cash equivalents		(163,656)	(27,686)
Cash and cash equivalents at 1 April		2,389,125	2,416,811
Cash and cash equivalents at 31 March	12	2,225,469	2,389,125

Significant non-cash transactions

In 2015, property, plant and equipment creditors amounted to $22,015,000 (2014: $Nil).

* See Note 32

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 2015.

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 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 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 2015 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 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 19 – Measurement of provisions

2.5 Changes in accounting policies

With effect from 1 April 2014, the Group adopted the new or revised SB-FRSs that are mandatory for application from that date. The adoption of these new or revised SB-FRSs do not have any significant impact on the financial statements, except as explained below:

(i) Subsidiaries

As a result of SB-FRS 110 *Consolidated Financial Statements*, the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. SB-FRS 110 introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns.

In accordance with the transitional provisions of SB-FRS 110, the Group reassessed the control conclusion for its investees at 1 April 2014. There is no change in the Group’s control conclusion in respect of its investment in subsidiaries.

(ii) Joint arrangements

From 1 April 2014, as a result of SB-FRS 111 *Joint Arrangements*, the Group has changed its accounting policy for its interests in joint arrangements. Under SB-FRS 111, the Group has classified its interests in joint arrangements as either joint operations (if the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement) or joint ventures (if the Group has rights only to the net assets of an arrangement). When making this assessment, the Group considered the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously, the structure of the arrangement was the sole focus of classification.

The Group has re-evaluated its involvement in its only joint arrangement and there is no change in the classification of the joint arrangement.

(iii) Disclosure of interests in other entities

From 1 April 2014, as a result of SB-FRS 112 *Disclosure of Interests in Other Entities*, the Group has expanded its disclosures about its interests in joint venture (see note 8).

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, except as explained in Note 2.5.

3.1 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 over the entity. 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 joint ventures

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in joint ventures are accounted for using the equity method (equity-accounted investees) and are recognised initially at cost which 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.

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 profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

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 joint venture in the separate financial statements

Investments in subsidiaries and joint ventures 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, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. 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.

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.

Fair value hedges

Changes in the fair value of financial instrument that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Changes in the fair value of a derivative hedging instrument designated in a fair value hedge are recognised in profit or loss. The hedged item is adjusted to reflect changes in its fair value in respect of the risk being hedged; the gain or loss attributable to the hedged risk is recognised in profit or loss with an adjustment to the carrying amount of the hedged item.

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 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 ranging from 48 to 61 years
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 or loss on a straight-line basis over the lease term.

3.6 Rights of use of an asset

Rights of use of an asset relates to the rights to the use of the floating sea barriers. This is stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is charged to the profit or loss on a straight-line basis over the useful life of 8 years.

3.7 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.

3.8 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss, including an interest in a joint venture, 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. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised 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.

3.9 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.

3.10 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.

3.11 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.

3.12 Sentosa Cove Maintenance – Residential Fund

The Sentosa Development Corporation Act (the "Act") provides that the Corporation shall establish a maintenance fund and levy a maintenance fee on the owners, for the purposes of managing and maintaining the 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 Sentosa Cove Maintenance – Residential fund relates to the maintenance fees received from the Cove residents less the expenditure incurred for the residential precinct to be used for the purpose provided under the Act.

3.13 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 Consolidation Funds) Act, Chapter 319A. 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 year's 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.

The benefits associated with the deficits are recognised as deferred income tax asset to the extent that realisation of the related benefits through future surplus are probable.

3.14 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.

3.15 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, project management fees and headquarter support cost recovery

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

(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.

(l) Consent fee income

Consent fee income is recognised for the transfer of ownership for lease for which agreements have been concluded.

3.16 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.

3.17 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.

3.18 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.

3.19 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 3.15(c). Contingent rents are recognised as revenue in the period in which they are earned.

3.20 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.

3.21 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 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.

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 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 Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group 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 Group 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.

