SKILLSfuture SG

Levelling-up the Skills Ecosystem

Annual report
2023/2024

CONTENT PAGE

Foreword by Chairman and Chief Executive

In an era of rapid technological change, our versatility as individual workers, and as a collective workforce, has never been more important.
SSG's approach to this challenge, in close collaboration with our partners, has been threefold: **quicken** our response to labour market trends; **deepen** industry's links with the SkillsFuture movement; and **broaden** the movement's reach to individuals and enterprises.

Mr Tan Kok Yam
Chief Executive

Mr Tan Kai Hoe
Chairman

Quicken

To move faster, we need to see better. As the national skills authority, SSG has been advancing our data capabilities to understand labour market trends. We share our findings publicly via the annual **Skills Demand for the Future Economy Report**. In the 2023/24 edition, the report identified 24 high growth and transferable skills expected to be relevant over the next two years, as well as pathways to attain specific jobs. For the first time, SSG democratised the data we have via an online dashboard, to empower our stakeholders to use the data for themselves.

Where training needs are identified, SSG and our partners have responded robustly. Take the digital space. We launched the **SkillsFuture for Digital Workplace 2.0**, to equip citizens with digital literacy skills for the digital economy. In response to the emergence of AI-based digital tools, SSG signed Memoranda of Understanding (MOUs) with Microsoft and NTUC LearningHub to advance AI capabilities in the workplace. To help those who wish to transit into a software development career, SSG launched a new **SkillsFuture Career Transition Programme**, in collaboration with SMU Academy and Amazon Web Services.

Similarly, anticipating the need to prepare workers for the Green Economy, SSG has partnered training providers to introduce a range of training options, ranging from short-form **SkillsFuture Series** green courses to the more intensive **SkillsFuture Career Transition Programme** in Sustainability Management.

Deepen

Employers are key in the lifelong learning ecosystem. They are not just an enabler and supporter of their workers' upskilling. They provide the basis and motivation for workers to continually upskill themselves, by how they hire, how they provide opportunities to their employees, and most importantly, how they link their business objectives to workforce development.

To enable more companies to adopt skills-first practices, SSG launched the pilot **Skills Profiler** for SMEs to help them identify their skills gaps and relevant training needs. The pilot has been fully subscribed with 400 participant companies, and we have now expanded it to cover another 1,000 employers. We also started the **Workplace Skills Recognition** initiative for the F&B sector, to better recognise on-the-job training. We have now expanded that initiative to all sectors.

Broaden

Singaporeans and companies have heeded the call to upskill and adapt. In 2023, 520,000 individuals enrolled in SSG-supported training. They included 200,000 mid-careerists who tapped on additional support in the form of the **SkillsFuture Mid-Career Enhanced Subsidies**, a marked increase from 2022. The number of enterprises who sponsored their workers for SSG-supported training also went up from 20,000 to 23,000, showing that more employers are invested in the development of their workers.

SSG is striving to reach out to more individuals and companies. The 2023 **SkillsFuture Festival** emphasised the role of SMEs and the need to take concrete learning action. It drew over 205,000 participants. We will pay attention to those who need more support. SSG is working with agencies such as SG Enable, to ensure that disadvantaged and vulnerable groups are involved in and benefitting from the SkillsFuture movement.

The success of the SkillsFuture movement relies not just on quality participation, but also quality partnerships. To this end, the Lifelong Learning Institute, a subsidiary of SSG, has taken on board the corps of **SkillsFuture Advisors** embedded within the CDCs, to strengthen our partnership with the CDCs in community outreach. SSG also expanded its network of **SkillsFuture Queen Bee** companies, to encompass sectors such as hotel and accommodation, and logistics. Our Queen Bees are catalysts in imparting relevant, just-in-time training to their respective sectors and value chains.

SSG continues to strengthen our partnership with the training providers. We have taken steps to reduce administrative load and focus on training quality. The Institute for Adult Learning is expanding its offerings of Continuing Professional Development Courses for adult educators, and reinvigorating the Adult Educators Network to better support them in their development. Confident trainers lead to confident learners.

SSG's Organisational Commitments

SSG is committed to the growth of our own employees, whose dedication and professionalism have enabled us to steward and grow the SkillsFuture movement. We will fully harness available digital tools to deliver relevant, responsive and high-quality training to individuals. We will grow our partnerships, and give more room for training providers to innovate and pursue excellence in adult education.

SSG is committed to Environmental, Social and Governance (ESG) practices, whose objectives are embedded in our mission of enabling lifelong learning. For SSG itself, we strive to embed sustainability in our business practices and we are on track to meet or exceed all targets under the Singapore Green Government initiative.

