BUILDING OUR FUTURE

BCA Annual Report 2013/2014

THE FUTURE IS ABOUT CHANGE

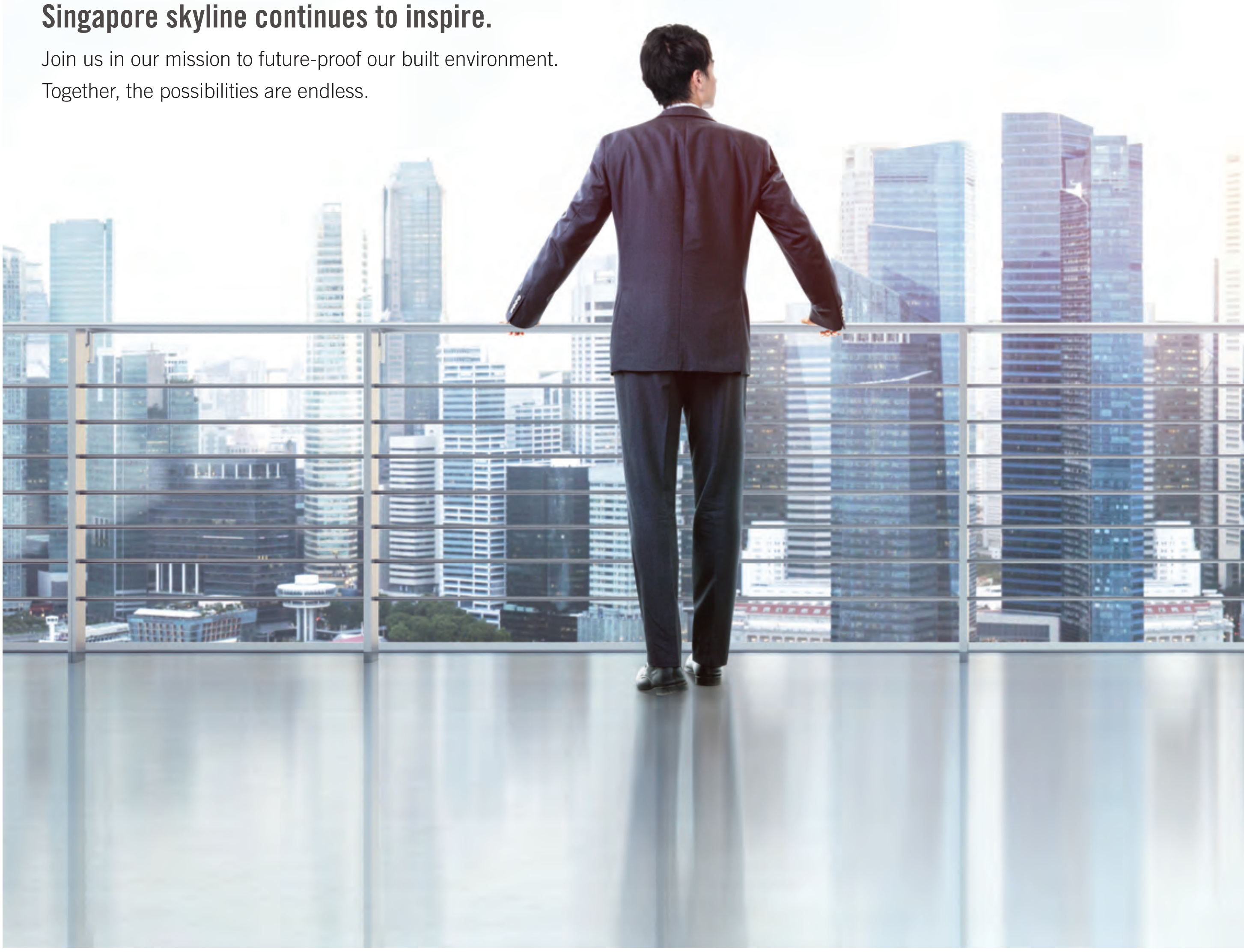
With its finger on the pulse of a transforming world, BCA is working closely with the industry to create a future-ready built environment.

BCA celebrates another year of bettering the built environment.

We believe a small step forward leads to big leaps in the industry's pursuit of untapped opportunities and fresh possibilities. As we build a greener, more resilient, user-friendly and liveable city, we will continue to work with the industry to create an even better built environment for Singapore, our home.

The growing urbanscape that defines the Singapore skyline continues to inspire.

Join us in our mission to future-proof our built environment. Together, the possibilities are endless.



CONTENT

MISSION & VISION

MISSION
We shape a safe, high quality, sustainable and friendly built environment

VISION
A future-ready built environment for Singapore

STRATEGIC THRUSTS
In line with our mission and vision, our strategic thrusts are:

1. A Caring and Innovative Organisation
2. A Safe and High Quality Built Environment
3. A Friendly and Sustainable Built Environment
4. An Advanced and Productive Built Environment Sector
5. Effective Partnerships with Our Stakeholders

CORE VALUES
WE CARE
We care for our staff, our customers, the community and the environment

WE DARE
We dare to be innovative in transforming BCA and the built environment

WE CAN
We can overcome all challenges with courage, confidence and commitment

CORPORATE GOVERNANCE

BCA is committed to good corporate governance. We have put in place a Code of Corporate Governance to formalise the principles and practices of governance within BCA to ensure accountability, responsibility and transparency.

Board Members

The Board currently comprises 14 members. All are non-executive members, except Dr John Keung who is BCA's Chief Executive Officer (CEO). The Board comprises representatives from the industry, academia and ministries. The diverse representation of the Board provides an appropriate range of experience, skills, knowledge and perspectives to enable it to play an active role in guiding BCA to achieve its mission and vision.

The Chairman provides strategic leadership and guidance to the Management of BCA, and ensures that discussions are fairly, objectively and independently conducted.

The Board meets at least six times a year to evaluate, approve and monitor the plans and budgets of BCA. It also oversees the work and performance of the Management and assesses the financial health of BCA. The BCA Act empowers the Board to form committees from among its members to support the work of the Board.

Finance and Audit

- Internal Controls

The Board ensures that the Management maintains a sound system of internal controls to safeguard the interests and assets of BCA. It also ensures that a review of BCA's material internal controls, including financial, operational and compliance as well as risk management, is conducted annually through internal and/or external audits according to the direction of the Finance and Audit Committee.

- Audit Committee

The Audit Committee reviews the audited financial statements with external auditors, as well as reviews audit plans and observations of the external and internal auditors. It also ensures that the Management takes appropriate action for audit observations and the Audit Committee's recommendations. All members in the Audit Committee are non-executive members.

CORPORATE SOCIAL RESPONSIBILITY

Serving The Community

To us, serving the community is a privilege. Embedded in our core value, We Care, we take pride in each and every contribution as we serve with our hearts for the good of the community and to promote an inclusive society.

To achieve this, BCA will:

- shape a friendly built environment for Singapore through improving accessibility and promoting Universal Design;
- inculcate a spirit of volunteerism among staff;
- organise purposeful programmes that help to bring about a better built environment for all; and
- raise public awareness of the importance of a friendly built environment through dialogues, public education and collaborative projects.

Greening The Built Environment (BCA's Environmental Policy)

BCA takes pride as the Green Leader for Singapore's built environment. Care for the environment is embedded strongly in our core values, and we are committed to championing this worthy cause together with our stakeholders to help promote environmentally sustainable developments.

To achieve this, BCA will:

- spearhead green strategies and initiatives towards sustainability in the built environment;
- champion and lead the building and construction industry in the development of sustainable building and sustainable construction;
- actively engage stakeholders through dialogues, public education and collaborative projects; and
- inculcate environmental awareness and commitment amongst our staff through educational and actionable programmes.

BCA is dedicated to contributing to the well-being of the community and the environment through our efforts in shaping a sustainable and friendly built environment.

HOW READY ARE WE FOR THE FUTURE?

What a busy year 2013 has been. Amidst our continuous efforts in making our built environment future ready, we received some good news – BCA was accorded the Singapore Quality Award, as well as the International Star (I-Star) Award. These awards are testament to our commitment to achieving world-class standards of business excellence and in greening at least 80% of Singapore's building stock by 2030 respectively.

But we are not resting on our laurels. To stay ahead of the curve, there's a need to have a clear vision of how we want our future to be. So last year, we reviewed our vision statement, and revised it to "A future-ready built environment for Singapore". The reason for this is simple: we need to always look ahead and prepare ourselves for the future. This is an ongoing endeavour.

As a building safety regulator, a key priority for 2014 is a review of lift and escalator regulations in the wake of several related incidents over the past two years. Meanwhile, we are also supporting the Government's plan in underground development to see how they can be integrated with above ground land use. This has a lot of potential in maximising space in land scarce Singapore.

Photo credit: Jurong Rock Caverns, JTC Corporation

We just launched the Quality Mark Homes mobile application in January to enhance homeowners' awareness of acceptable construction workmanship and Quality Mark projects. The app is part of our

second Quality Masterplan which focuses on the use of technologies and materials that can achieve both quality excellence and high productivity.

Part of quality living also means having a friendly built environment. Hence we will be organising the inaugural Singapore Universal Design Week come November 2014 to address issues and challenges faced by users of our built environment, as well as discuss policies and plans for implementation to improve accessibility. A short film competition themed "Singapore – a home for everyone" will be organised to further heighten awareness among our youths on the importance of Universal Design for our buildings, public spaces and infrastructure to meet the needs of all users.

On the environmental front, BCA has been leading the conversation in the sustainability topic for the last few years. We have been working on the third Green Building Masterplan and it will be unveiled in September 2014. The plan will have a greater emphasis on green practices and behaviour in building users, helping small and medium enterprises, tenants and building owners to green-mark their buildings and premises.

Another important area that we have been working on for the past few years is construction productivity.

In the face of tightening manpower supply, firms will need to adopt new and productive technologies, as well as streamline their workflow to increase productivity.

Examples of such game-changing technologies are Prefab Bathrooms (PBUs), Cross Laminated Timber (CLT) and Pre-fabricated Pre-finished Volumetric Construction (PPVC), which will also minimise disruption to residents and the surroundings.

We will continue to innovate and find better ways of doing things. Given new developments in the built environment sector and opportunities, we've come up with various programmes targeting all levels of the workforce to groom and develop talent to meet strong construction demand expected for the next few years.

At BCA, we're committed to creating a future-ready built environment for all. Every day, we are working to help people have a better environment to live, work and play in. I believe 2014 will be another busy and fulfilling year.

MR QUEEK SEE TIAT
CHAIRMAN

BOARD MEMBERS

MS KALA ANANDARAJAH
Partner
M/s Rajah & Tann LLP

MR LIM MING YAN
President and Group CEO
CapitaLand Limited

MR NORMAN IP
Independent Director
The Straits Trading
Company Limited

MR LEE FOOK SUN
DEPUTY CHAIRMAN
President
Singapore Technologies
Electronics Ltd

MR JOHN LIM
Director
Higher Education Division
Ministry of Education

DR JOHN KEUNG
Chief Executive Officer
Building and Construction
Authority

MR HAN FOOK KWANG
Editor-at-Large
The Straits Times
Singapore Press Holdings Ltd

MR PEK LIAN GUAN
*Managing Director
Tiong Seng
Contractors (Pte) Ltd*

MR YONG TIAM YOON
*Deputy Chairman
Woh Hup Pte Ltd*

MR KHAIRUDIN SAHAROM
*Principal and Director
Kite Studio Architecture Pte*

MR LAI HUEN POH
*Managing Director
RSP Architects Planners &
Engineers (Pte) Ltd*

**MR QUEK SEE TIAT
CHAIRMAN**
*Ex-Partner and
Ex-Deputy Chairman
PricewaterhouseCoopers,
Singapore*

PROF HENG CHYE KIANG
*Professor and Dean
School of Design and Environment,
National University of Singapore*

MR FRANKIE CHIA SOO HIEN
*Managing Partner,
BDO LLP*

SENIOR MANAGEMENT

MR NEO CHOON KEONG
Group Director, Manpower & Strategic Policy

MR CHENG TAI FATT
Deputy Managing Director, BCA Academy

MR CHIN CHI LEONG
Group Director, Building Plan & Management

MS JEANNA DAS
Group Director, Corporate Development

MR ANG KIAN SENG
Group Director, Research

Er. ONG CHAN LENG
Group Director, Special Functions

MR CHOO WHATT BIN
Executive Director, Services

Er. LAM SIEW WAH
Deputy CEO, Industry Development

Er. CHEW KEAT CHUAN
Group Director,
Building Engineering

MR KOH LIN JI
Group Director,
International Development

MR ANG LIAN AIK
Group Director,
Construction Productivity Centre

MR TAN TIAN CHONG
Group Director,
Technology Development

DR JOHN KEUNG
Chief Executive Officer

MR BENEDICT TAN
Senior Advisor

Er. ONG SEE HO
Deputy CEO,
Building Control

Er. WILLIAM TAN
Managing Director, BCA Academy
Group Director, Business Development

BCA ORGANISATION STRUCTURE

(With effect from 1 Aug 2014)

- **Chief Executive Officer**
  Dr John Keung
  - **Senior Advisor**
    Mr Benedict Tan
  - **Deputy CEO Industry Development**
    Er. Lam Siew Wah
    - **Construction Productivity Centre**
      Grp Director - Mr Ang Lian Aik
      - **Planning and Policy**
        Director - Ms Grace Mui
      - **Industry Development and Innovation**
        Director - Mr Darren Lim
        Dy Director - Mr Rajendran Ramamoorthy
      - **Productive Technologies and Measurement**
        Director - Er. Rose Nguan
      - **Buildability Development**
        Director - Ms Foo-Leoh Chay Hong
    - **Technology Development Group**
      Grp Director - Mr Tan Tian Chong
      - **Quality & Certification**
        Director - Mr Ding Hock Hui
        Dy Director - Mr Tan Boon Kee
      - **Green Building Policy**
        Acting Director - Ms Serene Peh
      - **Green Mark (Existing Buildings)**
        Director - Mr Toh Eng Shyan
      - **Green Mark (New Development)**
        Director - Ms Leong-Kok Su Ming
        Dy Director - Dr Gao Chun Ping
    - **Manpower & Strategic Policy Group**
      Grp Director - Mr Neo Choon Keong
      - **Manpower Development**
        Director - Ms Tan Lay Twan
      - **Manpower Registration and Upgrading**
        Director - Ms Hor Wai Yee
      - **Manpower Planning**
        Dy Director - Ms Adeline Loo
      - **Strategic Planning**
        Director - Ms Chia Yen Ling
        Dy Director - Mr Aaron Seow
      - **Human Capital Development**
        Director - Er. Raymond Tay
      - **Managing for Excellence Office**
        Dy Director - Ms Phua Hui Chun
    - **Business Development Group**
      Grp Director - Er. William Tan
      - **Procurement Policies**
        Director - Mr Tan Chee Kiat
      - **Construction Engineering Capability Development**
        Director - Mr Tan Chee Kiat
      - **Economics Research**
        Director - Ms Lo Yen Lee
      - **Strategic Resources**
        Director - Ms Ng Siew Kuan
        Dy Director - Ms Jean Lau
  - **Deputy CEO Building Control**
    Er. Ong See Ho
    - **Building Plan & Management Group**
      Grp Director - Mr Chin Chi Leong
      - **Universal Design**
        Director - Ms Goh Siam Imm
      - **Building Plan and Advertisement Licensing**
        Director - Mr Teo Orh Hai
      - **Building Plan & Enforcement**
        Director (cov) - Mr Teo Orh Hai
      - **Building Control Policies**
        Director - Ms Meet Kaur
        Dy Director - Mr Choong Teck Min
      - **Building Management**
        Director - Mr Lim Chong Yong
        Dy Director - Mr Jeremy Tan
      - **Amusement Rides Safety**
        Director - Er. Hashim Bin Mansoor
    - **Building Engineering Group**
      Grp Director - Er. Chew Keat Chuan
      - **Strategic Engineering Projects**
        Director - Er. Chan Bee Bee
      - **Policy & Regulations**
        Director - Er. Lim Beng Kwee
      - **Construction & Structural Investigation**
        Director - Er. Andris Leong
        Dy Director (Construction Safety) - Er. Tan Chun Yong
      - **Bridges & Structural Steel**
        Director - Er. Clement Tseng
        Dy Director (Innovative Materials & Solutions) - Er. Lung Hian Hao
        Dy Director (Construction Standards and Technology) - Mr Ng Man Hon
      - **Deep Excavation & Geotechnical**
        Director - Er. Yang Kin Seng
        Dy Director - Er. Poh Teoh Yaw
      - **Foundation Engineering and Geological**
        Acting Director - Er. Kiefer Chiam
        Dy Director (Foundation Engineering) - Er. Yet Nai Song

- **Special Functions Group** — Grp Director - Er. Ong Chan Leng
  - **Transit Shelter Engineering** — Director - Er. Lee Chee Keong
  - **Civil Defence Shelter Engineering** — Director - Er. Chua Bee Tee
  - **Enforcement & Structural Inspection** — Director - Er. Thanabal Kaliannan
  - **Coastal & Project Management** — Director - Mr Chua Lian Chye; Dy Director (Coastal Protection) - Mr Ho Chai Teck
- **Registrar Professional Engineers Board** — Er. Chin Jen Chyi

Managing Director BCA Academy — Er. William Tan

- **BCA Academy** — Dy MD - Mr Cheng Tai Fatt
  - **School of Graduate Development & Management** — Acting Director - Ms May Siu
  - **School of Building & Development** — Director - Dr Keow Yeong Ming
  - **Centres of Excellence**
    - **i) Centre for Construction IT** — Director - Dr Tan Kee Wee
    - **ii) Centre for Construction Skills Training/ Centre for Workplace Safety and Health** — Dy Director – Vacant
  - **Corporate Services** — Dy Director - Ms Jaime Loong
  - **Estate Management** — Dy Director - Mr Lam Lee Fatt

Executive Director Services — Mr Choo Whatt Bin

- **Research Group** — Grp Director - Mr Ang Kian Seng
  - **Centre for Sustainable Building & Construction** — Director - Mr Jeffery Neng
  - **R&D Programmes** — Deputy Director - Mr Stephen Mok
- **International Development Group** — Grp Director - Mr Koh Lin Ji
  - **International Markets** — Dy Director - Mr Goh Wee Hong
  - **International Events** — Director - Vacant
- **Corporate Developmen Group** — Grp Director - Ms Jeanna Das
  - **Information Technology** — Director - Dr Tan Kee W ee; Dy Director - Mr Lin Fulin
  - **3P Partnership** — Director - Ms Stella Wong
  - **Corporate Communications** — Director - Ms Leong Ee Leng
  - **Customer Services** — Dy Director - Ms Lam Fei Yen
  - **Legal** — General Counsel - Ms Meet Kaur
  - **Finance** — Director - Mrs Yeo-Lau Hui Tiang; Dy Director - Ms Rachel Chua
  - **Corporate Admin** — Director (cov) - Mrs Yeo-Lau Hui Tiang

BUILDING with HIGHER PRODUCTIVITY

STEP 01

Manufactured components are delivered to site. The first floor is constructed in concrete.