3.22 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 2014, 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 the 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 2013	287,152	708,819	17,170	166,853	1,179,994
Additions	–	2,894	61,836	7,140	71,870
Disposals	–	(16,267)	(36)	(4,888)	(21,191)
Reclassifications	–	7,546	(11,127)	3,581	–
At 31 March 2014	287,152	702,992	67,843	172,686	1,230,673
Additions	48	3,902	108,920	11,249	124,119
Disposals/Written-Off	–	(11,064)	(141)	(18,130)	(29,335)
Reclassifications	–	88,051	(151,118)	63,067	–
At 31 March 2015	287,200	783,881	25,504	228,872	1,325,457
Accumulated depreciation					
At 1 April 2013	99,677	250,782	–	124,627	475,086
Charge for the year	5,496	29,794	–	11,242	46,532
Disposals	–	(14,773)	–	(4,711)	(19,484)
At 31 March 2014	105,173	265,803	–	131,158	502,134
Charge for the year	5,600	27,777	–	14,198	47,575
Disposals/Written-Off	–	(10,792)	–	(17,461)	(28,253)
At 31 March 2015	110,773	282,788	–	127,895	521,456
Net carrying amounts					
At 1 April 2013	187,475	458,037	17,170	42,226	704,908
At 31 March 2014	181,979	437,189	67,843	41,528	728,539
At 31 March 2015	176,427	501,093	25,504	100,977	804,001

Included in the cost of property, plant and equipment was an amount of $500,000 (2014: $500,000) related to reinstatement costs for dismantling removal, and restoration of the property, plant and equipment, which was provided for as reinstatement costs.

Corporation	**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 2013	267,711	636,741	18,813	159,013	1,082,278
Additions	–	2,795	58,920	6,594	68,309
Disposals	–	(15,746)	(46)	(4,177)	(19,969)
Reclassifications	–	7,546	(10,488)	2,942	–
At 31 March 2014	267,711	631,336	67,199	164,372	1,130,618
Additions	48	3,625	108,412	10,114	122,199
Disposals/Written-Off	–	(10,999)	(140)	(15,670)	(26,809)
Reclassifications	–	87,699	(150,110)	62,411	–
At 31 March 2015	267,759	711,661	25,361	221,227	1,226,008
Accumulated depreciation					
At 1 April 2013	98,456	237,392	–	118,809	454,657
Charge for the year	5,172	24,864	–	10,144	40,180
Disposals	–	(14,395)	–	(4,054)	(18,449)
At 31 March 2014	103,628	247,861	–	124,899	476,388
Charge for the year	5,275	22,826	–	13,180	41,281
Disposals/Written-Off	–	(10,730)	–	(15,143)	(25,873)
At 31 March 2015	108,903	259,957	–	122,936	491,796
Net carrying amounts					
At 1 April 2013	169,255	399,349	18,813	40,204	627,621
At 31 March 2014	164,083	383,475	67,199	39,473	654,230
At 31 March 2015	158,856	451,704	25,361	98,291	734,212

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.

During the year, the Corporation has revised the estimated useful life of certain property, plant and equipment to better represent the pattern of economic benefit consumption from these assets. The change is accounted for prospectively as a change in estimates. As a result of the change in estimates, the depreciation charges recorded in the profit or loss has increased by $968,000 (2014: $2,688,000).

5 Land premium

	Group and Corporation	
	2015	**2014**
	$'000	**$'000**
Cost		
At 1 April and 31 March	26,482	26,482
Accumulated amortisation		
At 1 April	11,686	9,760
Charge for the year	1,926	1,926
At 31 March	13,612	11,686
Net carrying amount	12,870	14,796

6 Rights of use of an asset

	Group and Corporation	
	2015	**2014**
	$'000	**$'000**
Cost		
At 1 April	–	–
Additions during the year	794	–
At 31 March	794	–
Accumulated amortisation		
At 1 April	–	–
Charge for the year	24	–
At 31 March	24	–
Net carrying amount	770	–

7 Investments in subsidiaries

	Corporation 2015 $'000	Corporation 2014 $'000 Restated
Unquoted equity shares, at cost	41,108	41,108

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 2015 %	2014 %
Held by the Corporation				
Sentosa Leisure Holdings Pte Ltd ("SLH") #	Investment holding and carrying out the activity of a hiring entity for staff on behalf of its holding corporation	Singapore	100	100
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
Sentosa Leisure Management Pte Ltd *	Wholesalers and retailers of merchandise, the provision of food and beverage services, and to act as agents of Sentosa Development Corporation to carry on any business which its ultimate holding corporation is authorised to carry on including but not limited to sales, ticketing, marketing, operations and attractions operator.	Singapore	100	100
Sentosa Cove Resort Management Pte Ltd *	Agent for Sentosa Cove community	Singapore	100	100
Held by subsidiaries				
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
\# Currently undergoing members' voluntary liquidation.