Conclusion: More To Do

We are levelling up the SkillsFuture movement. Starting from May 2024, all Singaporeans aged 40 years and above will receive a $4,000 top-up in their **SkillsFuture Credit**, to pursue upskilling that leads to substantive employment outcomes. In early 2025, we will introduce a mid-career Training Allowance to help cushion the income loss of mid-careerists pursuing selected full-time, long-form training.

The objective is to enable Singaporeans to continue thriving in a more dynamic economic environment. SSG will partner our learners, employers, and training partners to strengthen our lifelong learning system and realise this outcome.

Board Members

Term of Appointment: 1 Oct 2022 – 30 Sep 2024

1 **Mr Tan Kai Hoe (Chairman)**[1]
Group President & Chief Executive Officer
Accuron Technologies Limited

2 **Mr Abdul Samad Bin Abdul Wahab**
Vice President
National Trades Union Congress, Central Committee

General Secretary
Union of Power and Gas Employees

3 **Ms Adeline Sim**
Executive Director & Chief Corporate Officer
HRnetGroup

4 **Mr Ang Zhongren**
Director, Smart City; Workforce Development; and Corporate
Smart Nation Digital Government Office (SNDGO)

5 **Mr Chang Sau Sheong**
Deputy Chief Executive
Government Technology Agency of Singapore (GovTech)

6 **Mrs Deborah Ong**
SSG Board member

7 **Ms Dilys Boey**[2]
Chief Executive
Workforce Singapore Agency

8 **Ms Feon Ang**
Managing Director, APAC
LinkedIn

9 **Ms Joan Moh**
Divisional Director, Higher Education (Planning, Skills and Academic Research)
Ministry of Education (MOE)

10 **Mr Leong Keng Thai**
SSG Board member

11 **Ms Lim Hee Joo**
Executive Director
Wah Son Engineering

12 **Mr Suhaimi Zainul-Abidin**
Chief Executive Officer
Quantedge Capital Pte Ltd

13 **Ms Susan Chong**
Chief Executive Officer
Greenpac (S) Pte Ltd

14 **Mr Tan Kok Yam**
Chief Executive
SkillsFuture Singapore Agency

Retired Board Members

Mr Wong Kim Yin (Chairman)[3]
Group President & CEO
Sembcorp Industries

Mr Tan Choon Shian[4]
Chief Executive
Workforce Singapore Agency

[1] Appointed from 1 Jan 2023 – 30 Sep 2025. Mr Tan Kai Hoe replaced Mr Wong Kim Yin as Chairman, SSG Board from 1 Oct 2023.
[2] Ms Dilys Boey replaced Mr Tan Choon Shian as CE/WSG on 1 Jul 2023 and was appointed as a SSG Board member on the same date.
[3] Mr Wong Kim Yin stepped down as Chairman, SSG Board on 30 Sep 2023.
[4] Mr Tan Choon Shian stepped down as CE/WSG on 30 Jun 2023. This is appointed as a ex-officio appointment.

Board Committees:

Term of Appointment: 1 Oct 2022 – 30 Sep 2024

Audit and Risk Committee
Chairman: Mrs Deborah Ong
Member: Ms Susan Chong
Member: Ms Joan Moh

Grants Committee
Chairman: Mr Wong Kim Yin (till 30 Sep 2023)
Chairman: Mr Tan Kai Hoe (from 1 Oct 2023)
Member: Mr Tan Choon Shian (till 30 Jun 2023)
Member: Ms Dilys Boey (from 1 Jul 2023)
Member: Mr Chang Sau Sheong

Renumeration Committee
Chairman: Ms Lim Hee Joo
Member: Mr Abdul Samad Bin Abdul Wahab
Member: Mr Ang Zhongren

Committee for Private Education
Chairman: Mr Leong Keng Thai
Member: Ms Feon Ang
Co-opted Member: Mr Edric Pan
Co-opted Member: Mr Ted Tan
Co-opted Member: Mr Mark Ho
Co-opted Member: Ms Ho Hern Shin
Co-opted Member: Ms Hui Mei San (till 30 Apr 2023)
Co-opted Member: Ms Angela Tan (from 1 May 2023)

Lifelong Learning Institute Board
Chairman: Ms Adeline Sim
Member: Ms Catherine Lau
Member: Mr Gino Tan
Member: Mr Edward Leong
Member: Mr Tan Tow Koon

Learning Gateway Board
Chairman: Mr Suhaimi Zainul-Abidin
Member: Ms Susan Chong (from 1 Jan 2024)
Member: Mr Tan Kok Yam
Member: Mr Foo Piao Zhou

Corporate Governance

Functions of the SSG Board

The SSG Board provides guidance and advice to SSG Management on all matters under SSG's purview, including its policy, regulatory and promotional roles. It also reviews and approves the strategic plans and budgets of SSG. SSG Board members come from diverse backgrounds such as unions, and private and public sectors. This allows SSG to tap their varied experiences and perspectives.