STEP 02

Prefabricated Prefinished Volumetric Construction (PPVC) modules are delivered to site. Dust and noise pollution were minimised as more activities were done off-site.

STEP 03

Stacking of modules, which looks like Lego. The UB system can help to significantly speed up construction, allowing construction duration to be reduced by about 50%.

It's about changing for the better.

Singapore's built environment sector is in the midst of an exciting transformation. High construction demand continue to fuel the industry's restructuring and growth. BCA rides the waves of change to anticipate and meet evolving challenges by adopting game-changing technologies and improving construction processes through introducing higher buildability and constructability requirements. It also continues to play an integral role in enhancing the quality of the construction workforce and regulating the demand and supply of foreign workers.

The Unitised Building (UB) system is a modular system where room-sized units complete with internal finishes, fixtures and fittings are manufactured in factories, and are then transported to site for installation and assembly to form completed apartments in a lego-like manner. We take a look at how the Little Hero project in Melbourne, Australia was built.

STEP 04

Building is near completion. Manufacturing transportable units off-site while on-site works progress allows for a parallel track construction programme, which can provide a higher quality end product significantly faster than traditional construction methods allow.

STEP 05

The project is complete! The construction time was reduced by close to nine months compared to a conventional build with the use of the UB system.

Educating Companies

BCA organised half-day courses to drive productivity awareness to small companies registered under BCA's Contractors Registration System (CRS). The BCCPE (Basic Concept In Construction Productivity Enhancement) course helped more than 8,600 participants, especially small firms, gain better knowledge on improving construction productivity.

Catalysing Change

BCA developed the Mechanisation Credit (MechC) online portal as part of its drive to further assist builders in their productivity journeys. To help builders familiarise with the online system and its functions before the launch, BCA organised briefing sessions which attracted more than 350 companies. BCA will be working together with the Singapore Contractors Association Limited (SCAL) to conduct regular hands-on training sessions.

Basic Concept In Construction Productivity Enhancement.

Elevating Industry Standards

BCA has established benchmark productivity indicators for 12 key trades in structural, architectural and M&E works that have high impact on productivity. BCA has also published a Builders' Guide on Measuring Productivity to help builders understand and measure productivity of these trades. BCA has also developed 10 videos to introduce productive construction technologies, methods and equipment. The videos are shared on BCA's website, seminars and courses to encourage firm to switch to productive trades.

Inspiring Industry Players

A new category was introduced at BCA Awards 2013 to give more recognition to developers, consultants and builders who play a crucial role in driving construction productivity within the built environment sector. Integrating the previous Construction Productivity Award (CPA) – Best Practices and Innovations and CPA – Value Added Productivity, the new category CPA – Advocates was given to six firms in 2013.

Strategic Roadmaps For Collaborations

With the public sector expected to contribute to more than half the construction output till 2020, public sector organisations such as HDB and LTA are key to BCA's construction productivity drive. Together with MND and BCA, key government agencies have formulated and put in place agency level construction productivity roadmaps, setting out the direction for their upcoming developments to meet the national construction productivity target of 20-30% improvement by 2020.

SEF Group's first Integrated Construction and Precast Hub (ICPH) is the first to be awarded under BCA as part of the government's initiatives to one that adopts highly productive technology and mechanisation.

Best ideas and practices were shared by industry experts at the Build Smart Conference.

Idea Exchange

BCA organised the third Singapore Construction Productivity Week (SCPW) celebrating productivity, innovation and technology in August 2013. The Week provided a platform for suppliers, developers, architects, consultants and builders to come together and exchange ideas in transforming the construction industry. It was packed with exciting activities including the Skilled Builders and BIM Competitions, BuildTech Asia, Build Smart Conference, International Panel of Experts - Building Information Modelling (IPE-BIM) Conference and the Productivity Race.

The Singapore Construction Productivity Week 2013 attracted more than 6,300 participants, who came from all over the world to share and learn about advanced construction technologies and trends in construction productivity.

Pursuing Innovation

• Building Innovation Panel (BIP)

As a champion of innovation in the built environment sector, BCA has been pushing for new and innovative technologies and bringing them into Singapore as early as possible. MND and BCA established a high level inter-agency group, the Building Innovation Panel (BIP), to facilitate expedient multiple agency evaluation and approval of innovative construction methods, processes and materials that will improve construction productivity. Participating agencies of BIP include BCA, HDB, JTC, LTA, MOM, NEA, PUB, SCDF and URA.

• Innovative Productive Technologies

Since the BIP was established, several innovative productive systems have been granted in-principle acceptance for use in building projects in Singapore. These include Cross Laminated Timber, Prefabricated Prefinished Volumetric Construction and Prefabricated Bathroom Units (PBUs).

(top right) PBUs can bring about manpower and time savings of about 60%, depending on the design and materials used.

(right) Pre-fabricated Volumetric Construction is a game-changing technology that enables manpower savings of up to 50% as compared to conventional construction methods.

Photo: Dianna Snape photography as supplied by Lend Lease

Cross Laminated Timber (CLT) can support heavier loads and be applied for structural and non-structural components in buildings. As it is flexible and light, it can be used for the construction of walls and even for floors, beams and columns and lift shafts.

Motivating Moves

• Balcony Bonus Gross Floor Area (GFA) Scheme

BCA, together, with URA have revised the Balcony bonus Gross Floor Area (GFA) scheme in November 2013 to reward developers who make the extra effort to strive for higher construction productivity. The objective is to achieve higher productivity by enabling all stakeholders across the entire construction value chain to work closely in the championing of the construction productivity drive, and to influence and direct the way buildings are designed and constructed downstream.

• Setting Higher Buildability Standards to Drive Productivity

To accelerate the adoption of more buildable designs and productive construction methods, BCA raised the legislated minimum buildable design and constructability requirements by three points each for all new private projects from 1st September 2013. In addition, higher minimum buildable design and constructability scores of additional five points and two points respectively were imposed on private developments on land sold under the government land sales programme (GLS and iGLS) from 15th October 2013.

With public sector projects forming a substantial part of the construction demand, public agencies are required to show leadership in adopting buildable designs and productive construction technologies. With effect from 1st September 2013, all new public sector projects were also required to score an additional five buildable design points and two additional constructability points above the new legislated minimum requirements. In addition, projects by key public agencies, such as HDB, JTC, MOH and MOE, are required to achieve even higher standards of three additional buildable design and constructability points.

As of end March 2014

CPCF committed	**S$166.40mil**
No. of firms which benefitted	**4,338** (744 big* firms 3,594 small* firms)
No. of applications approved	**49,844**
Breakdown of cumulative grant committed	Workforce Development: **S$49.74mil** Mechanisation Credit: **S$45.36mil** Productivity Improvement Project: **S$50.75mil** BIM Fund: **S$16.32mil**

**Big firms refer to CRS grade of B1 & above/ L6 and small firms refer to CRS grade of B2–C3/ L5 –L1. Numbers exclude multiple applications.*

BUILDING HIGHER STANDARDS OF REFINED QUALITY

It's about making constant improvements.

Expectations of construction quality have risen over the years, making it essential to adopt proactive initiatives to counter these challenges. BCA plays a proactive role in upholding quality and safety standards, raising the bar in sustainable design, and lending support to industry players in every possible area.

A good living environment helps workers to unwind after a hard day's toil.

Dorms with Standards

BCA currently oversees a total of 29 purpose-built dormitories for foreign construction workers. These purpose-built dormitories provide a conducive living environment, equipped with adequate social, recreational and commercial facilities to meet the workers' daily needs.

Engagement & Involvement

BCA promotes the Early Contractor Involvement (ECI) procurement approach to enable builders to constructively contribute to consultants at the planning and design stage of the project development. The objective is to enhance the downstream construction process and improve productivity. Towards this end, BCA has organised an awareness-building seminar and issued an ECI guide to government agencies. It will continue to provide advice and handhold the various building- and construction-related government agencies.

Productivity In Procurement Framework

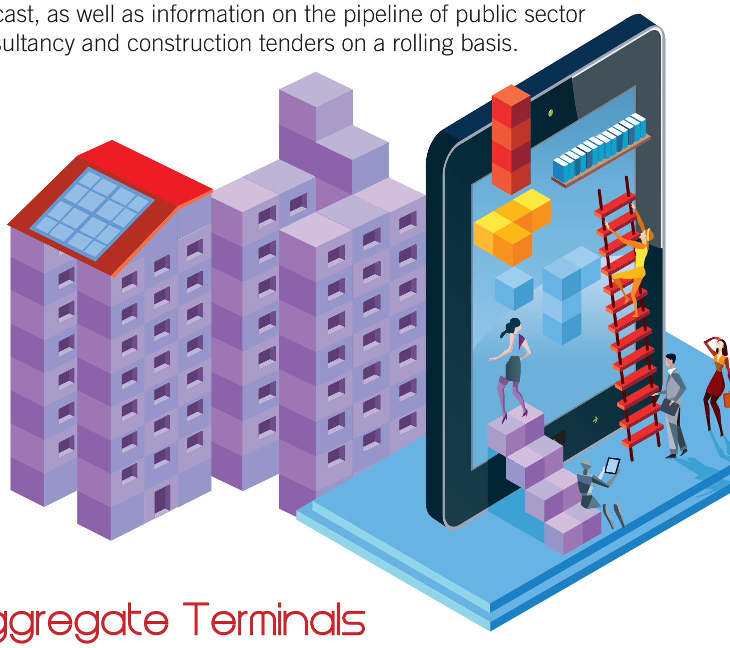
BCA has implemented the initiative of including productivity components as mandatory quality attributes under the Quality-Fee Selection Method (QFM) and Price Quality Method (PQM) framework from 15 July 2013. Progressive design firms which have achieved higher buildable design scores in their past projects would be given an advantage during the tender evaluation using the QFM. Similarly, progressive construction firms which have achieved higher constructability scores in their past projects would be given an advantage during the tender evaluation using PQM.

Encouraging Transparency

BCA continues to ensure that there is transparency, integrity and accountability in the system. The opportunity for corruption is minimised by administering the Contractors Registration System (CRS) for the whole public sector's procurement of construction services. Over 5,000 applications were processed under CRS respectively in 2013.

Market Watch

To maintain the infrastructure for a conducive business environment, BCA keeps a close watch on the construction market situation by compiling and monitoring a combination of factors and indicators to monitor current and expected industry situations. To facilitate industry players in their business decision-making and resource planning, BCA provides the industry with a three-year construction demand and output forecast, as well as information on the pipeline of public sector consultancy and construction tenders on a rolling basis.



Aggregate Terminals

To ensure a continuous supply of aggregates for construction use, BCA manages two aggregate terminals, located at Pulau Punggol Timor and Tuas South respectively. These terminals are instrumental in the import of aggregates.

A granite barge. Granite is used in the construction of buildings, bridges and exterior projects.

Innovative Pursuits

Construction Quality Assessment System (CONQUAS®)

Since its inception in 1989, more than 3,470 projects with a cumulative contract value exceeding $148 billion have been assessed under CONQUAS®. The average overall CONQUAS score rose to a peak of 87.5, compared to 77.3 a decade ago. There was a marked improvement in the quality of private and public housing with the average CONQUAS scores hitting a high of 90.7 and 88.5 compared to 80.1 and 78.7 respectively for the same period.

Since 2007, more than 900 managers and supervisors have been trained under the certified CONQUAS/QM Managers course. Many countries such as Malaysia, Hong Kong SAR and South Korea have also adopted quality assessment systems based on CONQUAS®. Overseas demand for projects to be assessed under CONQUAS®, especially from Malaysia, continues to be strong. It is often promoted by Singaporean developers, contractors and consultants venturing abroad.

The Second Quality Master Plan

BCA developed and launched the second Quality Master Plan in May 2013. It is driven by five key strategic thrusts and aims to improve both quality and productivity by leveraging productive methods and technologies.

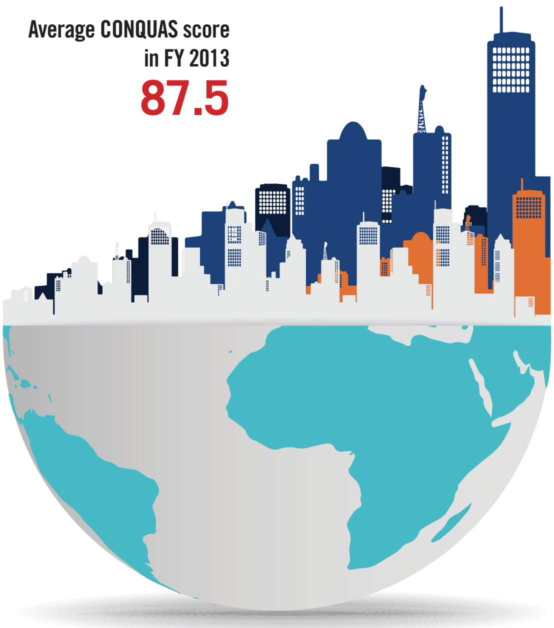
Quality Mark for Good Workmanship Scheme

The BCA Quality Mark (QM) for the voluntary Good Workmanship scheme was introduced in 2002. Based on CONQUAS® standards, it measures the quality of workmanship in each newly completed residential unit and certifies its condition at the time of assessment.

Checking for evenness of the flooring. The use of a paperless recording system is more efficient, environmentally friendly and accurate.

Each unit must meet stringent finishing standards and most importantly, all bathrooms are tested for water-tightness, before it can be QM certified. A BCA QM certified home provides the assurance that the property has met the highest workmanship quality standards. To date, close to 68,000 private residential units has been committed by the industry to the scheme, and the figure is rising.

Average CONQUAS score in FY 2013
87.5



Highest CONQUAS score
97.9

95% CONQUAS penetration rate in Singapore for private residential and commercial projects.

CONQUAS in an international standard registered or used in 8 countries and counting (The mark is registered in 8 countries viz Malaysia, Thailand, China, Hong Kong, Australia, India, South Africa & United Kingdom).

Close to 68,000 private residential units in Singapore are committed to QM to date.

BCA Construction Excellence Award (CEA)

In its 28th year of competition.

Has given out over 222 Awards and 204 Certificates of Merit from 1986 to 2013.

For 2014, there were 13 Awards and 16 Certificates of Merit.

BUILDING with HEART for the COMMUNITY

It's about constructing a better life for everyone.

In the drive to build a more inclusive society, BCA leaves no stone unturned to create a future-ready built environment, based on the blueprint of Universal Design (UD), or "design for all people". The main thrust of this creative direction is to anticipate and answer the needs of a fast-ageing population.

Code review to benefit the community.

Rethinking Accessibility

BCA led a committee to review the Code on Accessibility to incorporate new requirements that will benefit a wider spectrum of people, including the elderly, the young, parents with infants and the disabled. During the month-long public consultation on the draft Code, relevant suggestions were incorporated into the Code before it was launched in August 2013. To give industry stakeholders a better understanding of the changes to the Code, a briefing session involving about 500 QPs was held.

The UD Parade at Sentosa Broadway saw strong participation from the industry, members from the disabled community and the general public.

Promoting UD

BCA strongly encourages building professionals and developers to incorporate UD as a key component into their building design and operation. Training is provided through a four-day UD Assessor course, which adopts a multi-disciplinary training approach through classroom teachings and hands-on workshops which foster a deeper appreciation of UD concepts and its application in the built environment. BCA has trained 265 industry professionals in six runs.

Proud UD Parade participants.

Included Movement

To promote the concept of Universal Design, BCA launched the Included Movement, a nation-wide initiative aimed at encouraging industry stakeholders to incorporate Universal Design (UD) concepts in their projects. As part of this initiative, YouDee Town exhibitions in Marina Square and Ang Mo Kio Hub were held during the year to enable Singaporeans to have a first-hand experience of public and private spaces that are friendly for people of all ages and abilities. To support the UD exhibitions, BCA ran the Unify to Udify publicity campaign on various platforms such as social media, roadshows, as well as carried out ambient marketing. As part of the Included Movement, we also successfully organised the UD Parade at Sentosa Boardwalk in which 200 participants, including our friends from Lions Befrienders, Singapore Association of the Visually Handicapped and Society for the Physically Disabled, took part in the UD Parade.

The roving "Yoodee" exhibitions were well-received by the public.

Accessibility Fund

BCA has been actively pushing for accessibility upgrading for existing pre-1990 buildings through the S$40 million Accessibility Fund. The Fund provides grants to owners of existing private buildings to defray the costs of accessibility improvements in their buildings. It could be used to cover part of the construction costs for basic accessibility features, as well as elder- and family-friendly facilities. BCA has received 166 applications since the Fund began in 2007.

Affirmative Mark

BCA introduced the Universal Design Mark to accord recognition to forward-looking developers, building owners and designers who make extensive efforts in applying UD principles and implementing user-friendly features in their projects. Since the launch of the Mark in October 2012, BCA has received a total of 59 applications. The increase in participation to this voluntary certification scheme indicates the industry's increasing awareness of UD practices and the benefits of UD applications.

The Interlace was awarded the UD Mark Platinum in 2013 for its considerate planning and design strategies.

Gardens By the Bay was awarded the UD Mark Platinum in 2013 for its seamless integration and connectivity.

BCA CEO Dr John Keung reiterates our commitment to service excellence on our annual Service Excellence Day.