8 Investments in joint ventures

	Group 2015 $'000	Group 2014 $'000 Restated
Unquoted shares, at cost	6,340	17,224
Share of post-acquisition profits (net of tax)	4,581	9,431
Goodwill on consolidation written off	–	(2,215)
Distribution received on liquidation	–	(14,510)
Impairment loss	–	(621)
	10,921	9,309

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

During the year, the liquidation of Cableways International Pte Ltd has been finalised and final distribution proceed of $486,000 was recorded as gain on liquidation in the profit or loss.

In 2015 and 2014, the Group did not receive any dividend from its investments in joint ventures.

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 2015 %	Percentage of effective interest held by the Group 2014 %
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") #	Liquidated	Singapore	–	42.84

* Audited by PricewaterhouseCoopers LLP, Singapore
\# The liquidation of Cableways was concluded on 27 May 2014.

DCP (Sentosa) Pte Ltd (DCP) is structured as a separate vehicle and the Group has a residual interest in its net assets. Accordingly, the Group has classified its interest in DCP as a joint venture, which is equity-accounted.

The following table summarises the financial information of material joint venture:

	2015 $'000	2014 $'000 Restated
Revenue	30,018	30,068
Expenses	(21,956)	(26,263)
Total profit	8,062	3,805
Current assets	13,235	10,286
Non-current assets	62,603	64,635
Current liabilities	(16,277)	(19,147)
Non-current liabilities	(4,974)	(9,258)
Net assets	54,587	46,516
Group's interest in net assets of joint venture at beginning of the year	9,309	8,548
Share of total profit	1,612	761
Carrying amount of interest in joint venture at end of the year	10,921	9,309

9 Accrued income

Accrued income relates to guaranteed annual payments from tenants on long term leases recognised for which is expected to be received in subsequent periods.

10 Inventories

	Group		Corporation	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Land held for sale	3,028	3,028	3,028	3,028
Consumables and spare parts	720	915	720	915
Merchandise	1,214	1,497	–	–
Food and beverage products	279	246	97	–
Attraction tickets	523	602	414	562
	5,764	6,288	4,259	4,505

11 Trade and other receivables

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Current				
Trade receivables, net of impairment loss (i)	23,017	20,336	18,441	18,583
Other receivables (ii)	17,953	14,087	15,320	10,922
Deposits (iii)	1,340	2,213	429	1,206
Amounts due from subsidiaries (trade)	–	–	916	1,689
Amounts due from subsidiaries (non-trade) (iv)	–	–	21,665	20,945
Trade and other receivables	42,310	36,636	56,771	53,345
Prepayments	458	406	235	151
	42,768	37,042	57,006	53,496

(i) Trade receivables are non-interest bearing, and are generally on 30 to 60 (2014: 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 $376,000 (2014: $772,000) relating to receivables for expenses incurred for the maintenance of offshore islands on behalf of the Government.

(ii) Included in other receivables of the Corporation and the Group is an amount of $1,227,000 (2014: nil) relating to changes in fair value of the firm commitment. The firm commitment as of 31 March 2015 was JPY2,832,107,000.

(iii) Included in deposits of the Corporation and the Group is an amount of nil (2014: $19,000) recoverable from a contractor for the Southern Island reclamation (Note 17).

(iv) Amounts due from subsidiaries (non-trade) are unsecured, non-interest bearing and have no fixed terms of repayment.

The Corporation and Group's exposure to credit risk, and impairment losses related to trade and other receivables, is disclosed in Note 31.

12 Cash and cash equivalents

	Note	Group 2015 $'000	Group 2014 $'000	Corporation 2015 $'000	Corporation 2014 $'000
Cash at bank and on hand		4,428	4,689	2,479	858
Deposits placed with Accountant-General's Department		2,187,120	2,379,682	2,172,058	2,363,120
Fixed deposits with financial institutions		34,421	5,433	34,421	5,433
Total cash and bank balances		2,225,969	2,389,804	2,208,958	2,369,411
Less: Cash held on behalf of the Government	17	–	(179)	–	(179)
Less: Cash held on behalf of a statutory board		(500)	(500)	(500)	(500)
Total cash and cash equivalents		2,225,469	2,389,125	2,208,458	2,368,732

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 (2014: 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 $500,000 (2014: $500,000) held on behalf of a statutory board for the Southern Islands Maintenance Project.