SSG Board Committees:

Audit and Risk Committee

The Audit and Risk Committee reviews and endorses SSG's audited financial statements, including the performance and independence of the external auditors. It provides oversight and guidance to ensure the effectiveness of the internal audit function, as well as reviews audit reports and management actions to strengthen the rigor of the system of internal controls. The Committee also provides oversight and guidance on risk management, including the review of updates and reports on matters relating to fraud and abuse management.

Grants Committee

The Grants Committee provides advice on funding principles and grant policies for SSG administered funds, and approves funding proposals valued up to $30 million. It also reviews the proposed fund allocation for SSG-administered funds before they are tabled for the approval of the SSG Board and the Minister for Education.

Renumeration Committee

The Remuneration Committee endorses SSG's corporate performance grade before submitting its recommendation for SSG Board's approval. It also approves staff remuneration policies, including approving major changes to schemes of service, early retirement and early release schemes, and the appointment, promotion and performance bonuses for SSG senior management (i,e., Director and above). The Remuneration Committee further reviews and deliberates on staff appeals related to personnel matters.

Committee for Private Education

The Committee for Private Education exercises the regulatory functions of the Private Education Act. It facilitates the development of the private education sector to support SkillsFuture efforts, through providing oversight and guidance for consumer education initiatives and student support services. The Committee further provides oversight and guidance for process benchmarking and regular reviews of regulatory frameworks, including being the approving authority for key decisions under the Enhanced Registration Framework and Edutrust Certification.

SSG Board Meeting Attendance for FY2023 (Apr 2023 – Mar 2024)

There were a total of four meetings held in this period (May 2023, Aug 2023, Nov 2023, Feb 2024).

No.	Board member	Total
1	Mr Wong Kim Yin (Chairman)[1]	2
2	Mr Tan Kai Hoe (Chairman)[2]	4
3	Mr Abdul Samad Bin Abdul Wahab	4
4	Ms Adeline Sim	3
5	Mr Ang Zhongren	2
6	Mr Chang Sau Sheong	2
7	Mrs Deborah Ong	3
8	Ms Feon Ang	3
9	Ms Joan Moh	4
10	Mr Leong Keng Thai	3
11	Ms Lim Hee Joo	3
12	Mr Suhaimi Zainul-Abidin	3
13	Ms Susan Chong	4
14	Mr Tan Choon Shian[3]	1
15	Ms Dilys Boey[4]	3
16	Mr Tan Kok Yam	4

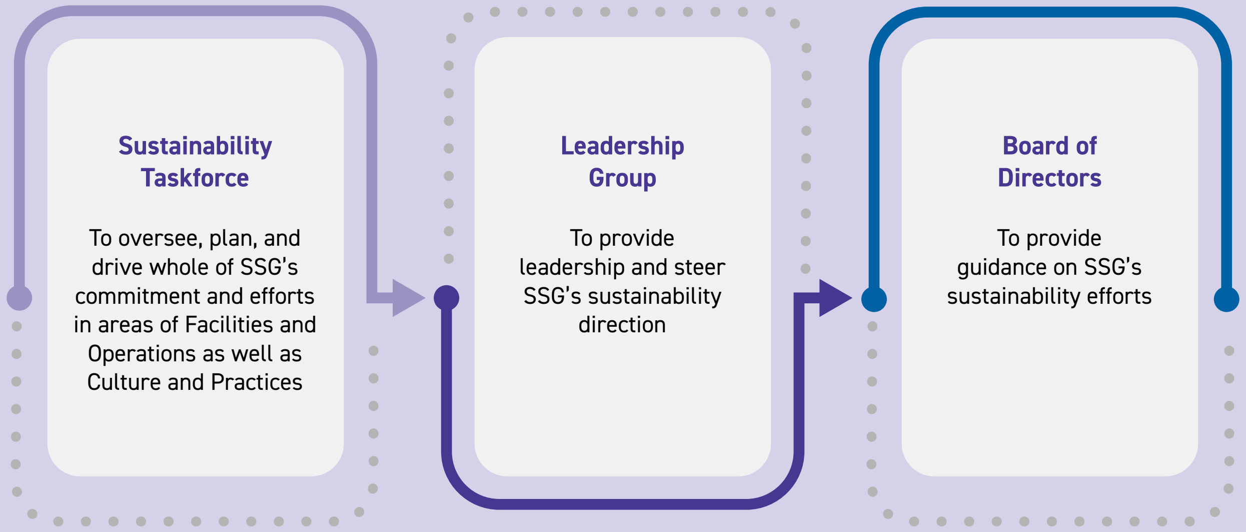
[1] Mr Wong Kim Yin stepped down on 30 Sep 2023
[2] Mr Tan Kai Hoe was appointed from 1 Jan 2023 – 30 Sep 2025
[3] Mr Tan Choon Shian stepped down on 30 Jun 2023
[4] Ms Dilys Boey was appointed from 1 Jul 2023 – 30 Sep 2024

Corporate Governance

Internal Audit

The Internal Audit Division seeks to improve the effectiveness of SSG's governance, risk management and internal controls through its evaluation of the adequacy and effectiveness of internal controls, and compliance with established policies, procedures and regulatory requirements.