Commitment To Service

The Customer Services Department led a review of BCA's service processes, touch points and systems in 2013 and produced a service improvement blueprint to guide the organisation towards making a quantum leap in service delivery. Service improvement projects were initiated to enhance BCA's service standards, operational processes and online applications. BCA's new service commitment is "We deliver effective solutions through C.A.R.E." This reflects BCA's recognition of the importance of helping customers to resolve matters and providing them with feasible alternatives when needed.

Corporate Social Responsibility Scheme (CSR)

In line with our core value of We Care, BCA staff organised more than ten volunteer trips to various charities and homes since the staff-initiated Corporate Social Responsibility Scheme began in 2013. These include gifts for needy children, distribution of packed food to the elderly, festive celebrations for the lonely as well as carrying out repair works at premises. Additionally, we also tied up with the industry to carry out a free makeover for the Singapore Association of the Visually Handicapped in 2013.

BCA staff demonstrating our core value of " We Care".

BUILDING a SUSTAINABLE FUTURE

It's about creating a better built environment for the next generation.

BCA advocates a holistic approach in steering Singapore's built environment towards a higher level of sustainability. This is achieved through an optimal combination of innovative design and the application of advanced building technologies.

BCA CSB'S first publication gives an overview of building energy efficiency initiative in seven contingents in the South East Asia region.

Thought Leadership

The annual Singapore Green Building Week was held in September. Events during the Week included the flagship International Green Building Conference, the Sustainable Building Conference 2013 (SB13), tradeshow BEX Asia and World Engineers Summit. The conferences were well attended with strong local, regional and international participation. During SB13, BCA CSB also launched its first publication titled Using Less, Getting More: An Overview of Building Energy Efficiency Initiatives in SE Asia Region.

Combating climate change together: NAMA Development for the Building Sector in Asia

BCA's partnership project with the United Nations Environment Programme (UNEP), "The Nationally Appropriate Mitigation Action (NAMA) Development for the Building Sector in Asia" underlines its commitment to assist developing countries in the region to combat climate change. Over the past year, a series of national/country-specific and common workshops have been held in each of the four participating countries, namely Indonesia, the Philippines, Thailand and Vietnam, to identify and evaluate actions for the four priority countries. Subsequently, UNEP and BCA CSB will assist countries to develop building sector mitigation actions which may lead to formal NAMAs, provide measurement, reporting and verification (MRV) tools, and create an overall framework to support NAMA development by these countries, including a regional support network for building sector-specific mitigation actions.

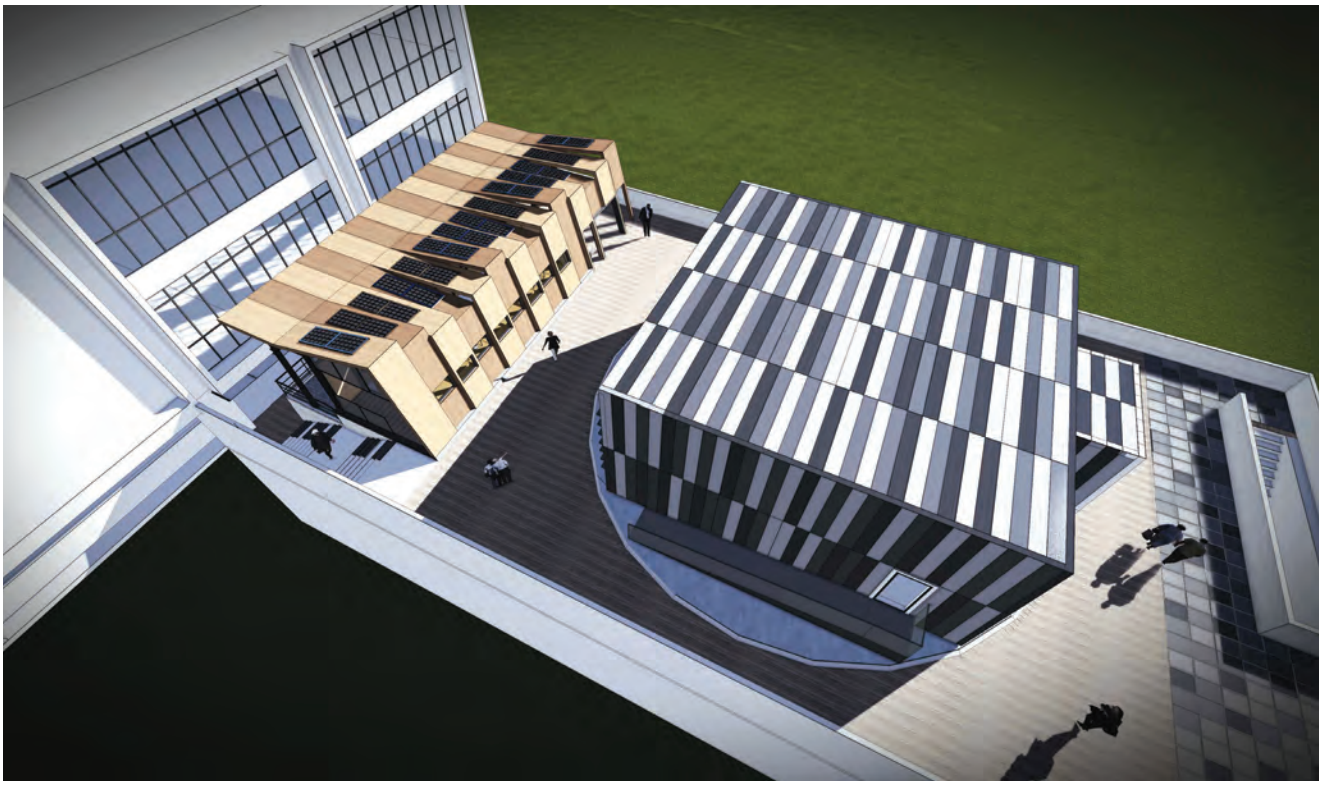
BCA works closely with international organisations to play our part in fighting climate change.

Green Building Research, Development And Demonstrations (RD&D)

Setting the stage for Singapore's next Green Building Frontier

BCA led a multi-agency effort to develop a R&D roadmap on building energy efficiency in Singapore. Funded by National Research Foundation (NRF) with support from National Climate Change Secretariat (NCCS), the roadmap development was carried out by Energy Research Institute @NTU (ERI@N) - the appointed roadmap consultants.

The developed roadmap had helped to chart a viable pathway towards wide-scale deployment of energy efficient building solutions by leveraging technology and addressing barriers to implementation.



The rotatable lab at BCA Academy will be the first rotating research facility in Asia. Its novel design will allow the solar impact on wall surfaces to be assessed, thus simulating the actual building site location with ease.

Rotatable Lab in the Sky

Taking reference from Lawrence Berkeley National Lab's FLEXLab initiative, BCA will develop a rotatable lab simulating an office environment with flexible plug 'n' play configuration to facilitate test-bedding of emerging green building technologies at the BCA Academy. The rotatable lab will complement the Zero Energy Building (ZEB) as a research and test-bedding platform for local green vendors to test-bed innovative technologies, share knowledge and develop expertise and solutions that are adapted to climatic conditions in the tropics.

Driving Sustainable Construction

Sustainable Construction (SC) initiatives focus on the adoption of materials and products in buildings and construction that will consume less natural resources and increase the reusability of such materials and products for the same or similar purpose. BCA drives sustainable construction through efficient design to optimise use of natural materials, and waste minimisation through recycling and up-cycling.

Waste Minimisation through Recycling and Up-cycling

BCA collaborated with Samwoh to study the feasibility of utilising up to 100% Recycled Concrete Aggregate (RCA) for the construction of the Samwoh Eco-green Building. The building project, which had already won many accolades, was awarded the 2013 Minister's R&D Award for the innovative use of RCA for the building's various components.

RCA can be used for road base construction, utility trench reinstatement as well as building construction.

RD&D incentives/schemes

In 2013, new funding programmes were launched to boost the research culture within Singapore's green building industry, evolving to match the incentives and motivations of entrepreneurs and investors alike. They include a thematic grant call of S$15 million secured from the Energy Innovation Programme Office (EIPO) for building energy efficiency, as well as a S$5 million, two-stage Innovation Grant (iGrant) for green buildings scheme which supports small-scale R&D technology developments for firms.

At the same time, the Sustainable Construction Capability Fund was enhanced to support the development of Building Information Modelling (BIM) add-on tools to facilitate and automate Concrete Usage Index computation from both architectural and structural BIM models.

Commercialisation of Inventions and Transfer of Technology

Related R&D activities under BCA funding initiatives, such as technology transfer and commercialisation of green buildings, have started to bear fruit.

Green Mark Achievements at a glance

BCA GREEN MARK

Greened 24% of Singapore's building stock, equivalent to Gross Floor Area of 58.3million m^2.

More than 230 overseas applications for Green Mark from 71 cities in 15 countries, of which Green Mark has established its presence in 5 new countries - Sri Lanka, Laos, Korea, Cambodia and Australia

Funtasy Island Resort from Indonesia was certified as a BCA Green Mark District

More than 10,000 delegates from close to 60 countries attended the International Green Building Conference and BEX Asia 2013

2 new Government Land Sales (GLS) projects were awarded Green Mark Platinum status, bringing the total number of GLS sites to 11, and a total green GFA for GLS projects in excess of 500,000m^2.

Total of 63 public sector projects were certified Green Mark Platinum, with 17 projects being certified in FY13.

Achieved milestone of 100 Office Interior Projects; non-building project certifications reached 120 (equivalent to GFA of 2.3million m^2) by 31 March 2014.

International Star (I-Star) Award

In recognition of the commitment and achievements of BCA's push for green buildings in Singapore, BCA was conferred the I-Star Energy Efficiency Award, making Singapore the first country in the world to receive this prestigious award beyond US and Europe.

BCA CEO, Dr John Keung, receives the award from U.S. Senator Mark Warner (Virginia), who is the Alliance to Save Energy's Honorary Chair.

New Green Mark Schemes

Aside from increasing the take-up rate of the Green Mark scheme for the building core, BCA also pushed for greater adoption of Green Mark schemes with new schemes such as Green Mark for new Data Centres and Healthcare to better serve the diversity of building types locally.

NTUC Fairprice is the pioneer partner of the Green Mark Portfolio scheme.

Green Mark Portfolio & Green Partnership Programmes

Launched in Sept 2013, the programme aims to promote cluster-based sustainable energy consumption behaviours of occupants and tenants. BCA also partnered with six key developers - Ascendas, CapitaLand, CDL, Keppel Land, Lend Lease & Mapletree - to further engage tenants to reduce the environmental impact of tenanted areas with the Green Partnership programme.

Implementation of Landmark Legislation for Existing Buildings

The Building Control (Environmental Sustainability Measures for Existing Buildings) Regulations 2013 was gazetted on 1 July 2013 to set minimum standards for existing buildings and mandate periodic energy audits of building cooling systems. The regulations that took effect on 2 January 2014 will ensure that buildings in Singapore are built and operated efficiently throughout their lifecycles. A BCA energy auditor scheme was also established to accredit qualified energy auditors to support the legislative requirement on carrying out periodic audit of building cooling systems.

Site measurement and verification of chilled water temperature sensors.

Extension of Building Retrofit Energy Efficiency Financing (BREEF) Scheme

The pilot BREEF scheme facilitates financing for the purchase and installation of energy efficient equipment or renewable energy systems for existing buildings in Singapore, with a default risk sharing by BCA to mitigate credit risks and motivate financial institutions to lend for such retrofits. In its initial phase covering non-residential buildings, the scheme facilitated the financing for six projects, totaling over S$9 million to-date. The second phase of the BREEF scheme has been extended to residential buildings from 1 April 2014.

Raising the Facilities Management Industry Professionalism

To raise the facilities management industry's professionalism, the Green Mark Specialist scheme was expanded to include the Green Mark Facilities Professional (GMFP). Facilities managers were also recognised for their important role and contribution in the management of green buildings.

Mr Anthony Goh from CDL and Mr Lim Tow Fok from Keppel Land are the proud winners of the Green Facilities Manager of the Year Award 2014.

BCA Green Mark for Office Interiors: Outreach

To effectively engage office tenants and increase the demand for green offices, BCA launched the "Tour of Green Mark Offices" in July to promote sustainability practices and features of a Green Mark office interior to office occupants.The take-up rate for the first tour was encouraging as the slots were snapped up very promptly. The tour also received very positive feedback from the participants.To complement the tours, BCA also launched the BCA Green Mark for Office Interiors for Dummies, which provide useful tips for environment-conscious firms who are keen on greening their offices but are not aware of how to do so.

Green Shots 2 : Photography Competition

The popular competition, which focuses on BCA Green Mark buildings and built environments, presented photography enthusiasts with the opportunity to showcase their skills while identifying and learning about BCA Green Mark certified buildings. It also allowed the public to appreciate such buildings and their surrounding environments from an aesthetic angle. A total of 1,981 entries were received and the Green Shots website had 12,641 unique visitors during the competition period.

Some of the top winning entries.

Our vision is to become " A global leader in green buildings in the tropics and sub-tropics – enabling sustainable development and quality living."

An exhibition visitor learns about Singapore's green building journey over the years.

Mission trip to Fuzhou.

Overseas Conquests

BCA organised nine mission trips last year which saw participation from more than 30 companies. These trips allowed local firms to explore identified project leads, gave them the opportunity to profile their niche expertise directly to specific project partners, as well as expanded their network of potential business partners.

Three Memoranda of Understanding (MOU) were also signed with agencies in China and India to set the stage for collaboration between countries. With these platforms established, firms were able to tap on the available channels to gain access into their target markets.

In addition to business trips and MOUs, business seminars were also organised to equip our firms with knowledge of overseas business environments. The business seminars, which were attended by over 250 industry players, shed light on the opportunities and risks in the various target markets, enabling firms to better assess their positions before embarking on their overseas ventures.

Through our efforts in direct facilitation, our firms managed to successfully clinch S$4 million worth of projects from India, China and Thailand for FY 2013.

MOU signing with Confederation of India Industry.

The BCA green pavilion at Indonesia's Greenright Conference and Expo.

Greening Singapore

ON THE GROUND:

To entrench Singapore's foothold as a leader of green buildings in the tropics and subtropics, BCA has been actively profiling Singapore as a green building solutions hub. A total of eight green pavilions (including BCA Pavilion at BEX Asia 2013 and US Greenbuild 2013) and three green forums were organised overseas last year to promote BCA's capabilities in sustainability issues. Singapore firms who participated in the pavilions and forums were also given the opportunity to market their businesses and share their green products and consultancy services. This enabled firms to create market awareness, thereby establishing their presence in overseas markets.

IN-PRINT & ONLINE:

BCA also launched the inaugural issue of Build Green Magazine (Chinese version) and igreenmark.com, a Chinese website detailing information on Green Mark schemes and relevant case studies. The initiatives will strategically position BCA to reach out to more Chinese firms, in terms of BCA's Green Mark scheme, as well as our homegrown green building solutions firms.

BCA green forum in Guangzhou.

BUILDING with PEACE OF MIND

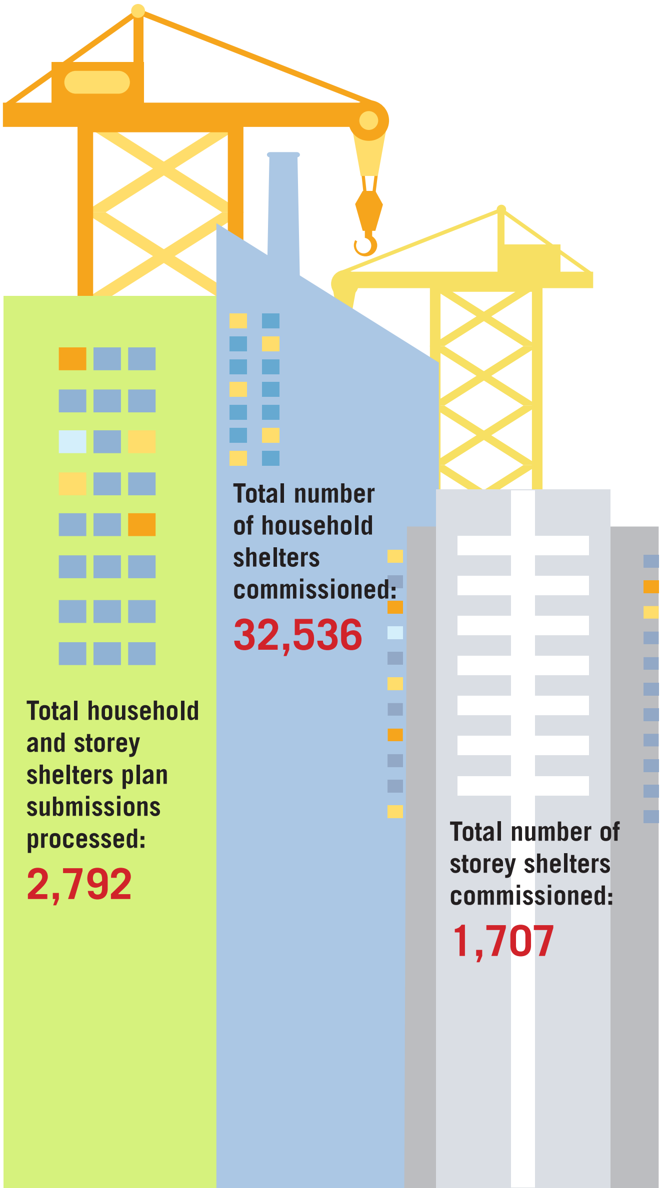
It's about feeling safe at home.

BCA works closely with government agencies as well as the industry to enhance the safety of buildings and public infrastructure so you can get home, safely.

Civil Defence Shelters

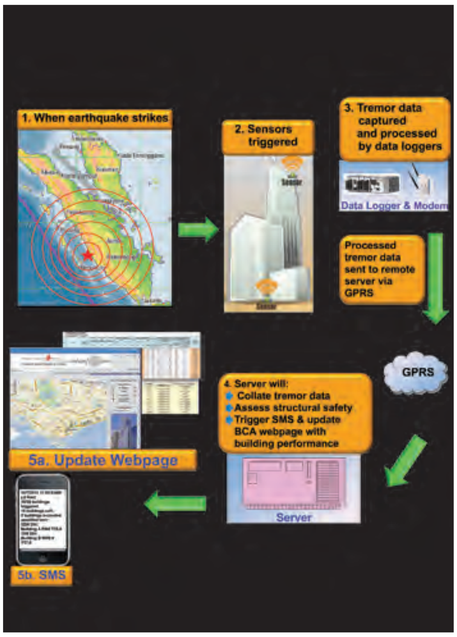
Apart from supporting the National Civil Defence Programme, BCA led the construction industry in raising design efficiency and construction productivity of household shelters. BCA also regulates the design and construction of household, storey, staircase and MRT shelters.