13 Capital account

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

Group and Corporation	**2015 $'000**	**2014 $'000**
At 1 April	7,153	4,967
Capital contributed by the Government	4,117	2,186
At 31 March	11,270	7,153

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.

The Group defines capital as capital contributed by government and accumulated surplus. The Group's approach to capital management remains unchanged from the financial year ended 31 March 2015.

14 Accumulated surplus

General fund

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

Restricted funds

	Golf Sinking Fund $'000	Cove Infrastructure Development Fund $'000	Total $'000
Group and Corporation			
At 1 April	46,645	103,470	150,115
Transfer to General fund	(46,645)	(103,470)	(150,115)
At 31 March	–	–	–

Golf sinking fund represents the accumulated surplus of Sentosa Golf Club, which was reflected in prior years as having been set aside by the Corporation for the renewal of the golf course land lease. As the Corporation is under no obligation to set aside funds for the renewal of the golf course land lease, $46,645,000 was re-designated to General Fund in 2015 to better reflect the nature of the amount.

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. During the year, the accumulated Cove Infrastructure Development Fund was transferred to General Fund.

The Corporation has ascertained that it does not need to set aside any restricted fund for future cyclical replacement of infrastructure assets within the Residential Precinct in Sentosa Cove as such expenses should be funded by Sentosa Cove Maintenance- Residential Fund.

15 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.

16 Trade and other payables

	Group 2015 $'000	Group 2014 $'000	Corporation 2015 $'000	Corporation 2014 $'000
Current				
Trade payables	11,680	14,164	7,990	9,164
Accrued operating expenses	58,095	135,373	37,402	119,263
Deposits	5,035	5,058	4,556	4,711
Accruals for property tax	1,397	2,663	1,397	2,663
Advance receipts	13,434	10,486	13,434	10,444
Liability for short-term compensating absences	1,268	1,201	632	618
Other payables	9,078	10,742	3,850	5,848
Amounts due to subsidiaries (trade)	–	–	269	5,000
Amounts due to subsidiaries (non-trade)	–	–	97,949	82,685
	99,987	179,687	167,479	240,396
Non-current				
Other payables	500	500	–	–
Total financial liabilities	100,487	180,187	167,479	240,396

Amounts due to subsidiaries

Amounts due to subsidiaries (non-trade) are 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 31.

17 Specific fund

The balance in this fund represents unutilised Government funds received.

	Note	Group and Corporation 2015 $'000	Group and Corporation 2014 $'000
Statements of financial position as at 31 March:			
Accumulated surplus			
Restricted fund		–	112
Current assets			
Deposit recoverable	11	–	19
Cash and bank balances	12	–	179
		–	198

	Group and Corporation	
	2015	**2014**
	$'000	**$'000**
Statements of financial position as at 31 March:		
Current liabilities		
Trade payables	–	(86)
Net assets	–	112
Statement of comprehensive income:		
Income:		
Government grant	–	25
Expenditure:		
Civil work	–	25
Other operating expenditure	–	2
	–	27
At 1 April	112	114
Movements for the year	(112)	(2)
At 31 March	–	112

18 Amount held for Sentosa Cove Maintenance-Residential Fund

This represents maintenance fee received from the Cove residents less the expenditure incurred for residential precincts that are held by the Corporation. The amount held for Sentosa Cove Maintenance – Residential Fund represents net surplus for the year.