Sustainability Governance



The SSG Sustainability Taskforce was established in Year 2023 to oversee and implement sustainability strategies and initiatives, with the leadership group providing the sustainability directions.

Officers from various divisions are appointed as Sustainability Representatives. They play a crucial role in helping SSG to instill mindsets and practices in our people in caring for the environment and our community.

Risk Statement

The national SkillsFuture movement seeks to enable individuals to learn for life, pursue skills mastery, and develop fulfilling careers for a future-ready Singapore. To succeed, there must be public trust and confidence in our Continuing Education and Training ("CET") sector.

The CET sector has to continually innovate to anticipate and meet the rapidly changing demands of employers and job seekers, and make best use of technology to do so. In order to mitigate risks that may arise from being at the cutting-edge, SSG will take appropriate measures, including active monitoring of learner feedback and learning outcomes, and improving or removing programmes thereafter.

SSG does not tolerate any incident or behaviour that erodes the credibility of the CET ecosystem, such as actions by training providers or other parties that mislead learners or abuse public funds. We will take robust control measures to prevent such incidents and deter such behaviours. Should such an incident occur, we will act decisively and commence recovery actions expeditiously.

Quality Assessment of SSG-funded Training Providers

Training Provider Quality Assessment (TPQA) introduces a holistic quality assurance assessment to ensure SSG-funded Registered Training Providers (RTPs) adopt a systematic approach to implement good processes and training methods for industry relevant courses, supported by good administration and corporate governance, towards positive outcomes such as strong Training Quality and Outcomes Measurement (TRAQOM) ratings.

Rolled out for all RTPs in Nov 2023, SSG aims to uplift the overall quality of SSG-funded training and enhance the training experience and outcomes for learners and enterprises. TPQA will result in a quality grade which is a pre-requisite for continued eligibility for SSG funding under the revised funding framework.

For further details on the TPQA requirements and processes, please visit Training Partners Gateway.

ORGANISATION CHART

WEF 31 MARCH 2024

Tan Kok Yam
Chief Executive

Pao Jia Yu
Deputy Chief Executive
(Planning, SSG-WSG)

Tan Wee Beng
Deputy Chief Executive
(Operations and Regulation)

CE'S OFFICE

- Human Resource Div (HRD) — **Ong Ai Ming**, Director
- Internal Audit Div (IAD) — **Yeo Siew Peng**, Director

PLANNING GROUP
Toh Swee Chien — Group Director, Chief Data Officer

- STRATEGIC PLANNING DIV — **Kevin Lee**, Director; **Edward Teo**, Economics Office, Director & Principal Economist
- RESOURCE PLANNING DIV — **Azzli Jamain**, Director
- DATA STRATEGY AND ANALYTICS DIV — **Kelvin Goh**, Director

CORPORATE DEVELOPMENT GROUP
Hui Mei San — Group Director

- SHARED SERVICES MANAGEMENT DIV — **Hui Mei San**, Covering Director
- CORPORATE SERVICES DIV — **Tan May Ling**, Director, Chief Records Officer
- CORPORATE RESILIENCE OFFICE

BUSINESS TECHNOLOGY GROUP
Pang Poh Cheng — Group Director

- CHIEF INFORMATION OFFICER OFFICE — **Kelvin Goh**, Director
- DIGITAL ENABLEMENT & OPERATIONS DIV (TRAINING PARTNERS/ INDIVIDUALS) — **Francis Yap**, Director
- DIGITAL ENABLEMENT & OPERATIONS DIV (ENTERPRISE/ CORPORATE) — **Lai Yew Meng**, Director
- CYBER SECURITY & INFRASTRUCTURE DIV — **Karen Chiah**, Director

REGULATION & QUALITY GROUP
Angela Tan — Group Director, Director General (Private Education)

- REGULATION DIV — **Webster Lam**, Director
- QUALITY MANAGEMENT DIV — **Jenny Chua**, Director

INCENTIVES MANAGEMENT & ENFORCEMENT GROUP
Angelina Soh — Group Director

- LEVY & INCENTIVES MANAGEMENT DIV — **Emily Low**, Director
- ENFORCEMENT & COMPLIANCE DIV — **Pang Tong Wee**, Director
- PLANNING & INTELLIGENCE DIV — **Sharon Chia**, Director