Production of modulated household shelter with lesser steel moulds at factory.



Tremor Monitoring And Data Management

BCA embarked on the development of a tremor monitoring system with enhanced features and functions. One of the highlights is the capability to automatically generate structural assessment reports of instrumented buildings and graphs. These will show the trend of building response to various tremor intensities resulting from neighbouring earthquakes.



Management Of Infrastructure Development

BCA managed several infrastructure development projects, including the construction industry park at Pulau Punggol Timor, the widening of Jalan Bahar and a new major sewer line, as well as the development of infrastructure for the Tuas Concrete Site (TCS) to house the ready-mix batching plants. BCA also successfully maintained 14.6km of foreshore structures for MND, a 3.6km increase from last year. As part of its continuous improvement effort, BCA also introduced a more comprehensive inspection regime that facilitates the assessment of the extent and locations of structural defects on foreshore structures.

The Lead Agency For Coastal Protection

BCA has served as the lead agency to oversee the development of coastal protection strategies together with other government agencies since 2008.

A BCA officer conducting checks on a seawall, which protects areas of human habitation, conservation and leisure activities from the action of tides and waves.

Initiatives For Developing A Robust Coastline Protection Regulatory System:

BCA initiated a Risk Map Study (RMS) which identifies the coastal areas that could be affected by sea level rise in the long term.

After conducting the RMS, results will be used for the Coastal Adaptation Study (CAS) which aims to develop the long term strategies to protect Singapore against sea level rise. The inaugural International Panel of Experts (IPE) workshop for the CAS was held in January 2014 to endorse the study approach and methodology.

Private Estate Upgrading

As a managing agent for MND, BCA manages the Estate Upgrading Programme (EUP) for 37 private estates which are at various stages of planning, consultation and construction works.

The construction of upgrading works for 14 estates have been completed to date. BCA also managed the Interim Estate Upgrading Programme (I-EUP) for all private estates in three cycles.

Mandatory Structural Inspection

BCA serves Periodic Structural Inspection (PSI) notices on building owners to engage Professional Engineers to conduct visual inspections and recommend appropriate repairs as necessary.

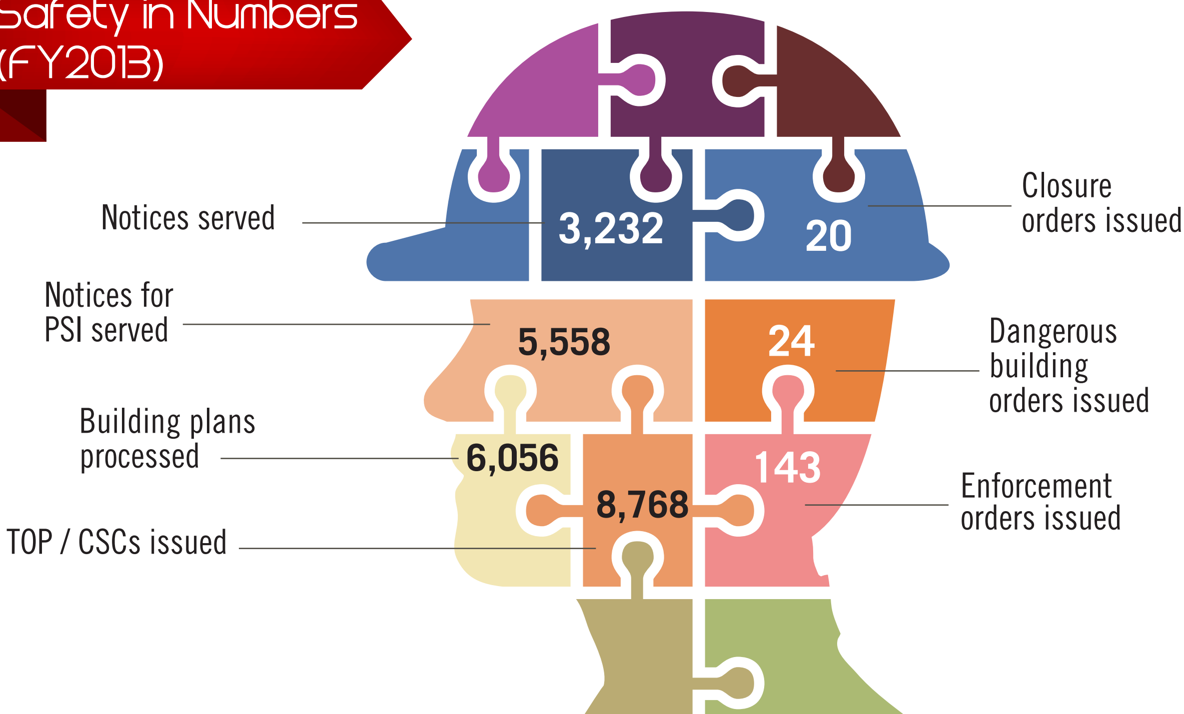
Building Plans For Development

BCA approves building plans for development before the commencement of the building works and grants Temporary Occupation Permits (TOP) and Certificates of Statutory Completion (CSCs) upon their completion.

Orders On Immediate Rectification

Where buildings or slopes are damaged or found with structural defects, BCA issued orders requiring building owners to immediately rectify the defects. Closure order to vacate parts or entire buildings would be served where necessary to facilitate detailed investigation by the owner's Professional Engineer and carry out permanent rectification works.

Safety in Numbers (FY2013)



Engaging Private Estate Residents

As part of our regular outreach programme, BCA has issued 15,869 advisories since 2007 to house owners to remind them to carry out regular inspections and carry out preventive maintenance of their slopes and retaining walls. In 2013, BCA held a weekend dialogue session with residents of Mayfair Binjai Park Estate to emphasise the important role they play in ensuring the safety of their slopes.

Dialogue with house owners on slope safety.

The team behind the scene.

Window Safety Roving Exhibition

In 2013, BCA doubled its efforts and conducted 20 window safety roving exhibitions to educate homeowners on window maintenance tips. Besides face-to-face interactions and demonstrations on the mock-up windows, homeowners also had the chance to have hands-on experience to learn how to check and maintain their windows at home. Besides visiting the exhibition booth, homeowners also got to learn about the three simple steps to Check, Clean and Change their windows through the window safety brochure distributed during the roving exhibitions.

BCA officer showing Minister for National Development Khaw Boon Wan the steps to check casement window with the use of a mirror.

More frequent checks are conducted on rides with higher usage.

Demolition Works

The new requirement on plan approval of demolition works plans was implemented on 1 April 2014. This new requirement serves to enhance the structural safety of demolition works.

Benchmarking Study

BCA carried out an international benchmarking study in 2013 to ascertain if Singapore's building control system on structural safety were on par with that of advanced cities. The study, which covered the entire building life cycle, revealed that the Singapore system met international standards.

Eurocodes Migration

With effect from 1 April 2015, building professionals in Singapore must adopt the Eurocodes for structural design. BCA has granted building professionals a two-year transition period to help familiarise themselves with the new codes which comprises series of 10 European Standards. This is part of BCA's on-going efforts to align Singapore standards with the international benchmark and upgrade the industry's expertise. In the meantime, BCA will continue to conduct regular courses on Eurocode design.

Amusement Ride Safety

BCA has been regulating the safety standards of local amusement rides since 2011. In order to improve the rides' safety standards and to stay updated with best industry standards, the Amusement Rides Safety Regulations were amended and came into operation on 1 April 2014. Under the Act, rides at private clubs and private residential estates are now included and regulated. Operators of bungee devices and reverse bungee devices are also required to comply with additional requirements regarding the expiry of bungee cords and storage location.

Steps To Ensuring Safe Construction

BCA officers conduct selective inspections and blitzes during critical stages of the construction works to ensure that different parties working on the project, including builders, carry out their duties diligently.

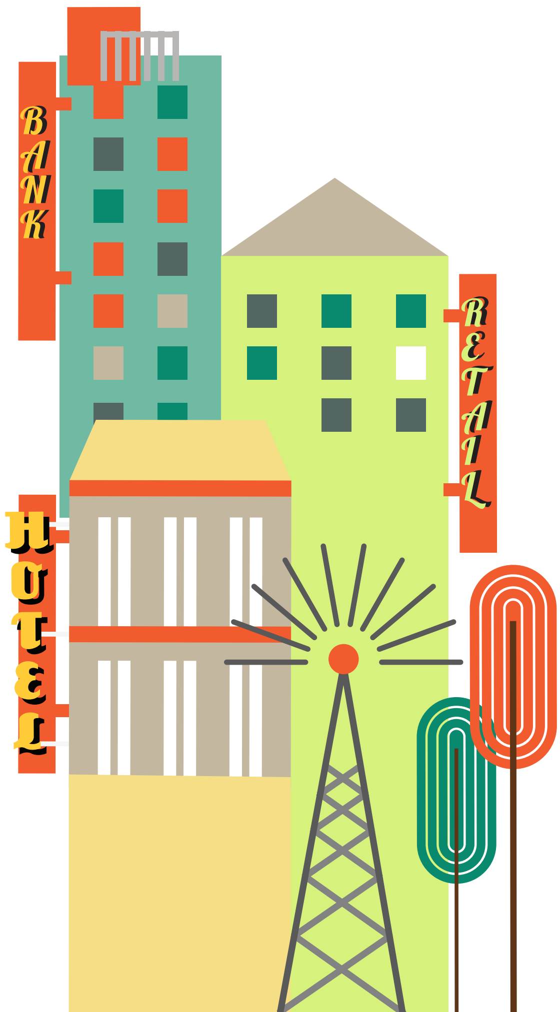
Energy Efficiency Regulations

BCA has implemented the new energy-efficiency requirements for existing buildings that are necessary for pushing Singapore towards its national carbon emission mitigation targets. Firstly, all existing hotels, retail and office buildings with a gross floor area of 15,000 square metres or more must achieve minimum Green Mark standards when they undergo any major retrofitting of the central cooling equipment. Secondly, building owners must engage a registered auditor to carry out audits to ensure that the operating efficiency of their cooling systems is at an acceptable level at three-yearly intervals. Last but not least, the Commissioner of Building Control may require the owner and utilities supplier of a building to provide energy-related information for the purpose of monitoring its energy efficiency and environmental sustainability.

Chiller plant at the National Institute of Education, Singapore.

Design Guidelines

To help prevent reflectivity and exterior glare problems, BCA prohibits the use of any material with a daylight reflectance exceeding 20% on the external surface of buildings. This refers to the sum of both the specular and diffuse reflections of the material. Submission of test reports from an accredited laboratory may be required before issuing the temporary occupation permit or certificate of statutory completion of any new building.



Review Of Building Maintenance And Strata Management Act

The Building Maintenance and Strata Management Act (BMSMA) provides a self-regulatory framework for the management and maintenance of strata-titled developments in Singapore. During the year, BCA carried out an extensive consultation exercise on a list of proposed amendments to the BMSMA, for which a total of 117 respondents gave their views and comments. As part of our outreach initiatives, BCA took part in three dialogue sessions to share on key areas of the BMSMA.

BUILDING with EMPOWERING KNOWLEDGE

It's about learning and working together.

The built environment industry is in the midst of an exciting transformation. To keep ahead of the curve, BCA has formed new partnerships and put in place manpower development programmes covering all levels of the workforce to attract and retain talent in the sector.

Educational Efforts

Building a Quality Workforce

To ensure that Singapore has a ready pool of highly qualified professionals to meet the diverse needs of stakeholders, BCA Academy, the education and research arm of BCA, provides a full spectrum of training and education programmes to equip professionals, managers, executives, and technicians with the knowledge, skills and competency needed to operate effectively to create a future-ready built environment.

In 2013, 615 students graduated from BCA Academy. Armed with their specialist diplomas and diplomas, these graduates will be able make a big difference in the built environment sector – a sector that is important to Singapore's economic development.

Partnership With Top-ranked Institution

In recent years, BCA Academy has been leading efforts in training personnel in areas such as green buildings and Building Information Modelling (BIM). In 2014, BCA partnered Stanford University's Centre for Integrated Facility Engineering to offer a Virtual Design and Construction (VDC) leadership development programme.

Upcoming State-of-art Campus At Bishan

BCA Academy will be expanding the campus grounds to include experiential learning where the latest technologies will be incorporated into the teaching curricula. To be operational in 2015, the new 10-storey building has been awarded Green Mark Platinum status.

New blood for the built environment sector.

Developing Sectoral Manpower

Building a Steady Pipeline of Local Talent

To attract local talent to join the built environment sector, BCA has put in place a comprehensive suite of scholarship and sponsorship programmes for all levels of the workforce. The inaugural Built Environment ITE Scholarship saw a sizeable batch of 163 recipients, reflecting students' growing awareness and interest in the built environment sector. In FY2013, the various scholarship, sponsorship and apprenticeship programmes attracted more than 640 students and jobseekers to opt for built environment courses and careers.

Rebranding Roadmap

BCA and the industry have jointly formulated a five-year Rebranding Roadmap. The initiatives under the Roadmap aim to enhance awareness and attraction to the built environment sector, as well as to fundamentally transform the way it operates to offer better work conditions and human resource practices.

Ensuring Supply Resilience of Skilled Workforce

BCA has expanded the test certification capacity at the Overseas Testing Centres (OTCs) to 31 OTCs in seven countries, with the addition of Sri Lanka & Philippines as new source countries. To meet the industry manpower needs, BCA has made 30 structural, architectural and M&E trade tests available at the OTCs.

One of the new OTCs - Fonda Global Engineering in Sri Lanka.

Building a Skilled Workforce

Building a Quality Workforce

Since introducing the new registration class of CoreTrade Supervisor in 2012, about 1,400 experienced construction personnel have successfully completed the supervisor course and registered as CoreTrade Supervisors. In October 2013, BCA implemented the Continuing Education and Training (CET) requirements for the renewal of CoreTrade and Multi-skilling registration. To facilitate the upgrading of the construction workforce, BCA has appointed 28 Approved Training and Testing Centres (ATTCs) in Singapore in addition to BCA Academy, offering 49 trade tests for workers to undergo training and skills assessments. BCA has also appointed 14 of these ATTCs to provide Continuing Education and Training (CET). In addition, the Workforce Training and Upgrading (WTU) scheme under the Construction Productivity and Capability Fund (CPCF) has helped industry players to defray the costs of training and upgrading. To date, about 55,000 WTU applications have been received and S$15 million has been disbursed to more than 4,000 firms in the built environment sector.

Trade tests at the approved ATTCs in Singapore include the installation of fire sprinkler systems.

Developing our people

Building Future Leaders

In 2013, a Leadership Development Package was rolled out for our middle and senior management with a focus to build up leadership capability. Core competency and staff development programmes have been enhanced to build up expertise in our specialist areas and cater to developmental needs of staff of all levels.

Staff can look forward to a new e-learning management system that will automate the existing training workflow, facilitate greater ownership in personal learning and professional development, and enable tracking and reporting of key performance indicators.

BCA staff Goh Ah Guan has advanced the career ladder from AP scheme to MX scheme and is currently appointed as a Senior Manager in the Manpower Development Department.

Career progression

The Associate Professional (AP) scheme was introduced in 2007 to facilitate the progression of officers on the Technical Support Scheme (TSS) and the Training Officer Scheme (TO). Better performing and highly motivated technical staff who are able to take on more challenging jobs were selected to join the AP scheme. In 2014, this scheme was extended to officers on the Extended Management Support Scheme (EMSS), which gives the better performing APs a chance to progress to the Management Executive (MX) Scheme. Nine officers have been converted from the AP scheme to the MX scheme to date.

Employee Well-being

To enhance staff well-being and promote work life balance, BCA has also implemented various new initiatives including staggered working hours, telecommuting, enhanced leave benefits and free annual basic health screening, and has renewed the Collective Agreement (CA) with the Amalgated Union of Statutory Board Employees (AUSBE).

Recognising Organisational Excellence

HR Awards

BCA has been conferred the Singapore HR Awards 2013 for Performance Management (special mention), in recognition of the innovative initiatives under our Performance and Recognition System. Both our CEO and Group Director (Manpower and Strategic Policy) were also conferred Leading CEO and Leading HR Leader awards respectively. With the recognition, BCA is poised to move towards the target of being the "Employer of Choice".

SINGAPORE QUALITY AWARD *for business excellence* 2013 WINNER

Singapore Quality Award

In October 2013, BCA won the Singapore Quality Award (SQA) given to organisations that achieve high performance under SPRING's business excellence framework. The framework assesses firms in terms of their leadership, planning, people, processes, information and customer management. The SQA framework has spurred BCA to put in place many initiatives to build People Excellence and be an employer of choice.