19 Provisions

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Provision for Cove infrastructure	93,390	113,125	93,253	112,987
Provision for differential premium	–	108,358	–	108,358
	93,390	221,483	93,253	221,345
Comprises:				
Current	19,467	127,825	19,467	127,825
Non-current	73,923	93,658	73,786	93,520
Total	93,390	221,483	93,253	221,345

Provision for Cove infrastructure

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
At 1 April	113,125	118,102	112,987	117,965
Provision utilised during the year	(19,735)	(4,977)	(19,734)	(4,978)
At 31 March	93,390	113,125	93,253	112,987
Comprises:				
Current	19,467	19,467	19,467	19,467
Non-current	73,923	93,658	73,786	93,520
Total	93,390	113,125	93,253	112,987

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	
	2015	**2014**
	$'000	**$'000**
At 1 April	108,358	108,358
Provision utilised during the year	(263)	–
Write back of provision during the year	(108,095)	–
At 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 Singapore Land Authority. During the year, following the finalisation of the basis for charging the differential premium by Singapore Land Authority, the differential premium charges of $108,095,000 was written back.

20 Deferred capital grants

	Group and Corporation	
	2015	**2014**
	$'000	**$'000**
At 1 April	12,862	11,984
Amounts amortised	(354)	(354)
Amounts received	547	1,232
At 31 March	13,055	12,862

	Group and Corporation 2015 $'000	Group and Corporation 2014 $'000
Comprises:		
Current	354	354
Non-current	12,701	12,508
Total	13,055	12,862
Total capital grants received since establishment	510,310	509,763

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

21 Deferred income

	Note	Group and Corporation 2015 $'000	Group and Corporation 2014 $'000 Restated
Deferred lease income			
At 1 April		16,405	17,016
Additions during the year		32,000	–
Amounts taken to profit or loss:			
- Lease income amortised	24	(1,189)	(611)
At 31 March		47,216	16,405
Deferred membership entrance fee			
At 1 April		30,506	31,189
Additions during the year		–	3,106
Amounts taken to profit or loss		(4,015)	(3,789)
At 31 March		26,491	30,506
Total		73,707	46,911
Comprises:			
Current		5,160	4,400
Non-current		68,547	42,511
Total		73,707	46,911

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

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

22 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 (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 (2014: $2,029,000) resulting from the amortisation of deferred income is not subject to contribution to Consolidated Fund.

	Corporation	
	2015	**2014**
	$'000	**$'000**
		Restated
Net surplus/(deficit) of the Corporation before contribution to Consolidated Fund	103,172	(3,434)
Deferred income on membership entrance fee	(2,029)	(2,029)
Net surplus/(deficit) subject to contribution to Consolidated Fund	101,143	(5,463)
Contribution to Consolidated Fund:		
- Current year	–	–

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

There is no contribution to the Consolidated Fund as there is unutilised deficit carried forward from the past years to offset the net surplus.

23 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 2013 $'000	Recognised in profit or loss (Note 28) $'000	At 31 March 2014 $'000	Recognised in profit or loss (Note 28) $'000	At 31 March 2015 $'000
Group					
Deferred tax liabilities					
Property, plant and equipment	(2,274)	494	(1,780)	237	(1,543)

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

	2015 $'000	2014 $'000
Group		
Unutilised tax losses	3,162	2,219

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

At the reporting date, the Group has not recognised deferred tax assets arising from unutilised tax losses that are available for offset against future taxable profits, for which 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.

24 Rental and hiring of facilities

		Group		Corporation	
	Note	2015 $'000	2014 $'000 Restated	2015 $'000	2014 $'000 Restated
Rental income		41,214	29,932	42,863	31,575
Lease income amortised	21	1,189	611	1,189	611
		42,403	30,543	44,052	32,186

25 Other revenue

	Group		Corporation	
	2015 $'000	2014 $'000	2015 $'000	2014 $'000
Club membership – related income	27,422	26,716	27,422	26,716
Sales of merchandise, net of discounts	9,522	8,374	–	–
Headquarter support cost recovery	–	–	2,294	3,088
Project management fees	206	706	206	289
Sponsorship income	259	136	252	97
Food and beverage	14,472	13,512	5,371	4,535
Gain on disposal of property, plant and equipment	–	2,095	–	2,291
Maintenance fund contribution	6,208	5,880	6,208	5,880
Consent fee	–	4,296	–	4,296
Gain on liquidation of a joint venture	486	–	–	–
Others	3,654	3,629	2,851	2,578
	62,229	65,344	44,604	49,770