TRAINING PARTNERS GROUP
Foo Piao Zhou — Group Director

- PLANNING & PROGRAMMES DIV — **Shandy Tang**, Director
- INDUSTRY DEVELOPMENT DIV 1 — **Loh Gek Khim**, Director
- INDUSTRY DEVELOPMENT DIV 2 — **Remy Choo**, Director
- MANPOWER & INFRA PLANNING DIV — **Jessica Methodius**, Director
- TRAINING GRANT SYSTEM UNIT — **Richard Kee**, Director

SKILLS DEVELOPMENT GROUP
Dr Gog Soon Joo — Chief Skills Officer, Chief Innovation Officer

- JOBS-SKILLS INSIGHTS DIV — **Yeo Wee Siong**, Director
- SKILLS INTELLIGENCE & PLANNING DIV — **Chelvin Loh**, Director

COMMUNICATIONS & ENGAGEMENT GROUP
Tan Tow Koon — Group Director

- ENTERPRISE ENGAGEMENT DIV — **Xu Wenshan**, Director
- CORPORATE MARKETING & COMMUNICATIONS DIV — **Patricia Woo**, Director
- PUBLIC ENGAGEMENT DIV — **Peggy Lim**, Director

SSG SUBSIDIARIES

- LEARNING GATEWAY
- LIFELONG LEARNING INSTITUTE — LIFELONG LEARNING — **Andrew Ho**, Director
- WORLDSKILLS SINGAPORE OFFICE — **Andrew Ho**, Director

Legend
: Leadership group

KEY ACHIEVEMENTS FOR FY2023

KEY ACHIEVEMENTS FOR FY2023

25 April 2023

SSG published the Private Education Institution Graduate Employment Survey 2021/2022 which showed that six in ten fresh graduates found full-time permanent employment within six months of graduation.

1 June 2023

ST Logistics appointed as SkillsFuture Queen Bee for Logistics sector to impart workforce development best practices to address skills gaps and upskill the workforce of SMEs.

4 July 2023

Launch of SkillsFuture Festival 2023 – SSG announced the relaunch of SkillsFuture for Digital Workplace 2.0 to better help citizens prepare for the digital economy, and launched the Skills Profiling for SMEs pilot to develop the capabilities of SMEs.

4 July 2023

SSG partnered Generation Singapore to publish a SkillsFuture Jobs-Skills Insights report to guide mid-careerists with no prior tech background to transit and pursue a career in tech.

14 July 2023

SMU Academy, Amazon Web Services and SSG launched a new SkillsFuture Career Transition Programme to equip mid-careerists with the skills to transit into a software development career.

27 July 2023

Singapore hosted the 13th WorldSkills ASEAN competition for the first time, with Team Singapore winning a record number of 26 medals at the event, with eight Gold medals, four Silver medals, eight Bronze medals and six Medallions for Excellence.

28 July 2023

SSG, Enterprise Singapore and Singapore Business Federation jointly launched a foundational sustainability playbook to provide a step-by-step guide to help enterprises assess their Environmental, Social and Governance readiness.

KEY ACHIEVEMENTS FOR FY2023

11 August 2023

The Institutes of Higher Learning introduced nine new SkillsFuture Work-Study Programmes.

18 August 2023

Over 250 representatives from SMEs attended the inaugural SkillsFuture SME Conference 2023, which aimed to inspire and empower SMEs to take charge of their workforce skills development in the Green, Digital and Care Economies.

13 September 2023

SSG and the National Arts Council introduced a new Skills Framework for the Arts, to map career pathways, job roles, and sector information in the Arts Education and Technical Theatre and Production sectors.

25 September 2023

SSG partnered Bosch Rexroth Regional Training Centre to publish a SkillsFuture Job-Skills Insights report aimed at assisting SMEs to adopt Industry 4.0 and to upskill their workforce.

25 October 2023

10 companies received the National Workplace Learning Certification at the second annual Workplace Learning Conference, which recognises companies that support the development and growth of their employees.

30 October 2023

At the 7th edition of the SkillsFuture Fellowships and SkillsFuture Employer Awards ceremony, 12 Singaporeans and 24 employers were honoured for their commitment towards skills mastery and skills development.

15 November 2023

The Ministry of Trade & Industry and SSG convened their inaugural Green Skills Committee meeting, gathering industry players and training providers to discuss the development of skills to meet the requirements of a sustainable, lower-carbon economy.

KEY ACHIEVEMENTS FOR FY2023

17 November 2023

SSG published the annual Skills Demand for the Future Economy Report which analyses high demand skills over the past decade, skills forecasted to see high growth and transferability over the next two years, and the pathways for individuals to attain specific jobs. The report also saw a continued focus on the Green, Digital and Care growth economies.