ACKNOWLEDGEMENTS

BCA would like to thank the following organisations for their assistance in the annual report pictures:

Frontier Sports Pte Ltd

Leisurequest Pte Ltd

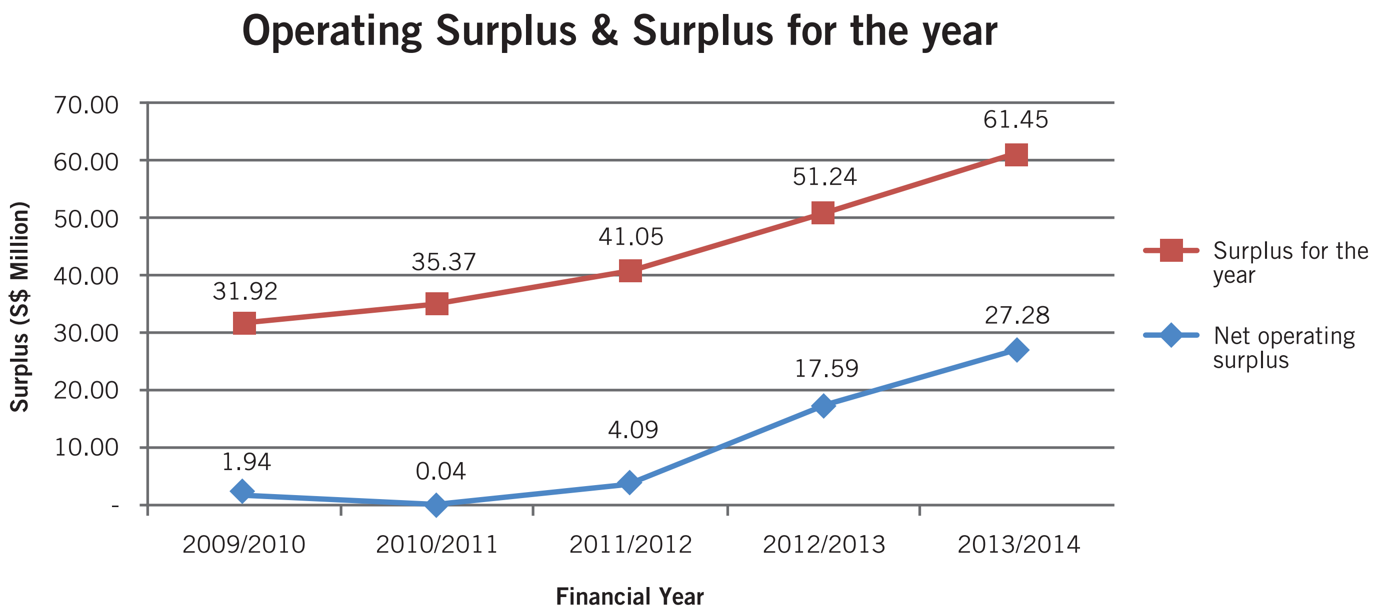
Shimizu Corporation

BUILDING AND CONSTRUCTION AUTHORITY AND ITS SUBSIDIARIES

Financial Report 2013/2014

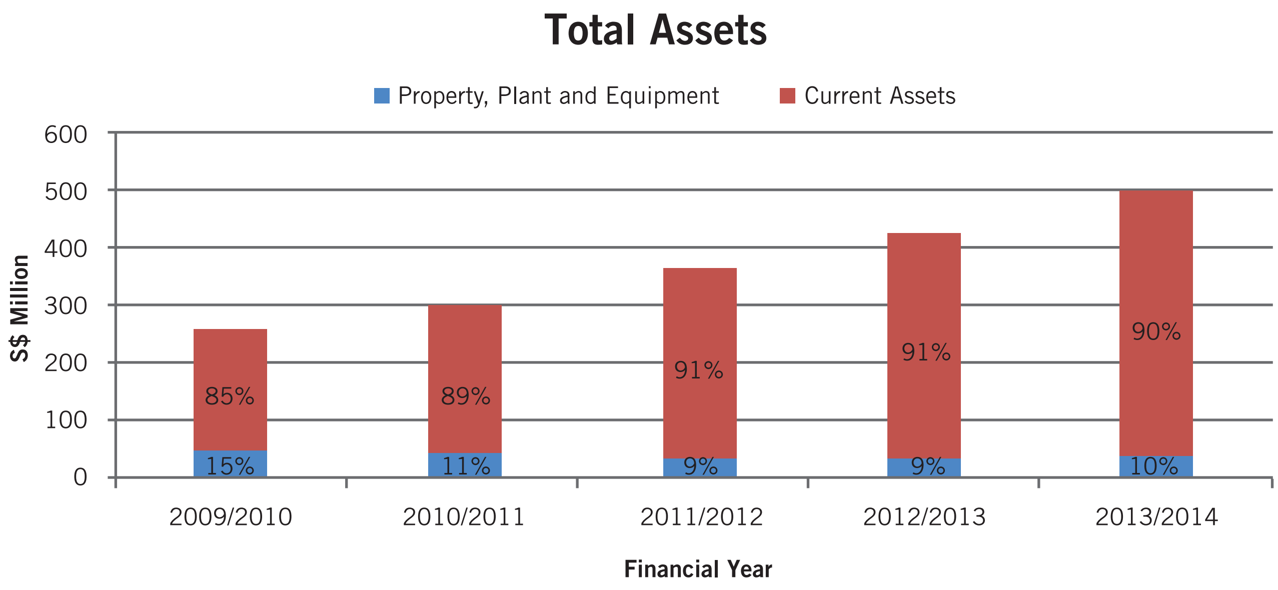
Five-Year Financial Summary

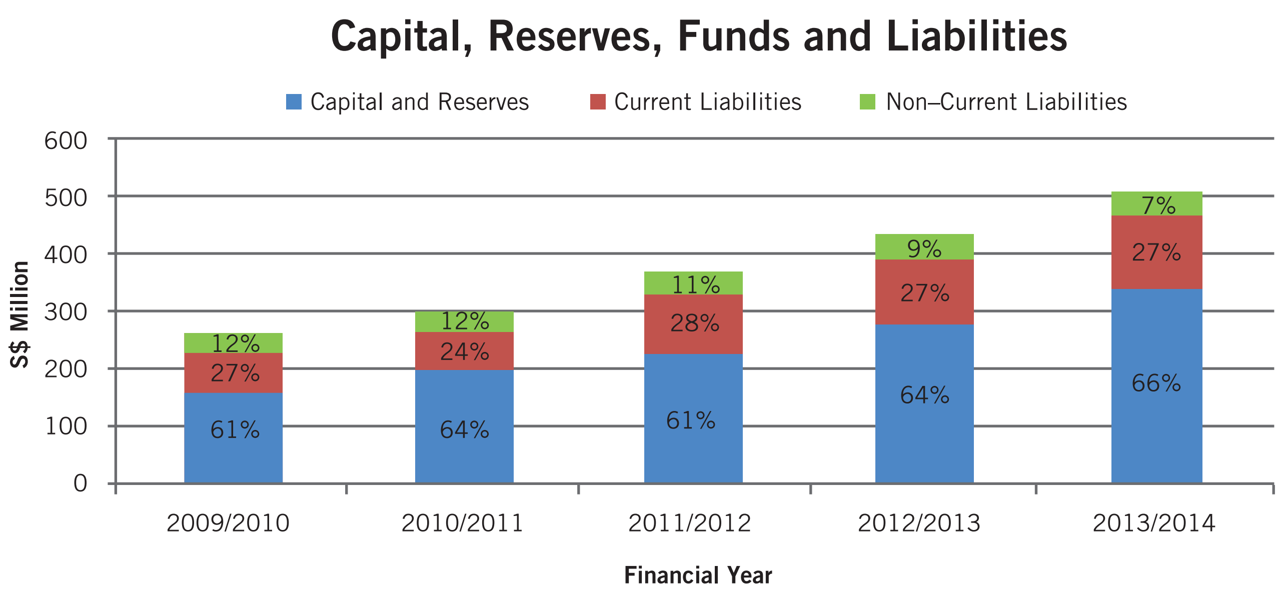
	The Group				
FINANCIAL RESULTS	**2009/2010 S$' 000**	**2010/2011 S$' 000**	**2011/2012 S$' 000**	**2012/2013 S$' 000**	**2013/2014 S$' 000**
Operating income	103,763	122,495	**152,946**	**195,229**	**236,681**
Operating expenditure	101,820	122,458	**148,855**	**177,636**	**209,401**
Net operating surplus	1,943	37	**4,091**	**17,593**	**27,280**
Non-operating income	1,601	1,349	**1,766**	**1,801**	**1,836**
Surplus before government grants	3,544	1,386	**5,857**	**19,394**	**29,116**
Government grants	34,878	41,206	**43,568**	**42,251**	**44,988**
Surplus before contribution to consolidated fund	38,422	42,592	**49,425**	**61,645**	**74,104**
Donations	(2)	(3)	**(3)**	**(6)**	**-**
Contribution to consolidated fund	(6,472)	(7,192)	**(8,315)**	**(10,339)**	**(12,602)**
Income tax expense	(33)	(24)	**(57)**	**(64)**	**(57)**
Surplus for the year	31,915	35,373	**41,050**	**51,236**	**61,445**
Other Comprehensive Income	-	-	**-**	**-**	**797**
Total Comprehensive Income	31,915	35,373	**41,050**	**51,236**	**62,242**



Five-Year Financial Summary

	The Group				
FINANCIAL POSITION	2009/2010 S$' 000	2010/2011 S$' 000	2011/2012 S$' 000	2012/2013 S$' 000	2013/2014 S$' 000
Property, Plant and Equipment	38,707	35,003	**34,910**	**38,059**	**53,428**
Current Assets	225,800	271,962	**340,235**	**399,490**	**461,229**
	264,507	306,965	**375,145**	**437,549**	**514,657**
Capital and Reserves	161,338	196,711	**229,824**	**278,792**	**341,033**
Current Liabilities	69,888	73,873	**103,480**	**120,083**	**136,819**
Non-Current Liabilities	33,281	36,381	**41,841**	**38,674**	**36,805**
	264,507	306,965	**375,145**	**437,549**	**514,657**





FIVE-YEAR VALUE ADDED STATEMENT

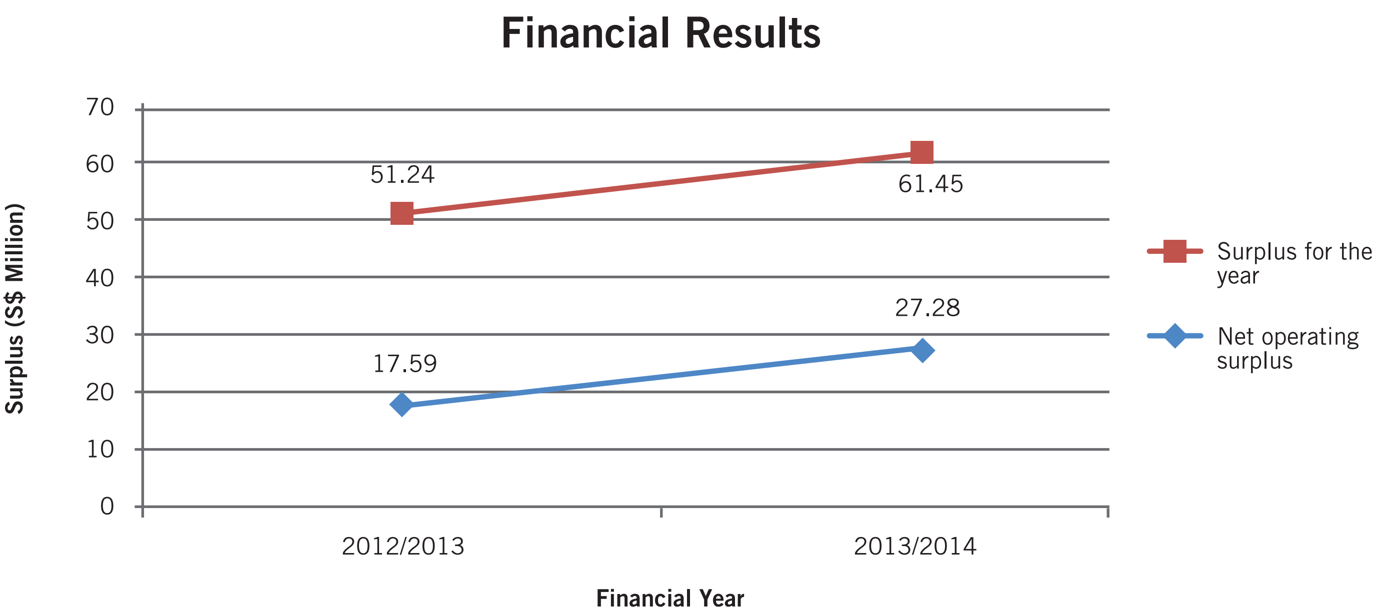
	2009/2010 S$' 000	2010/2011 S$' 000	2011/2012 S$' 000	2012/2013 S$' 000	2013/2014 S$' 000
Value Added From:					
Revenue earned	103,763	122,495	152,946	**195,229**	**236,681**
Less bought in materials and services	48,110	52,667	77,912	**94,524**	**114,691**
Value Added From Operations	55,653	69,828	75,034	**100,705**	**121,990**
Government grants	34,878	41,206	43,568	**42,251**	**44,988**
Interest income	1,606	1,407	1,725	**1,815**	**2,103**
Gain/(Loss) on disposal of property, plant and equipment	(5)	(58)	41	**(13)**	**(267)**
Total Value Added Available For Distribution	92,132	112,383	120,368	**144,758**	**168,814**
Distribution:					
To employees					
Salaries and other staff cost	49,103	64,148	64,920	**76,991**	**88,474**
To Government					
Contribution to consolidated fund	6,472	7,192	8,315	**10,339**	**12,602**
Income tax expense	33	24	57	**64**	**57**
Retained for reinvestment and future growth					
Depreciation	4,609	5,646	6,026	**6,128**	**6,236**
Surplus	31,915	35,373	41,050	**51,236**	**61,445**
Total Value Added	92,132	112,383	120,368	**144,758**	**168,814**

FINANCIAL REVIEW

Financial Results

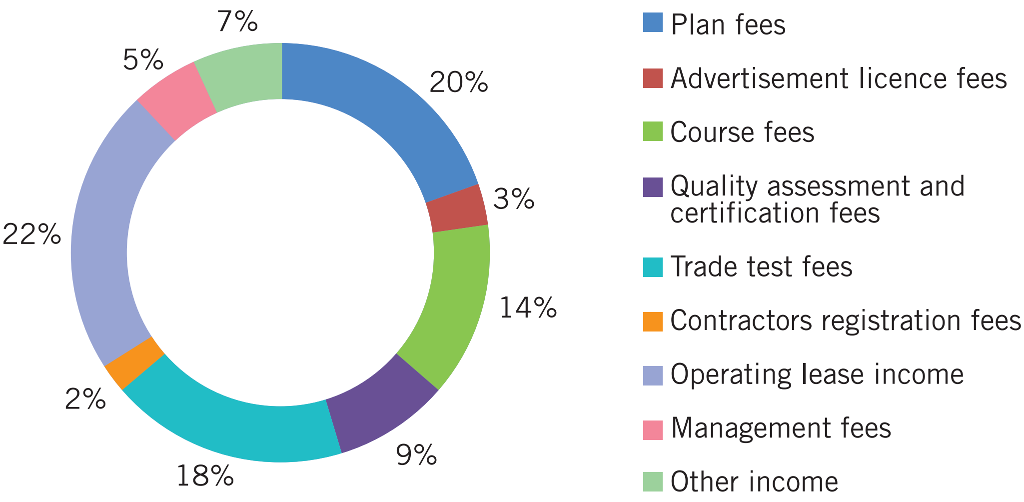
Operating income for 2013/2014 was $41.5M higher than previous year. With higher operating expenses, BCA's net operating surplus for the financial year ended 31 March 2014 was $27.3M, as compared to $17.6M surplus in the previous year.

During the year, BCA also received government grants of $45.0M. This brought the surplus for the year to $74.1M, which was $12.5M higher than the previous year. BCA contributed $12.6M to the consolidated fund for 2013/2014's surplus.

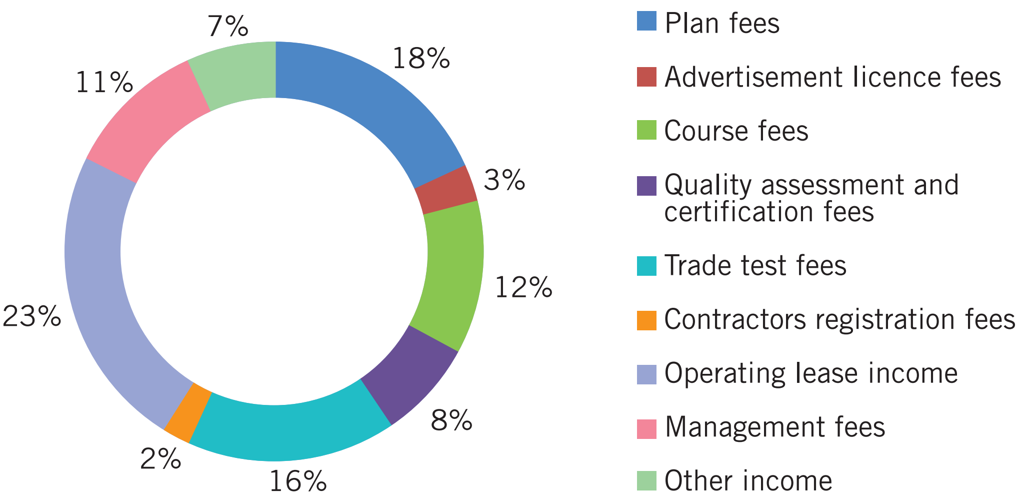


OPERATING INCOME

Operating income comprised mainly plan fees, advertisement licence fees, course fees, quality assessment and certification fees, trade test fees, operating lease income and management fees. Operating income increased by $41.5M from 2012/2013 to 2013/2014 mainly due to an increase in operating lease income and management fees.