26 Staff costs

	Group 2015 $'000	Group 2014 $'000	Corporation 2015 $'000	Corporation 2014 $'000
Direct staff:				
Wages and salaries	68,281	65,259	57,461	54,145
CPF contributions	11,317	8,973	5,827	4,878
	79,598	74,232	63,288	59,023
Outsourced to a subsidiary:				
Wages and salaries	–	–	1,162	1,387
CPF contributions	–	–	186	97
	–	–	1,348	1,484
Total staff costs	79,598	74,232	64,636	60,507
Staff costs capitalised in development projects-in-progress	(1,347)	(1,733)	(1,347)	(1,733)
	78,251	72,499	63,289	58,774

27 General and administrative expenses

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

	Group 2015 $'000	Group 2014 $'000	Corporation 2015 $'000	Corporation 2014 $'000
Reversal of impairment loss recognised on doubtful trade receivables, net	(428)	(831)	(398)	(872)
Property taxes	4,540	5,459	3,863	4,788
Utilities	6,144	6,582	5,252	5,500
Exchange loss	280	154	283	147
Changes in fair value of hedged firm commitment	1,593	–	1,593	–
Changes in fair value of hedged instruments	(1,593)	–	(1,593)	–
Loss on disposal of property, plant and equipment	444	–	448	–
Operating lease expenses	1,176	1,150	–	–

28 Income tax expense/(credit)

	Note	Group 2015 $'000	Group 2014 $'000 Restated
Current tax expense/(credit)			
Current year		766	563
Over provision in respect of prior years		(189)	(862)
		577	(299)
Deferred tax expense/(credit)			
Current year		(233)	(322)
Over provision in respect of prior years		(4)	(172)
	23	(237)	(494)
Total income tax expense/(credit)		340	(793)

Reconciliation of effective tax rate

	2015 $'000	2014 $'000 Restated
Surplus/(Deficit) before income tax	106,088	(3,001)
Statutory tax expense at corporate rate of 17%	18,035	(510)
Non-deductible expenses	106	107
Income not subject to tax	(17,736)	595
Deferred tax assets not recognised	160	222
Utilisation of deferred tax assets previously not recognised	–	(156)
Over provision in respect of prior years	(193)	(1,034)
Others	(32)	(17)
	340	(793)

Corporation

The Corporation is not subject to income tax. However, it is required to contribute to the Consolidated Fund (Note 22).

29 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 2015 $'000	Group 2014 $'000	Corporation 2015 $'000	Corporation 2014 $'000
Capital commitments in respect of property, plant and equipment	60,402	70,650	58,933	69,623

Operating lease commitments – as lessor

The Group leases land to certain hotels and other tenants for 3 to 92 (2014: 3 to 92) 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 $42,403,000 (2014: $30,543,000) and $44,052,000 (2014: $32,186,000) respectively, of which $15,436,000 (2014: $13,875,000) was related to the variable rental income received during the financial year.

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

	Group		Corporation	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Within 1 year	30,224	25,518	31,005	26,547
Within 2 to 5 years	97,980	78,809	98,725	79,541
After 5 years	1,074,615	488,611	1,074,615	488,611
	1,202,819	592,938	1,204,345	594,699

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 16 (2014: 2 to 18) years with an option to renew the leases after that date.

	Group		Corporation	
	2015	2014	2015	2014
	$'000	$'000	$'000	$'000
Within 1 year	765	719	46	92
Within 2 to 5 years	2,418	2,142	–	139
After 5 years	6,892	8,198	–	–
	10,075	11,059	46	231

30 Significant related party transactions

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.

Key management personnel compensation comprised:

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Short-term employee benefits	8,560	8,909	5,883	5,962
CPF contributions	321	373	170	195
Board members' fees	163	158	113	120
	9,044	9,440	6,166	6,277

Other significant related party transactions

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 parent ministry, MTI and other related parties in the normal course of business on terms agreed between the parties.

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Ministry of Trade and Industry ("MTI")				
Services rendered by MTI	–	95	–	95
Other Ministries and Statutory Boards				
Purchases and services paid to other ministries	1,015	17	1,014	5
Purchases and services paid to other statutory boards	97,445	2,857	97,303	2,517
Computer and IT related services	63	123	63	122
Services rendered to other ministries	1	2,800	–	2,041
Services rendered to other statutory boards	268	222	131	183
Subsidiaries				
Admission fee income from subsidiaries	–	–	1,750	1,632
Rental income from subsidiaries	–	–	1,763	1,784
Management fee income from subsidiaries	–	–	–	736
Headquarter support fee income from subsidiaries	–	–	2,294	3,088
Purchase of goods and services from subsidiaries	–	–	8,348	6,681
Management fee expense from subsidiaries	–	–	34,433	28,614

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
Joint ventures				
Rental income from joint venture	689	699	689	699
Other related parties				
Services rendered by related parties	59	8	59	8

31 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.