4 January 2024

Raffles Hotel Singapore appointed as SkillsFuture Queen Bee to enhance skills and elevate service standards of SMEs in the hotel and accommodation sector.

12 January 2024

SSG partnered Institute of Human Resource Professionals to launch a SkillsFuture Jobs-Skills Insights report for the HR sector, which examined and identified opportunities on the transformative impact of generative AI on HR practices, and the digital competencies required by HR professionals.

16 Feb 2024

The SkillsFuture Level-Up Programme was announced at Budget 2023. The programme is targeted at mid-career workers aged 40 years and above. It comprises a $4,000 SkillsFuture Credit (Mid-Career) top-up, a monthly training allowance for enrolment in selected full-time enrolment and subsidies to pursue another full-time diploma.

27 Feb 2024

The Training and Adult Education (TAE) Conference 2024 explored strategies for the sector to deliver user-centric service, and ways to enhance collaboration and training quality, to strengthen the TAE ecosystem which supports lifelong learning.

6 March 2024

SSG signed MOUs with Microsoft and NTUC Learning Hub to advance AI capabilities for businesses and employees through the development of new skilling initiatives.

ESG REPORT

Our Approach

SSG is committed to Environmental, Social and Governance Sustainability to support an effective, responsive and inclusive CET ecosystem. We strive to instill mindsets and practices in our people and organisation to care for the environment and our community.

LEGEND:
- Environmental
- Social
- Governance

EXTERNAL

Lifelong Learning System to Provide Singaporeans with Opportunities To Develop their Fullest Potential Throughout Life

SSG will continually strengthen our lifelong learning system to enable individuals to progress in life and career, regardless of their starting points.

Singaporeans Equipped to Drive The Green Economy

Training providers will equip the workforce with green skills needed for job roles across multiple sectors, that support the greening of our economy.

Inclusive Training and Adult Education Sector

SSG will work with training providers and agencies to develop courses that meet the needs of Individuals with Mental Health Conditions (IMHCs) and Persons with Disabilities (PwDs), including supporting their employability through training.

Responsible Partners

SSG will influence our vendors and grantees to likewise adopt ESG sustainability measures.

INTERNAL

Sustainability Taskforce

The SSG management will take on the responsibility to ensure that plans and actions are systematically taken to meet sustainability goals.

Enviromentally Sustainable Practices

Staff embrace sustainability mindset and adopt practices such as sustainable procurement and when working with partners.

Corporate Social Responsibility

Staff reach out to vulnerable individuals and communities via corporate and self-organised activities.

SSG's Learning System

Incorporation of (environmental) sustainability into foundational knowledge and skills for SSG staff.

Environmental Sustainability in SSG

Reporting Boundary

The reporting boundaries are aligned with the GreenGov.SG initiative and include SSG's Headquarters at Paya Lebar Quarter (PLQ) (previously located at One Marina Boulevard (OMB)) as well as our two campuses: Lifelong Learning Institute (LLI) and Devan Nair Institute For Employment and Employability (DNIEE).

Overall Performance

FY2023 marks SSG's inaugural disclosure of our environmental indicators. We are pleased to report that SSG has performed satisfactorily in FY2023 and has achieved the respective targets. SSG will strive to continue maintaining its good performance so as to achieve the following environmental outputs:

Year 2030
10% reduction in the **Energy Utilisation Index (EUI)** by 2030, compared to the average levels of 2018-2020

Year 2030
10% reduction in **Water Efficiency Index (WEI)** by 2030, compared to the average levels of 2018-2020

Year 2030
30% reduction in **Waste Disposal Index (WDI)** by 2030, compared to 2022 levels

Year 2045
Reach **peak emissions** around 2025 and **achieve net zero emissions** around 2045

Several factors have influenced the performance of the environmental indicators:

- COVID-19 – The number of occupants and visitors at SSG's premises and campuses, were greatly reduced due to the COVID-19 measures.
- Update of Telecommuting Policy - As part of SSG's effort to sustain long-term operational resilience, and in view of the effectiveness of telecommuting, experienced during the COVID-19 period, SSG updated its telecommuting policy to allow staff to telecommute up to 3 days per week from October 2020.

SSG has implemented various initiatives to improve facilities operations and maintenance:

SSG Headquarters:

- Incorporated sustainable office design and management using sustainable fit-out materials and operational products such as energy efficient lighting, motion sensors and daylight sensors for light fittings, and green certified renovation products on internal walls and floors in the new office design;
- Programmed automatic operable window shades with consideration of sunrise/sunset directions;
- Reused past corporate mugs and festive decorations;
- Reusable cutlery and crockery are used for meetings and by staff.