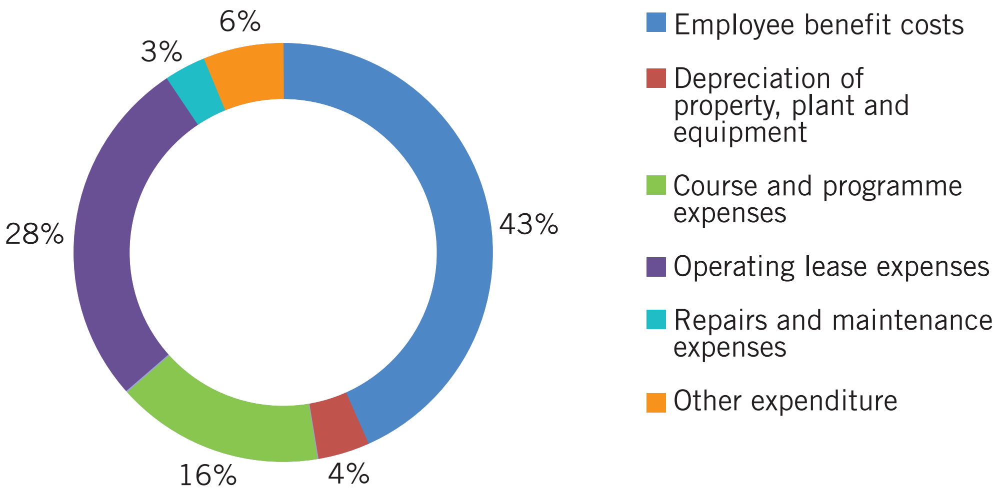
2012/2013 Operating Income



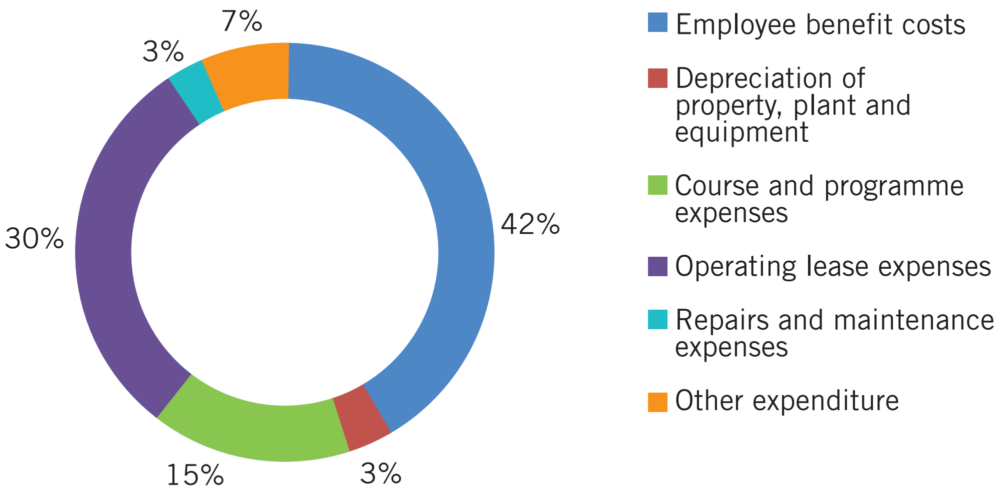
2013/2014 Operating Income

OPERATING EXPENDITURE

Operating expenditure, which comprised mainly employee benefit costs, depreciation, course and programme expenses and operating lease expenses, had increased by $31.8M from 2012/2013 to 2013/2014. The increase was due to higher operating lease income from the launch of new sites for Foreign Workers' Dormitories and higher rental for some sites. Employee benefit costs and Course and programme expenses had also increased.



2012/2013 Operating Expenditure



2013/2014 Operating Expenditure

BUILDING AND CONSTRUCTION AUTHORITY AND ITS SUBSIDIARIES

Annual Financial Statements
31 March 2014

Board Information

Address
5 Maxwell Road,
#16-00 Tower Block MND Complex
Singapore 069110

Auditor
Ernst & Young LLP

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Statement by the Board of the Building and Construction Authority

In our opinion:

(a) the accompanying Consolidated Statement of Comprehensive Income, Balance Sheets, Statements of Changes In Reserves and the Consolidated Cash Flow statement of the Building and Construction Authority (the "Authority") and its subsidiaries (collectively, the "Group"), together with the notes thereon, are drawn up so as to present fairly, in all material respects, the state of affairs of the Authority and of the Group as at 31 March 2014 and of the results and changes in reserves of the Authority and the Group and cash flows of the Group for the financial year then ended, in accordance with the provisions of the Building and Construction Authority Act, Chapter 30A and Singapore Statutory Board Financial Reporting Standards;

(b) at the date of this statement, there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due;

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

(d) the receipt, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the financial year have been in accordance with the provisions of the Act.

The Board of the Building and Construction Authority has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Building and Construction Authority:

Quek See Tiat
Chairman

Dr John Keung
Chief Executive Officer

22 July 2014

Independent Auditor's Report
For the financial year ended 31 March 2014

Independent Auditor's Report to the Board of Building and Construction Authority

We have audited the accompanying financial statements of the Building and Construction Authority (the "Authority") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Authority as at 31 March 2014, the consolidated statement of comprehensive income (including the income and expenditure accounts) and statements of changes in reserves of the Group and of the Authority, and consolidated cash flows statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

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 Building and Construction Authority Act, Chapter 30A (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") 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.

Auditor's 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 judgment, 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 Balance sheets, statement of comprehensive income and statement of changes in reserves of the Authority are properly drawn up in accordance with the provisions of the Act and the Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and the Authority as at 31 March 2014 and the results, changes in reserves of the Group and the Authority and the cash flows of the Group for the financial year ended on that date.

Independent Auditor's Report
For the financial year ended 31 March 2014

Independent Auditor's Report to the Members of Building and Construction Authority

Report on Other Legal and Regulatory Requirements

Management's Responsibility for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investments of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

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

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

Opinion

In our opinion:

(a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Authority during the financial year are, in all material respects, in accordance with the provisions of the Act; and

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

Ernst & Young LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants

Singapore
22 July 2014

Consolidated Statement of Comprehensive Income (including the income and expenditure accounts) For the financial year ended 31 March 2014

	Note	Group 2013/2014 S$	Group 2012/2013 S$	Authority 2013/2014 S$	Authority 2012/2013 S$
Operating income					
Plan fees		43,774,930	38,541,211	43,774,930	38,541,211
Advertisement licence fees		6,251,382	6,220,592	6,251,382	6,220,592
Course fees		28,678,449	26,503,989	28,503,949	26,384,989
Quality assessment and certification fees		18,319,170	17,189,473	16,646,670	15,677,473
Trade test fees		37,995,106	35,906,303	37,995,106	35,906,303
Contractors registration fees		3,979,298	3,869,330	3,979,298	3,869,330
Operating lease income		55,271,920	43,381,790	55,271,920	43,381,790
Management fees		26,459,416	10,581,941	26,459,416	10,581,941
Other income		15,950,845	13,033,976	15,766,453	13,026,428
Total operating income		236,680,516	195,228,605	234,649,124	193,590,057
Less: Operating expenditure					
Employee benefit costs		88,473,745	76,990,451	87,406,571	76,404,066
Depreciation of property, plant and equipment	6	6,236,054	6,127,851	6,236,054	6,127,851
Course and programme expenses		31,972,090	29,066,172	31,894,635	28,998,357
Operating lease expenses	19	63,564,609	49,566,322	63,564,609	49,566,322
Repairs and maintenance expenses		5,166,701	5,178,663	5,166,701	5,178,663
Other expenditure		13,987,228	10,706,976	13,856,884	10,540,302
Total operating expenditure		209,400,427	177,636,435	208,125,454	176,815,561
Net operating surplus		27,280,089	17,592,170	26,523,670	16,774,496
Non-operating income/(expenditure)					
Interest income		2,103,034	1,814,796	2,088,446	1,807,517
Gain on disposal of property, plant and equipment		83	3,027	83	3,027
Property, plant and equipment written off		(267,379)	(16,329)	(267,379)	(16,329)
		1,835,738	1,801,494	1,821,150	1,794,215
Surplus before government grants brought forward		29,115,827	19,393,664	28,344,820	18,568,711

Consolidated Statement of Comprehensive Income (continued) (including the income and expenditure accounts) For the financial year ended 31 March 2014

		Group		Authority	
	Note	**2013/2014 S$**	**2012/2013 S$**	**2013/2014 S$**	**2012/2013 S$**
Government grants					
Operating and development grants	13	43,384,877	40,899,900	43,384,877	40,899,900
Deferred capital grants amortised	15	1,603,524	1,351,434	1,603,524	1,351,434
		44,988,401	42,251,334	44,988,401	42,251,334
Surplus before contribution to consolidated fund, donations and income tax		74,104,228	61,644,998	73,333,221	60,820,045
Donations		–	(5,950)	–	(5,950)
Contribution to consolidated fund	14	(12,602,111)	(10,339,408)	(12,602,111)	(10,339,408)
Income tax expense	4	(57,430)	(64,027)	–	–
Surplus for the year	5	61,444,687	51,235,613	60,731,110	50,474,687
Other comprehensive income: Item that will not be reclassified to surplus or deficit in subsequent periods					
Re-measurement gain on defined benefit plan	12	796,841	–	796,841	–
Other comprehensive income for the year, net of tax		796,841	–	796,841	–
Total comprehensive income for the year		62,241,528	51,235,613	61,527,951	50,474,687

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Balance Sheets
As at 31 March 2014

	Note	Group 2013/2014 S$	Group 2012/2013 S$	Authority 2013/2014 S$	Authority 2012/2013 S$
Assets					
Non-current assets					
Property, plant and equipment	6	53,427,706	38,059,106	53,427,706	38,059,106
Investments in subsidiaries	7	–	–	2	2
Total non-current assets		53,427,706	38,059,106	53,427,708	38,059,108
Current assets					
Trade and other receivables	8	16,277,386	14,579,736	16,072,906	14,451,042
Cash and bank balances	9	444,951,414	384,909,736	439,499,606	381,355,444
Total current assets		461,228,800	399,489,472	455,572,512	395,806,486
Total assets		514,656,506	437,548,578	509,000,220	433,865,594
Reserves and liabilities					
Current liabilities					
Fees received in advance	10	66,168,200	66,053,977	63,382,640	64,321,467
Trade payables		7,175,437	2,358,552	7,174,479	2,358,552
Other payables and accruals	11	48,135,155	39,590,978	48,125,460	39,774,617
Provision for pension costs	12	1,556,153	428,217	1,556,153	428,217
Grants received in advance	13	1,105,733	1,248,068	1,105,733	1,248,068
Provision for contribution to consolidated fund	14	12,602,111	10,339,408	12,602,111	10,339,408
Income tax payables		76,410	64,027	–	–
Total current liabilities		136,819,199	120,083,227	133,946,576	118,470,329
Non-current liabilities					
Fees received in advance	10	23,941,382	22,197,579	23,941,382	22,197,579
Provision for pension costs	12	8,646,866	11,419,444	8,646,866	11,419,444
Deferred capital grants	15	4,216,214	5,057,011	4,216,214	5,057,011
Total non-current liabilities		36,804,462	38,674,034	36,804,462	38,674,034
Net assets		341,032,845	278,791,317	338,249,182	276,721,231
Net assets of trust and agency funds	16	9,544,346	13,787,123	9,544,346	13,787,123
Capital and reserves					
Share capital	17	1,000	1,000	1,000	1,000
Capital account	18	30,816,526	30,816,526	30,816,526	30,816,526
Accumulated surplus		310,215,319	247,973,791	307,431,656	245,903,705
Total capital and reserves		341,032,845	278,791,317	338,249,182	276,721,231
Trust and agency funds	16	9,544,346	13,787,123	9,544,346	13,787,123

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statements of Changes in Reserves
For the financial year ended 31 March 2014

	Note	Share capital S$	Capital account S$	Accumulated surplus S$	Total S$
Group					
At 1 April 2012		1,000	30,816,526	199,006,178	229,823,704
Surplus for the year, representing total comprehensive income for the year		–	–	51,235,613	51,235,613
Dividends paid	21	–	–	(2,268,000)	(2,268,000)
At 31 March 2013		1,000	30,816,526	247,973,791	278,791,317
Surplus for the year		–	–	61,444,687	61,444,687
Other comprehensive income					
Re-measurement gain on defined benefits plan	12	–	–	796,841	796,841
Total comprehensive income for the year		–	–	62,241,528	62,241,528
At 31 March 2014		1,000	30,816,526	310,215,319	341,032,845
Authority					
At 1 April 2012		1,000	30,816,526	197,697,018	228,514,544
Surplus for the year, representing total comprehensive income for the year		–	–	50,474,687	50,474,687
Dividends paid	21	–	–	(2,268,000)	(2,268,000)
At 31 March 2013		1,000	30,816,526	245,903,705	276,721,231
Surplus for the year		–	–	60,731,110	60,731,110
Other comprehensive income					
Re-measurement gain on defined benefits plan	12	–	–	796,841	796,841
Total comprehensive income for the year		–	–	61,527,951	61,527,951
At 31 March 2014		1,000	30,816,526	307,431,656	338,249,182

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Consolidated Cash Flow Statement
For the financial year ended 31 March 2014

	Group	
	2013/2014	**2012/2013**
	S$	**S$**
Cash flows from operating activities		
Surplus before government grants	29,115,827	19,393,664
Adjustments for:		
Depreciation of property, plant and equipment	6,236,054	6,127,851
Interest Income	(2,103,034)	(1,814,796)
Gain on disposal of property, plant and equipment	(83)	(3,027)
Property, plant and equipment written-off	267,379	16,329
(Reversal)/allowance for doubtful debts	(282,324)	321,021
Provision for pension costs	320,941	693,686
Impairment of property, plant and equipment	275,000	275,000
Surplus before movement in working capital	33,829,760	25,009,728
(Increase)/decrease in trade and other receivables	(1,100,776)	2,050,362
Increase in fees received in advance	1,858,026	7,817,262
Increase in trade payables	4,816,885	771,233
Increase in other payables and accruals	4,642,339	1,741,360
Cash flows generated from operations	44,046,234	37,389,945
Payment for contribution to consolidated fund	(10,339,408)	(8,315,348)
Payment for income tax	(45,047)	(63,266)
Donations	–	(5,950)
Pension paid	(1,168,742)	(480,808)
Net cash flows generated from operating activities	32,493,037	28,524,573
Cash flows from investing activities		
Purchase of property, plant and equipment (Note A)	(20,583,290)	(10,139,599)
Proceeds from disposal of property, plant and equipment	94	3,860
Interest received	1,788,484	1,991,250
Net cash flows used in investing activities	(18,794,712)	(8,144,489)
Cash flows from financing activities		
Dividends paid	–	(2,268,000)
Government grants received	44,005,269	40,795,338
Net cash flows generated from financing activities	44,005,269	38,527,338
Net increase in cash and bank balances	57,703,594	58,907,422
Cash and bank balances at beginning of the year	376,757,883	317,850,461
Cash and bank balances at end of the year (Note 9)	434,461,477	376,757,883

Consolidated Cash Flow Statement (continued)
For the financial year ended 31 March 2014

Note A

Purchase of property, plant and equipment:

	Group	
	2013/2014	**2012/2013**
	S$	**S$**
Additions of property, plant and equipment (Note 6)	22,422,044	9,294,414
Add: Opening accruals for the purchase of property, plant and equipment (Note 11)	134,420	979,605
Less: Closing accruals for the purchase of property, plant and equipment (Note 11)	(1,973,174)	(134,420)
	20,583,290	10,139,599

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Notes to the financial statements
For the financial year ended 31 March 2014

1. Domicile and activities

The Building and Construction Authority (the "Authority") is established as a statutory board in the Republic of Singapore under the Building and Construction Authority Act, Chapter 30A (the "Act").

The registered office of the Authority is located at 5 Maxwell Road, #16-00 Tower Block MND Complex, Singapore 069110.

The mission of the Authority is to shape a safe, high quality, sustainable and friendly built environment. The principal activities of the subsidiaries are disclosed in Note 7 to the financial statements.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provision of the Act and the Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS includes Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Singapore dollars ("SGD" or "S$").

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards and interpretation of SB-FRS ("INT SB-FRS") that are effective for annual periods beginning on or after 1 April 2013. The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Group and the Authority.

2.3 Standards issued but not yet effective

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.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.4 Basis of consolidation

The financial statements of the Group include the financial statements of the Authority and its subsidiaries made up to the end of the financial year. Information on its subsidiaries is given in Note 7 to the financial statements.

All related companies balance and significant related company transactions and resulting unrealised profits or losses are eliminated on consolidation and the consolidated financial statements reflect external transactions and balances only. The results of its subsidiaries acquired or disposed of during the financial year are included or excluded from the consolidated statement of comprehensive income from the effective date in which control is transferred to the Group or in which control ceases, respectively.

2.5 Functional currency

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

The Authority and its subsidiaries determine its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Authority and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land and office buildings	-	29 years
Site office and land improvement	-	10 years
Office, photo printing and training equipment	-	5 - 10 years
Furniture, fittings and fixtures	-	8 years
Data processing equipment	-	3 - 5 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written-down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculation generally cover a period of five years. For longer periods, an appropriate long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.8 Subsidiaries

A subsidiary is an entity over which the Authority has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Authority's separate financial statements, investments in its subsidiaries are accounted for at cost less impairment losses. On disposal of investments in its subsidiaries, the difference between disposal proceeds and the carrying amount of the investments are taken to profit or loss.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.9 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement - Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value. In the case of financial liabilities not recognised at fair value through profit or loss, they are recognised at fair value plus directly attributable transaction costs.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.9 Financial instruments (continued)

(b) Financial liabilities (continued)

Subsequent measurement - Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.10 Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.10 Impairment of financial assets (continued)

(a) Financial assets carried at amortised cost (continued)

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written-off against the carrying value of the financial assets.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Financial assets carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.11 Cash and bank balances

Cash and bank balances comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the financial statements, cash and bank balances comprise cash at bank, fixed deposits with financial institutions and cash balances with the Accountant-General Department which are subject to an insignificant risk of change in value. The cash at bank not available for general use is disclosed in Note 9 to the financial statements.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 Government grants

Government grants are recognised at their fair values where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss.

2.14 Taxes

(a) Current income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in the income and expenditure account except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

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

(b) Deferred tax

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 the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable income or loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.14 Taxes (continued)

(b) Deferred tax (continued)

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 end of the reporting period. 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 income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.15 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, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognised:

- Plan fees are recognised as income over the expected duration of individual projects;

- Advertisement licence fees and contractor registration fees are recognised as income over the validity periods of the licence and registration;

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.15 Revenue (continued)

- Course fees are recognised as income over the duration of the courses;
- Quality assessment and certification fees are recognised as income over the assessment period;
- Trade test fees are recognised as income on completion of trade tests;
- Management fees are recognised as income over the period of services rendered; and
- Interest income is recognised using the effective interest method.

2.16 Trust and agency funds

Trust and agency funds are government grants and contributions from other organisations where the Authority is not the owner and beneficiary of the funds. The Authority is merely administering the funds on behalf of the holders of these funds. Income and expenditure of these funds are taken directly to the funds. The net assets relating to the funds are shown as a separate line item in the balance sheets.

Trust and agency funds are accounted for on a cash basis.

2.17 Employee benefit

(a) Defined contribution plans

The Group makes contributions to the Central Provident Fund (“CPF”) scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

(c) Defined benefit retirement obligations

Provision for pension benefits is made for pensionable officers transferred to the Authority on 1 April 1999. Defined benefit retirement obligations due to pensionable officers are recognised in the balance sheets in accordance with the Pensions Act, Chapter 225.