At any point in time, the Group hedges its purchases commitment of its estimated foreign currency exposure. The Group uses fixed deposit to hedge its currency risk, such fixed deposit generally are designated as fair value hedges.

To hedge the fair value risk of the purchases commitment, the Group uses fixed deposits denominated in JPY. The changes in fair values of the hedged items resulting from changes in JPY against SGD are offset against the changes in the value of the fixed deposit.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

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 18% (2014: 22%) of the Group's trade receivables were due from 5 (2014: 5) major customers located in Singapore.

Impairment losses

The ageing of trade receivables at the reporting date is:

	Gross 2015 $'000	Impairment losses 2015 $'000	Gross 2014 $'000	Impairment losses 2014 $'000
Group				
Not past due	20,261	–	17,943	–
Past due less than 30 days	1,421	–	976	–
Past due 30 to 60 days	629	–	356	–
Past due 61 to 90 days	163	–	70	–
Past due more than 90 days	3,449	(2,906)	6,682	(5,691)
	25,923	(2,906)	26,027	(5,691)
Corporation				
Not past due	16,798	–	16,933	–
Past due less than 30 days	861	–	573	–
Past due 30 to 60 days	288	–	158	–
Past due 61 to 90 days	132	–	31	–
Past due more than 90 days	3,243	(2,881)	6,524	(5,636)
	21,322	(2,881)	24,219	(5,636)

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

	Group		Corporation	
	2015	**2014**	**2015**	**2014**
	$'000	**$'000**	**$'000**	**$'000**
At 1 April	5,691	6,768	5,636	6,754
Provided during the year	285	–	274	–
Reversal during the year	(713)	(831)	(672)	(872)
Utilised during the year	(2,357)	(246)	(2,357)	(246)
At 31 March	2,906	5,691	2,881	5,636

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 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 (2014: 25) basis points higher/lower with all other variables held constant, the Group's and the Corporation's net surplus/(deficit) before contribution to Consolidated Fund would have been higher/lower by the amounts shown below.

		2015		2014	
	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	12	5,468	(5,468)	5,949	(5,949)
Fixed deposits	12	86	(86)	14	(14)
		5,554	(5,554)	5,963	(5,963)
Corporation					
Deposits placed with Accountant-General's Department	12	5,430	(5,430)	5,908	(5,908)
Fixed deposits	12	86	(86)	14	(14)
		5,516	(5,516)	5,922	(5,922)

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:

			Cash flows		
Group	**Note**	**Carrying amount $'000**	**Contractual cash flows $'000**	**Within 1 year $'000**	**Within 2 to 5 years $'000**
2015					
Financial liabilities					
Trade and other payables	16	100,487	(100,487)	(99,987)	(500)
2014					
Financial liabilities					
Trade and other payables	16	180,187	(180,187)	(179,687)	(500)
Corporation					
2015					
Financial liabilities					
Trade and other payables	16	167,479	(167,479)	(167,479)	–
2014					
Financial liabilities					
Trade and other payables	16	240,396	(240,396)	(240,396)	–

Foreign currency risk

The Group incurs foreign currency risk on contracts denominated in foreign currencies. The currency giving rise to this risk is primarily Japanese yen (JPY) and Euro dollar (EUR).

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

	Group and Corporation	
	JPY $'000	**EUR $'000**
2015		
Cash and cash equivalents	*	–
2014		
Cash and cash equivalents	2,575	2,859

* As of 31 March 2015, the Group has fixed deposits of $34,422,000 denominated in JPY which are hedged against the firm commitments denominated in JPY. There is no foreign currency risk attached to this deposit as the amount will be used for future purchase commitments which are denominated in JPY.