Lifelong Learning Institute:

- Fine-tuned irrigation timing at landscape planters for optimal duration to maintain the condition of plants;
- Implemented an Energy Management System for proactive monitoring of alarms and troubleshooting unusual spikes in consumption for all toilets;
- Implemented preventive maintenance on the flushing system for all urinal WC in toilets;
- Installed ambient temperature sensor in all Pay-Per-Use-Facilities such as event halls, training rooms to attain balance between occupant's comfort level and energy consumption;
- Inserted sustainability requirements relating to Energy Efficiency, Water Efficiency, Waste Management and Sustainable Materials in Lease Agreement for all tenants;
- Optimised chiller operations by manually discharging and dosing the Cooling Tower Treatment System;
- Replaced halogen light fittings with LED light fittings at common area corridors;
- Reused coffee powder waste as fertilisers for landscaping;
- Streamlined the usage of chillers by analysing building cooling load.

Devan Nair Institute For Employment And Employability:

- Encouraged tenants to switch off Fan Coil Units after their respective business hours. 6 tenants had participated in this exercise;
- Increased the chiller setpoint from 7.5ºC to 8ºC;
- Implemented drip irrigation for landscape;
- Replaced T5 fluorescent light fittings with LED light fittings for common corridors to Pay-Per-Use training rooms;
- Reviewed operation requirements and reduced the frequency of regular jet washing. Frequent jet washing in toilets and carpark has been replaced with spot cleaning/washing with pail water where possible.

Greenhouse Gas (GHG) Emissions

Performance	FY2021	FY2022	FY2023
Scope 1 Emissions: Standby Generators (Diesel) (tonnes CO2e)	0.0	0.0	0.0
Scope 2 Emissions: Electricity (tonnes CO2e)	3.0	3.0	3.0
Total Scope 1 & 2 Emissions (tonnes CO2e)	**3.0**	**3.0**	**3.0**

Notes:

1. Scope 1 emissions are direct emissions from sources that are owned or controlled by the agency. Eg: standby generator (diesel) used in LLI.
2. Scope 2 emissions are indirect emissions resulting from the use of purchased electricity, heat, and steam. The grid emission factor for FY2021, FY2022, and FY2023 carbon emissions are calculated based on Singapore Energy Statistics 2020, 2021, and 2022 published by the Energy Market Authority of Singapore, at 0.407 kilograms CO2/kWh, 0.409 kg CO2/kWh, and 0.417 kgCO2/kWh respectively.

Electricity Consumption

Performance	Baseline (FY2018 to FY2020)	FY2021	FY2022	FY2023
Electricity Consumption (kWh)	25,610,565.00	7,671,028.00	7,434,882.00	7,557,926.00
EUI (kWh/m²)	133.1	116.4	112.8	114.7

Notes:

1. EUI is defined as the total electricity consumed by a facility in one year divided by its total gross floor area (GFA).
2. The formula used to calculate the EUI is as follows: $\dfrac{\text{Total amount of electricity consumed for all Agency premises in EUI in Year}_N}{\text{Total GFA for all Agency premises in EUI in Year}_N}$
3. The Gross Floor Area (GFA) for the calculation of the baseline (FY2018 to FY2020) performance is 192,456.83 m^2. Between Year 2018 to Year 2020, SSG shared the office located at OMB with Workforce Singapore (WSG). In January 2020, SSG/WSG increased its GFA from 4,894.06 m^2 to 5,277.06 m^2. The resource consumption and GFA for OMB are measured at 50% based on the established internal agreement. In January 2021, SSG moved its headquarters from OMB to PLQ and self-manages the resource consumption.

Water Consumption

Performance	Baseline (FY2018 to FY2020)	FY2021	FY2022	FY2023
Water Consumption (litres)	238,390.00	57,634.00	61,496.00	52,359.00
WEI (litres/person/day)	130.8	104.1	83.6	59.8

Notes:

1. WEI is defined as the water consumption per day divided by the total number of staff and visitors to the premises.
2. The formula used to calculate the WEI is as follows: $\dfrac{(\text{Total amount of water consumed for SSG premises in Year}_N \times 1000)}{(\text{Avg number of operational days in Year}_N \text{ for SSG premises} \times (\text{Avg number of staff per day for SSG premises} + (0.25 \times \text{Avg number of visitors per day for SSG premises})))}$
3. For the calculation of the baseline (FY2018 to FY2020) performance: Average number of operational days is taken to be 272.44 days. Total number of staff per day is taken to be 3801.69. Total number of visitors per day is taken to be 11,561.84. In Year 2018 to Year 2020, SSG shared the office located at OMB with WSG. The resource consumption and staff and visitors for OMB are measured at 50% based on the established internal agreement. In January 2021, SSG officially moved its headquarters from OMB to PLQ and self-manages the resource consumption.
4. For the calculation of FY2021 performance: Average number of operational days is taken to be 275.67 days. Total number of staff per day is taken to be 1,370.77. Total number of visitors per day is taken to be 2,553.21.
5. For the calculation of FY2022 performance: Average number of operational days is taken to be 276.00 days. Total number of staff per day is taken to be 1,478.00. Total number of visitors per day is taken to be 4,749.99.
6. For the calculation of FY2023 performance: Average number of operational days is taken to be 273.33 days. Total number of staff per day is taken to be 1,634.79. Total number of visitors per day is taken to be 6,268.05.