The Authority has engaged an actuarial to assess the provision for pension costs for the first time in this financial year. This resulted in a re-measurement gain on defined benefits plan of S$796,841.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.17 Employee benefit (continued)

(c) Defined benefit retirement obligations (continued)

An actuarial valuation is conducted once every four years or as and when required to determine the cost of pension benefits due to these officers using the Projected Unit Credit Method.

Defined benefit costs comprise the following:

- Service cost
- Interest cost on the provision for defined benefits
- Re-measurements of the provision for defined benefits

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in income or expenditure. Past service costs are recognised when plan amendment or curtailment occurs.

Interest cost on the provision for defined benefits is the change during the period in the provision that arises from the passage of time which is determined by applying the discount rate based on the Singapore Government bond yield to the provision. Interest cost on the provision is recognised in income or expenditure.

Re-measurements comprising actuarial gains and losses are recognised immediately in other comprehensive income in the period in which they arise. Re-measurements are recognised in accumulated surplus within equity and are not reclassified to income or expenditure in subsequent periods.

(d) Short-term employees 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 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.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.18 Lease

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 and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

(a) As lessee

Operating lease payments are recognised as an expense in profit or 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. Contingent rents are recognised as revenue in the period in which they are earned.

2.19 Statutory contribution to consolidated fund

The Authority is required to contribute to the Consolidated Fund based on a percentage of the net surplus of the Authority (before donations) for each financial year. The percentage of contribution is determined by the Ministry of Finance.

2.20 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Notes to the financial statements
For the financial year ended 31 March 2014

2. Summary of significant accounting policies (continued)

2.20 Contingencies (continued)

Contingent liabilities and assets are not recognised on the balance sheets of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.21 Related parties

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

The Authority is a statutory board under the purview of Ministry of National Development ("MND") and is an entity related to the Government of Singapore. Accordingly, the Authority's related parties include Government-related entities such as Ministries, Organs of State and other Statutory Boards.

In accordance with Paragraph 28A of SB-FRS 24 *Related Party Disclosures*, the Authority is exempted from disclosing transactions with government-related entities other than Ministries, Organs of State and other Statutory Boards, unless there are circumstances to indicate that these transactions are unusual and their disclosure would be of interest to readers of the financial statements.

The Authority also applies the exemption in Paragraph 25 of SB-FRS 24 *Related Party Disclosures*. Required disclosures of transactions and outstanding balances with government-related entities are limited to the following information to enable users of the Authority's financial statements to understand the effect of the related party transactions on the financial statements:

(i) the nature and amount of each individually significant transaction with Ministries, Organs of State and other Statutory Boards; and

(ii) for other transactions with Ministries, Organs of State and other Statutory Boards that are collectively but not individually significant, a qualitative or quantitative indication of their extent.

Notes to the financial statements
For the financial year ended 31 March 2014

3. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of loans and receivables

The Group assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. The carrying amount of the Group's loans and receivables at the end of the reporting period is disclosed in Note 8 to the financial statements.

(b) Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated economic useful lives. Management estimates the useful lives of these plant and equipment to be within 3 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of the Group's and Authority's plant and equipment at 31 March 2014 was S$40,014,584 (2012/2013: S$22,883,923).

(c) Provision for pension costs

The Group recognised a provision for pension cost for employees who are under the pension scheme. The provision has been computed based on certain assumptions and estimates as disclosed in Note 12 to the financial statements and revisions to the assumptions and estimates could impact the provision made. As at 31 March 2014, provision for pension costs amounted to S$10,203,019 (2012/2013: S$11,847,661).

Notes to the financial statements
For the financial year ended 31 March 2014

4. Income tax expense

A subsidiary of the Authority is subject to tax under Section 13(1)(e) of the Singapore Income Tax Act as follows:

	Group	
	2013/2014 S$	2012/2013 S$
Current income tax		
- Current income taxation	76,410	64,027
- Over provision in respect of prior years	(18,980)	–
	57,430	64,027

Relationship between tax expense and accounting profit of the subsidiary

A reconciliation between tax expense and the product of accounting profit of its subsidiaries multiplied by the applicable corporate tax rate for the financial years ended 31 March 2014 and 2013 is as follows:

	Group	
	2013/2014 S$	2012/2013 S$
Profit before tax of its subsidiaries	778,440	690,545
Tax at statutory rate of 17% (2012/2013: 17%)	132,335	117,392
Adjustments:		
Tax exempt income	(25,925)	(25,925)
Corporate income tax rebate	(30,000)	(27,440)
Over provision in respect of prior years	(18,980)	–
Income tax expense recognised in profit or loss	57,430	64,027

Notes to the financial statements
For the financial year ended 31 March 2014

5. Surplus for the year

The following items have been included in arriving at surplus for the financial year:

	Group and Authority	
	2013/2014 S$	2012/2013 S$
Contribution to defined contribution plans, included in employee benefit costs	9,555,851	8,536,962
Cost of obligations in respect of defined benefit retirement plan (pension costs), included in employee benefit costs	320,941	693,686
(Reversal)/allowance for doubtful debts	(282,324)	321,021
Property, plant and equipment written-off	267,379	16,329
Gain on disposal of property, plant and equipment	(83)	(3,027)
Impairment for property, plant and equipment	275,000	275,000
Publicity materials expense	2,765,311	1,201,817
Board members' allowances	123,750	118,125
Foreign exchange loss	8,910	11,283

Notes to the financial statements
For the financial year ended 31 March 2014

6. Property, plant and equipment

Group and Authority

	Leasehold land S$	Office building S$	Site office and land improvement S$	Office, photo printing and training equipment S$	Furniture, fittings and fixtures S$	Data processing equipment S$	Assets under construction S$	Total S$
Cost:								
At 1 Apr 2012	10,999,260	25,256,382	1,194,297	7,228,493	21,100,750	34,516,256	3,802,536	104,097,974
Additions	4,030,464	–	–	267,319	309,306	875,156	3,812,169	9,294,414
Reclassification	–	–	(62,861)	623,412	36,454	58,338	(655,343)	–
Disposals	–	–	–	(7,049)	–	(5,839,103)	–	(5,846,152)
Written-off	–	–	–	(243,911)	(57,525)	(20,718,711)	–	(21,020,147)
At 31 March 2013	15,029,724	25,256,382	1,131,436	7,868,264	21,388,985	8,891,936	6,959,362	86,526,089
Additions	–	183,505	–	380,531	1,778,411	983,968	19,095,629	22,422,044
Reclassification	–	–	–	–	103,405	856,185	(959,590)	–
Disposals	–	–	–	–	–	(337,590)	–	(337,590)
Written-off	–	–	–	(209,007)	(837,232)	(91,124)	(237,826)	(1,375,189)
At 31 March 2014	15,029,724	25,439,887	1,131,436	8,039,788	22,433,569	10,303,375	24,857,575	107,235,354
Accumulated depreciation/ impairment								
At 1 April 2012	7,206,411	16,515,338	636,311	5,330,833	8,187,892	31,311,484	–	69,188,269
Depreciation for the year	518,266	870,908	102,351	653,386	2,524,654	1,458,286	–	6,127,851
Disposals	–	–	–	(6,713)	–	(5,838,606)	–	(5,845,319)
Written-off	–	–	–	(242,024)	(44,760)	(20,717,034)	–	(21,003,818)
At 31 March 2013	7,724,677	17,386,246	738,662	5,735,482	10,667,786	6,214,130	–	48,466,983
Depreciation for the year	518,266	877,300	102,351	478,578	2,708,233	1,551,326	–	6,236,054
Disposals	–	–	–	–	–	(337,579)	–	(337,579)
Written-off	–	–	–	(200,254)	(816,447)	(91,109)	–	(1,107,810)
Impairment loss	–	–	–	–	275,000	–	–	275,000
Reclassification from provision for impairment	–	–	–	–	275,000	–	–	275,000
At 31 March 2014	8,242,943	18,263,546	841,013	6,013,806	13,109,572	7,336,768	–	53,807,648
Net carrying amount								
At 31 March 2013	7,305,047	7,870,136	392,774	2,132,782	10,721,199	2,677,806	6,959,362	38,059,106
At 31 March 2014	6,786,781	7,176,341	290,422	2,025,983	9,323,997	2,966,607	24,857,575	53,427,706

Notes to the financial statements
For the financial year ended 31 March 2014

7. Investments in subsidiaries

	Authority	
	2013/2014 S$	2012/2013 S$
Unquoted shares, at cost	2	2

The subsidiaries at 31 March 2014 are:

Name of subsidiaries	Country of incorporation	Principal activities	Percentage of ownership interest 2013/2014 %	2012/2013 %
BCA International Private Limited	Singapore	Construction related consultancy and advisory services	100	100
BCA Centre for Sustainable Buildings Ltd	Singapore	Research and consultancy services for sustainable building policies and climate change	100	100

8. Trade and other receivables

	Group		Authority	
	2013/2014 S$	2012/2013 S$	2013/2014 S$	2012/2013 S$
Trade receivables	8,255,727	8,458,024	7,865,720	8,120,309
Other receivables	4,902,634	3,534,192	4,883,544	3,529,689
Grant receivable from Ministry of National Development (“MND”)	2,004,629	1,934,764	2,004,629	1,934,764
Amounts due from its subsidiaries - non-trade	–	–	264,863	278,432
Deposits	9,364	24,960	9,364	24,960
Prepayments	1,105,032	627,796	1,044,786	562,888
Total trade and other receivables	16,277,386	14,579,736	16,072,906	14,451,042
Less: Prepayments	(1,105,032)	(627,796)	(1,044,786)	(562,888)
Add: Cash and cash equivalents (Note 9)	434,458,477	376,757,883	429,006,669	373,203,591
Total loans and receivables	449,630,831	390,709,823	444,034,789	387,091,745

Trade and other receivables are denominated in Singapore Dollars.

Notes to the financial statements
For the financial year ended 31 March 2014

8. Trade and other receivables (continued)

Trade receivables

Trade receivables are non-interest bearing and are on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amounts due from its subsidiaries

The non-trade amounts due from its subsidiaries are unsecured, interest-free, repayable on demand and are to be settled in cash.

Receivables that are past due but not impaired

The Group and the Authority has trade and other receivables amounting to S$701,207 and S$390,411 (2012/2013: S$849,757 and S$604,451), respectively that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group		**Authority**	
	2013/2014 S$	**2012/2013 S$**	**2013/2014 S$**	**2012/2013 S$**
Receivables past due but not impaired				
- < 3 months	371,967	574,490	274,188	429,974
- 3 months to 6 months	201,978	59,200	37,651	59,200
- 6 months to 12 months	45,885	64,569	31,485	29,976
- > 12 months	81,377	151,498	47,087	85,301
	701,207	849,757	390,411	604,451

Receivables that are impaired

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment are as follows:

	Group and Authority	
	2013/2014 S$	**2012/2013 S$**
Trade receivable – nominal amount	257,038	539,362
Less: Allowance for impairment	(257,038)	(539,362)
	–	–
Movement in allowance accounts:		
At 1 April	539,362	218,341
(Reversal)/charge for the year	(282,324)	321,021
At 31 March	257,038	539,362

Notes to the financial statements
For the financial year ended 31 March 2014

9. Cash and bank balances

	Group		Authority	
	2013/2014 S$	2012/2013 S$	2013/2014 S$	2012/2013 S$
Cash at bank	10,400,340	15,037,047	9,548,532	14,282,755
Fixed deposits	4,600,000	2,800,000	–	–
Cash with the AGD	429,951,074	367,072,689	429,951,074	367,072,689
	444,951,414	384,909,736	439,499,606	381,355,444
Less: Cash at bank not available for general use	(10,489,937)	(8,151,853)	(10,489,937)	(8,151,853)
Cash and cash equivalents	434,461,477	376,757,883	429,009,669	373,203,591

Fixed deposits are made for varying periods of between 18 to 24 months (2012/2013: 18 to 24 months). The weighted average effective interest rates as at 31 March 2014 for the Group were 0.50% to 0.53% (2012/2013: 0.50% to 0.53%).

Cash and cash equivalents are denominated in Singapore Dollars.

Cash at bank not available for general use

The Group acts as a collection agent for various parties on certain projects and collects payments on their behalf.

Cash with the AGD

On 2 November 2009, the Accountant-General's Department ("AGD") issued a Circular No. 4/2009 to centrally manage the cash of all Statutory Boards and Ministries under the Centralised Liquidity Management ("CLM") scheme. This scheme aims to achieve higher returns and to better manage credit risk at the Whole-of-Government level. The Authority participated in the CLM scheme starting from 25 March 2010.

10. Fees received in advance

	Group		Authority	
	2013/2014 S$	2012/2013 S$	2013/2014 S$	2012/2013 S$
Balance at 1 April	88,251,556	80,434,294	86,519,046	79,251,589
Add: Fees received	144,825,848	139,877,978	142,985,101	138,621,946
Less: Fees recognised revenue	(142,967,822)	(132,060,716)	(142,180,125)	(131,354,489)
Balance at 31 March	90,109,582	88,251,556	87,324,022	86,519,046
Represented by:				
Current	66,168,200	66,053,977	63,382,640	64,321,467
Non-current	23,941,382	22,197,579	23,941,382	22,197,579
	90,109,582	88,251,556	87,324,022	86,519,046

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For the financial year ended 31 March 2014

11. Other payables and accruals

	Group		Authority	
	2013/2014 S$	2012/2013 S$	2013/2014 S$	2012/2013 S$
Amounts due to MND	10,381,965	4,980,137	10,381,965	4,980,137
Maintenance deposits	89,019	89,019	89,019	89,019
Sundry creditors	5,648,698	4,587,038	5,648,698	4,587,038
Provision for unconsumed leave	3,392,997	3,067,913	3,392,997	3,067,913
Accruals for operating expenses	11,363,052	10,512,278	11,353,357	10,695,917
Accruals for the purchase of property, plant and equipment	1,973,174	134,420	1,973,174	134,420
Security/tender deposits	13,725,857	14,609,988	13,725,857	14,609,988
Scholarships	1,560,393	1,610,185	1,560,393	1,610,185
Other payables and accruals	48,135,155	39,590,978	48,125,460	39,774,617
Add: Trade payables	7,175,437	2,358,552	7,174,479	2,358,552
Less: Provision for unconsumed leave	(3,392,997)	(3,067,913)	(3,392,997)	(3,067,913)
Total financial liabilities carried at amortised costs	51,917,595	38,881,617	51,906,942	39,065,256

The amounts due to MND mainly pertain to the amounts collected on their behalf by the Authority for certain projects which the Group acts as an agent and other non-trade payables. These balances are unsecured, interest-free, repayable on demand and are to be settled in cash.

Sundry creditors are non-interest bearing and normally have an average term of six months.

Included in Security/tender deposits is an amount of S$12,047,696 (2012/2013: S$12,414,326) collected under the Green Mark Gross Floor Area Incentive Scheme.

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For the financial year ended 31 March 2014

12. Provision for pension costs

	Group and Authority	
	2013/2014 S$	2012/2013 S$
At 1 April	11,847,661	11,634,783
Add: Amount provided during the year	320,941	693,686
	12,168,602	12,328,469
Less:		
Re-measurement gain on defined benefits plan	(796,841)	–
Pension paid during the year	(1,168,742)	(480,808)
At 31 March	10,203,019	11,847,661
Represented by:		
Current	1,556,153	428,217
Non-current	8,646,866	11,419,444
	10,203,019	11,847,661

There are currently 14 (2012/2013: 17) employees of the Group who are under pension schemes other than CPF. The pension amount to be paid to each employee upon retirement under this scheme is dependent on, among other factors, the number of years of service and the last drawn salary. The total pension costs are shared between the Group and the AGD. The Group is only liable for the pension costs for the period of service completed by the employee with the Group.

The employees are entitled to select one of the following pension options upon retirement:

(i) Annual pension payments;
(ii) Reduced pension with gratuity payment; or
(iii) Lump sum gratuity payment.

The defined retirement benefits obligations due to pensionable officers are determined based on the last drawn salaries of the respective pensionable officers and the pensionable officers' cumulative service period served with the Authority at the time of retirement, assuming that all pensionable officers work till the age of 62 years and have a 40% and 60% probability of choosing the option for reduced pension with gratuity payment and option for lump sum gratuity payment respectively.

The provision has been estimated by management based on the valuation of the pension scheme performed by an independent firm of professional actuaries.

The principal assumptions used by the professional actuaries in determining the pension costs are:

- Discount rate – Gratuity : 0.36% per annum
- Discount rate – Pension : 3.20% per annum
- Expected salary increment : 3.00% per annum
- Mortality rate : S0408 Singapore Mortality Table
- Expected retirement age : 62

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For the financial year ended 31 March 2014

13. Grants received in advance

Group and Authority	Operating grants		Development grants		Total	
	2013/2014	**2012/2013**	**2013/2014**	**2012/2013**	**2013/2014**	**2012/2013**
At 1 April	332,393	503,518	915,675	1,038,369	1,248,068	1,541,887
Government grants received/receivable	43,923,881	40,663,349	231,655	131,989	44,155,536	40,795,338
Reversal of government grants receivable	–	–	(150,267)	–	(150,267)	–
Net transfer to deferred capital grant (Note 15)	**(367,975)**	**(82,564)**	**(394,752)**	**(106,693)**	**(762,727)**	**(189,257)**
Transfer to deferred capital grants	(290,755)	(82,564)	(471,972)	(106,693)	(762,727)	(189,257)
Reversal of government grants receivable	(77,220)	–	77,220	–	–	–
Net (transfer to)/reversal from income and expenditure account (operating and development grants)	**(43,535,144)**	**(40,751,910)**	**150,267**	**(147,990)**	**(43,384,877)**	**(40,899,900)**
Transfer to income and expenditure account	(43,535,144)	(40,751,910)	–	(147,990)	(43,535,144)	(40,899,900)
Reversal of government grants receivable	–	–	150,267	–	150,267	–
At 31 March	353,155	332,393	752,578	915,675	1,105,733	1,248,068

Notes to the financial statements
For the financial year ended 31 March 2014

14. Provision for contribution to consolidated fund

The Authority is required to make contributions to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A and in accordance with the Finance Circular Minute No. M5/2005 with effect from 1 April 2004. The contribution is based on a percentage, as decided by the Ministry of Finance, of the net surplus of the Authority (before donations) for the financial year. The percentage for FY2013/14 is prevailing corporate tax of 17% (2012/2013: 17%).