Sensitivity analysis

A 2% strengthening of JPY and EUR against the Singapore dollar at 31 March would increase/decrease surplus or deficit 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	
	JPY	**EUR**
	$'000	**$'000**
2015		
Cash and cash equivalents	–	–
2014		
Cash and cash equivalents	52	57

A 2% weakening of the Singapore dollar against the above currencies 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.

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

Group	**Note**	**Loans and receivables $'000**	**Other financial liabilities $'000**	**Carrying amount $'000**	**Fair value $'000**
31 March 2015					
Trade and other receivables*	11	42,310	–	42,310	42,310
Cash and cash equivalents	12	2,225,969	–	2,225,969	2,225,969
		2,268,279	–	2,268,279	2,268,279
Trade and other payables	16	–	100,487	100,487	100,487

Group	Note	Loans and receivables $'000	Other financial liabilities $'000	Carrying amount $'000	Fair value $'000
31 March 2014					
Trade and other receivables*	11	36,636	–	36,636	36,636
Cash and cash equivalents	12	2,389,804	–	2,389,804	2,389,804
		2,426,440	–	2,426,440	2,426,440
Trade and other payables	16	–	180,187	180,187	180,187
Corporation					
31 March 2015					
Trade and other receivables*	11	56,771	–	56,771	56,771
Cash and cash equivalents	12	2,208,958	–	2,208,958	2,208,958
		2,265,729	–	2,265,729	2,265,729
Trade and other payables	16	–	167,479	167,479	167,479
31 March 2014					
Trade and other receivables*	11	53,345	–	53,345	53,345
Cash and cash equivalents	12	2,369,411	–	2,369,411	2,369,411
		2,422,756	–	2,422,756	2,422,756
Trade and other payables	16	–	240,396	240,396	240,396

* *Excludes prepayments*

32 Prior year restatement

Sentosa Leisure Management Pte Ltd ("SLM"), subsidiary of the Corporation, entered into a joint venture agreement with another party on 15 April 2008 where SLM will procure the Corporation to lease a piece of land to be used by the joint venture, as consideration for their 20% investment in the joint venture. The cost of the investment was recorded at the consideration paid of $1 at the time of the transaction. The fair value of the rights relating to lease of the said piece of land amounted to $6,340,000. Accordingly, an adjustment has been made to record the investment at fair value. This is applied retrospectively and prior periods in the Group and Corporation's financial statements have been restated.

As a result, the Group and Corporation have restated comparative information on investment in joint venture, investment in subsidiaries, deferred income, accumulated surplus and certain revenue.

	Group		
	As previously reported $'000	**Adjustments $'000**	**As restated $'000**
Statement of financial position as at 1 April 2013			
Investment in joint venture	2,208	6,340	8,548
Accumulated surplus			
- General Funds	2,549,910	(546)	2,550,456
Deferred income, current	4,216	(107)	4,323
Deferred income, non-current	38,195	(5,687)	43,882
Statement of financial position as at 31 March 2014			
Investment in joint venture	2,969	6,340	9,309
Accumulated surplus			
- General Funds	2,547,595	(653)	2,548,248
Deferred income, current	4,293	(107)	4,400
Deferred income, non-current	36,931	(5,580)	42,511
Statement of comprehensive income for the year ended 31 March 2014			
Rental and hiring of facilities	30,436	(107)	30,543
Consolidated cash flows for the year ended 31 March 2014			
Cash flows from operating activities			
Profit before income tax	(3,108)	107	(3,001)
Adjustments for:			
Deferred income recognised	(4,293)	(107)	(4,400)

	Corporation		
	As previously reported $'000	**Adjustments $'000**	**As restated $'000**
Statement of financial position as at 1 April 2013			
Investment in subsidiaries	34,768	6,340	41,108
Accumulated surplus			
- General Funds	2,461,540	(546)	2,462,086
Deferred income, current	4,216	(107)	4,323
Deferred income, non-current	38,195	(5,687)	43,882
Statement of financial position as at 31 March 2014			
Investment in subsidiaries	34,768	6,340	41,108
Accumulated surplus	2,457,999	(653)	2,458,652
- General Funds			
Deferred income, current	4,293	(107)	4,400
Deferred income, non-current	36,931	(5,580)	42,511
Statement of comprehensive income for the year ended 31 March 2014			
Rental and hiring of facilities	32,079	(107)	32,186

Sentosa Development Corporation
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