The total contribution for the year can be reconciled to the total comprehensive income (before donations) as follows:

	Group and Authority	
	2013/2014 S$	**2012/2013 S$**
Surplus of the Authority before donation and contribution to consolidated fund, representing surplus subject to contribution	73,333,221	60,820,045
Adjustment for Other Comprehensive Income	796,841	–
	74,130,062	60,820,045
Contribution at 17% (2012/2013: 17%)	12,602,111	10,339,408

15. Deferred capital grants

	Group and Authority	
	2013/2014 S$	**2012/2013 S$**
At 1 April	5,057,011	6,219,188
Add: Government grants received (Note 13)	762,727	189,257
Less: Amortisation of deferred capital grants	(1,603,524)	(1,351,434)
At 31 March	4,216,214	5,057,011

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16. Trust and agency funds

The various trust and agency funds are:

	MND Research Fund (i) S$	Accessibility Fund (ii) S$	Green mark Incentive Scheme (New Buildings) (iii) S$	Green mark Incentive Scheme (Existing Buildings) (iv) S$	Green mark Incentive Scheme (Design Prototype) (v) S$	Sustainable Construction Capability Development Fund (vi) S$	Construction Productivity and Capability Fund (a) S$	SMU-BCA Advanced Management Programme Course Fee Grant (1) S$	Workplace Safety and Health Professionals WSQ Framework Grant (2) S$	Train and place Professional Conversion Programmes Grant (3) S$	Professional Conversion Programme for Sustainable Design Consultants Grant (4) S$	Core plus Programme Grant (5) S$	CORE Plus + Programme Grant (6) S$	Crane Operator Mentorship Scheme (7) S$	MND-ECAC Research Fund (A) S$	Total S$
Group and Authority																
Balance as at 1 April 2012	7,905,709	2,251,505	2,113,326	3,396,754	1,180,559	1,045,108	4,806,051	–	817,963	12,840	465,820	71,535	–	–	–	24,067,170
Add: Receipts	47,045	16,968	–	19,600	49,994	399,997	18,121,243	–	415,182	–	(192,000)	–	127,271	38,887	–	19,044,187
Grants received/(refund)	–	–	–	–	49,994	399,997	18,121,243	–	415,182	–	(192,000)	–	127,271	38,887	–	18,960,574
Interest income	47,045	16,968	–	19,600	–	–	–	–	–	–	–	–	–	–	–	83,613
Less: Disbursements	(3,025,405)	(1,164,268)	(1,205,753)	(1,254,591)	(358,762)	(937,137)	(20,223,064)	–	(709,926)	–	(233,640)	(59,075)	(113,726)	(38,887)	–	(29,324,234)
Grants disbursed to																
- External Parties	(2,712,904)	(642,132)	(1,205,748)	(254,586)	(300,000)	(796,635)	(20,021,886)	–	(709,926)	–	(233,640)	(59,075)	(113,726)	(38,887)	–	(27,089,145)
- The Authority	–	–	–	–	–	(15,500)	–	–	–	–	–	–	–	–	–	(15,500)
Secretariat fee paid to the Authority	(312,499)	(522,135)	–	(1,000,000)	(58,760)	(124,996)	(200,000)	–	–	–	–	–	–	–	–	(2,218,390)
Amounts paid as bank charges	(2)	(1)	(5)	(5)	(2)	(6)	(1,178)	–	–	–	–	–	–	–	–	(1,199)
Balance as at 31 March 2013	4,927,349	1,104,205	907,573	2,161,763	871,791	507,968	2,704,230	–	523,219	12,840	40,180	12,460	13,545	–	–	13,787,123
Add: Receipts	2,021,552	305,826	4,088,300	1,058,661	–	900,000	55,195,328	166,800	802,555	–	714,679	–	–	–	200,000	65,453,701
Grants received	2,000,000	300,000	4,088,300	1,050,000	–	900,000	55,193,158	166,800	802,555	–	710,874	–	–	–	200,000	65,411,687
Interest income	21,552	5,826	–	8,661	–	–	–	–	–	–	–	–	–	–	–	36,039
Others	–	–	–	–	–	–	2,170	–	–	–	3,805	–	–	–	–	5,975
Less: Disbursements	(4,914,811)	(746,289)	(3,270,623)	(2,556,233)	(425,258)	(690,094)	(56,828,848)	(90,000)	(150,322)	–	(24,000)	–	–	–	–	(69,696,478)
Grants disbursed to																
- External Parties	(4,914,808)	(434,274)	(3,270,611)	(1,756,218)	(425,258)	(567,536)	(41,485,843)	(90,000)	(150,322)	–	(24,000)	–	–	–	–	(53,118,870)
- The Authority	–	–	–	–	–	(22,543)	–	–	–	–	–	–	–	–	–	(22,543)
Secretariat fee paid to the Authority	–	(312,012)	–	(800,009)	–	(100,011)	(15,340,000)	–	–	–	–	–	–	–	–	(16,552,032)
Amount paid as bank charges	(3)	(3)	(12)	(6)	–	(4)	(3,005)	–	–	–	–	–	–	–	–	(3,033)
Balance as at 31 March 2014	2,034,090	663,742	1,725,250	664,191	446,533	717,874	1,070,710	76,800	1,175,452	12,840	730,859	12,460	13,545	–	200,000	9,544,346

Notes to the financial statements
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16. Trust and agency funds (continued)

The various trust and agency funds are:

	MND Research Fund (i) S$	Accessibility Fund (ii) S$	Green mark Incentive Scheme (New Buildings) (iii) S$	Green mark Incentive Scheme (Existing Buildings) (iv) S$	Green mark Incentive Scheme (Design Prototype) (v) S$	Sustainable Construction Capability Development Fund (vi) S$	Construction Productivity and Capability Fund (a) S$	SMU-BCA Advanced Management Programme Course Fee Grant (1) S$	Workplace Safety and Health Professionals WSQ Framework Grant (2) S$	Train and place Professional Conversion Programmes Grant (3) S$	Professional Conversion Programme for Sustainable Design Consultants Grant (4) S$	Core plus Programme Grant (5) S$	CORE Plus + Programme Grant (6) S$	Crane Operator Mentorship Scheme (7) S$	MND-ECAC Research Fund (A) S$	Total S$
Group and Authority																
Represented by:																
Cash at bank	–	–	907,573	–	871,791	507,968	2,704,230	–	523,219	12,840	40,180	12,460	13,545	–	–	5,593,806
Cash with AGD	4,927,349	1,104,205	–	2,161,763	–	–	–	–	–	–	–	–	–	–	–	8,193,317
Total cash representing net assets as at 31 March 2013	4,927,349	1,104,205	907,573	2,161,763	871,791	507,968	2,704,230	–	523,219	12,840	40,180	12,460	13,545	–	–	13,787,123
Cash at bank	–	–	1,725,250	–	446,533	717,874	1,070,710	76,800	1,175,452	12,840	730,859	12,460	13,545	–	200,000	6,182,323
Cash with AGD	2,034,090	663,742	–	664,191	–	–	–	–	–	–	–	–	–	–	–	3,362,023
Total cash representing net assets as at 31 March 2014	2,034,090	663,742	1,725,250	664,191	446,533	717,874	1,070,710	76,800	1,175,452	12,840	730,859	12,460	13,545	–	200,000	9,544,346

Notes

The following funds were set up using grants provided by the Ministry of National Development.

i. The MND Research Fund is used for provided support for applied Research and Development projects to raise the quality of life in Singapore. The Authority is both the administrator and a recipient of the MND Research Fund.
ii. The Accessibility Fund is used for providing support to the private sector building owners for voluntary upgrading of barrier-free accessibility in buildings with the provision of basic accessibility features.
iii. The Green Mark Incentive Scheme (New Buildings) is used for providing support to encourage developers and owners in the private sector to attain higher Green Mark ratings for their development by the adoption of Green Building technologies in new construction projects.
iv. The Green Mark Incentive Scheme (Existing Buildings) is used for providing support to private developers and building owners to improve energy efficiency of the existing building stock.
v. The Green Mark Incentive Scheme (Design Prototype) support efforts invested into the design stage of green buildings to achieve a higher energy efficient building.
vi. The Sustainable Construction Capability Development Fund has been set up to develop capabilities of the industry in delivering sustainable materials and adopting sustainable construction methods.

The following fund was granted by the Productivity Fund Administration Board.

a. The Construction Productivity and Capability Fund aims to steer the construction sector towards higher productivity and enhanced capability in complex civil engineering and complex building projects.

The following funds were granted by the Singapore Workforce Development Agency with the aim to meet the long term requirements of the building and construction industry for different groups of professionals:

1. The SMU-BCA Advanced Management programme Course Fee Grant provides support to firms for developing the strategic management capabilities of senior executives to build sustainable competitive advantages for their firms.
2. The Workplace Safety and Health ("WSH") Professionals Workforce Skills Qualifications ("WSQ") Framework Grant is aimed at building the pool of skilled workers to meet the long term requirements of the WSH professionals by offering Training and Assessment and Assessment-Only-Pathway leading to qualifications under the WSQ system.
3. The Train-and-Place Professional Conversion Programme Grant provides support to skilled Professionals, Managers, Executives and Technicians from other industries who wish to join the construction industry.
4. The Professional Conversion Programme for Sustainable Design Consultants Grant provides support to firms in building up their expertise and capabilities in the area of green building design.
5. The Core Plus Programme Grant aims to train a pipeline of skilled construction tradesman who are looking to upgrade their skills or considering a career in the construction and built environment industry.
6. The CORE Plus + Programme Grant aims to train a pipeline of skilled construction tradesmen who are looking to upgrade their skills or considering a career in the construction and built environment industry.
7. The Crane Operator Mentorship Scheme aims to increase the retention rate and raise the proficiency levels and capability of new entrants in crane operations according to safety and industry's standards.

The following fund was set up using grants provided by Ministry of National Development and Sino-Singapore Tianjin Eco-City Administrative Committee (ECAC).

A. The MND-ECAC Research Fund aims to support green building research and development projects between Singapore and China in Sino-Singapore Tianjin Eco-City.

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17. Share capital

	Group and Authority			
	2013/2014		2012/2013	
	No. of shares	S$	No. of shares	S$
Group and Authority				
1 April/31 March	1,000	1,000	1,000	1,000

The shares are held by the Ministry of Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act (Chapter 183).

The holders of these shares are entitled to receive dividends as and when declared by the Authority. These shares carry neither voting rights nor par value.

18. Capital account

The Capital Account comprises the carrying amount of property, plant and equipment transferred from the former Building Control Division of the Public Works Department and the net value of assets and liabilities transferred from the former Construction Industry Development Board when the Authority was established on 1 April 1999.

19. Commitment

(a) Operating lease commitments – as lessee

Non-cancellable operating lease rentals are payable as follows:

	Group and Authority	
	2013/2014	2012/2013
	S$	S$
Within one year	110,147,248	46,241,802
Between one year and five years	179,767,226	24,556,211
More than five years	26,541,760	–
	316,456,234	70,798,013

Details of the leases are as follows:

(1) Foreign workers' dormitories

The Group leases a number of dormitories under operating leases. The leases typically run for a period of 3 years, with an option to renew the lease after that date. The leases are sublet by the Group to external parties. The lease and sublease expires in between 2014 to 2017.

(2) Office

The Group leases its office/storage space under operating lease for a period of 3 years, with an option to renew the lease after the date.

Notes to the financial statements
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19. Commitment (continued)

(a) Operating lease commitments - as lessee (continued)

During the financial year ended 31 March 2014, the Group recognised the following operating lease expenses in the consolidated statement of comprehensive income:

	Group and Authority	
	2013/2014	2012/2013
	S$	S$
Foreign workers' dormitories	55,272,397	43,388,110
Office	4,733,165	2,998,969
Rental of IT equipments	3,559,047	3,179,243
Total	63,564,609	49,566,322

(b) Operating lease commitments - as lessor

The Group leases out the foreign workers' dormitories held under operating leases. The future minimum income receivables under non-cancellable leases are as follows:

	Group and Authority	
	2013/2014	2012/2013
	S$	S$
Within one year	65,921,969	44,280,827
Between one year and five years	79,485,210	18,949,747
	145,407,179	63,230,574

During the financial year ended 31 March 2014, the Group recognised S$10,951,628 (2012/2013: S$7,294,444) as income under management fee in the consolidated statement of comprehensive income.

(c) Capital commitments

Capital expenditure approved by the Group but not provided for in the financial statements is as follows:

	Group and Authority	
	2013/2014	2012/2013
	S$	S$
Amount approved and committed	37,966,715	27,174,038
Amount approved but not committed	–	50,941,429

During FY2012, the Authority had committed to provide a fund of S$2,000,000 to BCA Centre for Sustainable Building Limited (the "subsidiary") as funding of the operational cost of the subsidiary. The fund is to be reimbursed to the subsidiary based on the actual operating cost incurred from financial year ended 2013 to 2017.

Notes to the financial statements
For the financial year ended 31 March 2014

20. Related parties transactions

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year. The balances are unsecured, interest-free, repayable on demand and to be settled in cash, unless otherwise stated.

Transactions with government-related entities

The Singapore Government has control over the Authority, as well as Ministries, Organs of States and other Statutory Boards.

Collectively, but not individually significant transactions

The Authority is a Statutory Board under the Ministry of National Development ("MND"), championing the development of an excellent built environment for Singapore. "Built environment" refers to buildings, structures and infrastructure in our surroundings that provide the setting for the community's activities.

The Authority charges fees for the services provided. Collectively, income generated from the fees received from and provision of training and other services to Ministries, Organs of States and other Statutory Boards constitute 7% (2012/2013: 7%) of the total operating income. Purchase of supplies and services from Ministries, Organs of States and other Statutory Boards constitute 35% (2012/2013: 33%) of the total operating expenditure.

These transactions are conducted in the ordinary course of the Authority's business on terms comparable to those with other entities that are not government-related.

Nature and amount of individually significant transactions

The Authority receives operating grants from the MND, which is subject to yearly approval. Operating grants from the MND recognised in the income and expenditure account during the year and grants received in advance from the MND are disclosed in Note 13 to the financial statements.

Transactions with other related parties

During the financial year, the Group entered into the following transactions with related parties (i.e. entities in which the Board members have control or joint control) which are not government-related entities:

	Group and Authority	
	2013/2014 S$	2012/2013 S$
Advertisement licence fees	4,177	1,303
Quality assessment and certification fees	656,459	548,919
Course fees	391,082	142,204
Trade test fees	1,345,110	366,685
Site office and improvement expense	–	(438,336)
Staff training expense	–	(1,210)
Purchase of data processing equipment	(277,533)	–
Purchase of office building	(1,665,012)	–

Notes to the financial statements
For the financial year ended 31 March 2014

20. Related parties transactions (continued)

Transactions with key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The Board members and executive key management are considered as key management personnel of the Group. Executive key management comprises Chief Executive Officer ("CEO"), Managing Director ("MD"), Deputy CEOs, Executive Director, Group Directors (including Acting Group Director) and Deputy MDs.

The compensation to key management personnel is as follows:

	Group and Authority	
	2013/2014	**2012/2013**
	S$	**S$**
Short-term benefits	5,233,611	4,838,291
CPF contributions	154,186	161,421
Post-employment benefits	649,568	126,450
Total	6,037,365	5,126,162

21. Dividends paid

	Group and Authority	
	2013/2014	**2012/2013**
	S$	**S$**
Declared and paid during the financial year: Dividends on ordinary shares - Exempt (one-tier) dividends for 2013/2014 :S$NIL (2012/2013: S$2,268) per share	–	2,268,000

22. Fair values of financial instruments

The fair value of financial instruments is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximates fair value

Management has determined that the carrying amounts of trade and other receivables, amounts due from its subsidiaries, cash and bank balances, trade and other payables reasonably approximate their fair values because these are mostly short-term in nature.

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23. Financial risk management objectives and policies

The Group and the Authority is exposed to financial risks arising from its operations and the use of financial instruments. The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. Such written policies are reviewed annually by the management and periodic reviews are undertaken to ensure that the Group's policy guidelines are complied with. The key financial risks arising from the Group's financial instruments are liquidity risk and credit risk.

The Group does not hold or issue derivative financial instruments for trading purposes. The board reviews and agrees policies for managing each of these risks and they are summarised below:

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group manages the liquidity risk by maintaining sufficient cash and cash equivalents to enable them to meet their normal operating commitments.

As at 31 March 2014 and 2013, the financial assets (Total loans and receivable in Note 8 to the financial statements) and financial liabilities (Total financial liabilities carried at amortised cost in Note 11 to the financial statements) have maturity date of no more than twelve months.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Authority's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Authority minimise credit risk by dealing exclusively with high credit rating counterparties.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. A majority of the Group's receivables that are neither past due nor impaired are credit worthy counterparties with good track record of credit history.

In determining the recoverability of a receivable, the Group considers any change in the credit quality of the receivable from the date credit was initially granted up to the end of the reporting period. If the financial condition of the customers were to deteriorate, the Group would be required to record additional impairment losses. Credit risk is limited due to management's on-going evaluation of the credit worthiness of the Group's customers and that majority of the Group's trade receivables are within their expected cash collection cycle.

Notes to the financial statements
For the financial year ended 31 March 2014

23. Financial risk management objectives and policies (continued)

Credit risk (continued)

Credit risk concentration profile

The Group determine concentration of credit risk by monitoring customer profile of its trade receivables on an ongoing basis.

At the end of the financial year, approximately 23% (2012/2013: 22%) of the Group's trade receivables were due from 2 major customers with a total balance of S$1,688,293 (2012/2013: S$1,579,859) located in Singapore.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Authority. Cash and cash equivalents are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 8 to the financial statements.

24. Capital management

The Group's overall strategy remains unchanged from the last financial year. As a statutory board, the Authority's primary mission is to achieve government objectives as detailed under Note 1 to the financial statements.

The capital structure of the Group consists of share capital, capital account and accumulated surplus which are presented in the statements of changes in reserves.

The Group's overall strategy remains unchanged from the last financial year.

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