Waste Generation

Performance	Baseline (FY2022)	FY2023
Waste disposed of (kg)	259,823.00	171,383.00
WDI (kg/person/day)	0.4	0.2

Notes:

1. WDI is defined as the total waste disposed of per day divided by the total number of staff and visitors to the premises.
2. The formula used to calculate the WDI is as follows: $\dfrac{\text{Total amount of waste disposed of for SSG in Year}_N}{(\text{Avg number of operational days in Year}_N \text{ for SSG premises} \times (\text{Avg number of staff per day for SSG premises} + (0.25 \times \text{Avg number of visitors per day for SSG premises})))}$
3. For the calculation of the baseline (FY2022) performance: Average number of operational days is taken to be 276.00 days. Total number of staff per day is taken to be 1,478.00. Total number of visitors per day is taken to be 4,749.99.
4. For the calculation of FY2023 performance: Average number of operational days is taken to be 273.33 days. Total number of staff per day is taken to be 1,634.79. Total number of visitors per day is taken to be 6,268.05.

Sustainability Efforts within SSG

Greening our Campuses

- SSG owns two Continuing Education and Training campuses: Lifelong Learning Institute and Devan Nair Institute For Employment And Employability. The campuses are managed by Lifelong Learning Institute Pte Ltd and Employment And Employability Institute Pte Ltd respectively, and they work with SSG to manage the buildings' sustainability compliance.
- SSG closely monitors campus operations and efforts to ensure environmental sustainability. The campus operators regularly explore and implement sustainability measures by reviewing current processes and implementing best practices in managing the facilities. Both campuses have been Green Mark Platinum certified by Building and Construction Authority since 2013.

Procuring Sustainably

- SSG has actively adopted green requirements to support sustainable procurement. Contracts with green procurement requirements include facilities management (green cleaning), production of corporate T-shirts (use of sustainable materials) and the PLQ office renovation (design specifications met the BCA Green Mark for Healthier Workplace (GOLD) rating).
- SSG has ceased subscription of printed newspapers since June 2023 to eliminate delivery.
- SSG plans to factor in sustainability considerations for the evaluation of Information and Communications Technology (ICT) projects from FY2024 onwards, and to apply the same for all applicable procurements within the next five years.

Adopting a Sustainable Culture

- The theme of environmental sustainability was woven into the 2023 Kidz@Work event to educate employees and their children about recycling and the climate impact in a fun and engaging way.
- SSG conducts regular engagement sessions and employee outreach to raise awareness of sustainability-related topics such as upcycling and energy conservation. To demonstrate our commitment, we made minimal changes and reused event materials at official events and roadshows, while also cutting back on spending for roadshow premiums. Additionally, at the 2023 Dinner and Dance, reusable jute bags were distributed to encourage staff to reduce single-use disposables.
- SSG has procured reusable supplies such as water jugs, drinking glasses and teaspoons and reused 40 customised mugs from SSG's 5th Year Anniversary. This is part of our efforts to reuse existing inventory, reduce single-use disposables and replace plastic bottles.

Social Sustainability in SSG

SSG supports the Training and Adult Education sector by uplifting the skills and capabilities of the Singapore workforce to stay relevant and employable throughout their working lives. We ensure that SkillsFuture intiatives are inclusive through partnerships with SG Enable.

Driving Lifelong Learning

SkillsFuture Movement

- SkillsFuture provides Singaporeans with the opportunities to develop their fullest potential throughout their lives, regardless of their starting points. With SkillsFuture, the goal is for individuals to acquire the skills and passion to drive Singapore's next phase of development towards an advanced economy and inclusive society.

  The 4 Key Thrusts of SkillsFuture are:
  1. Help individuals make well-informed choices in education, training and careers
  2. Develop an integrated high-quality system of education and training that responds to constantly evolving needs
  3. Promote employer recognition and career development based on skills and mastery
  4. Foster a culture that supports and celebrates lifelong learning

Fostering Inclusive Training

Supporting Individuals with Mental Health Conditions (IMHCs) and Persons with Disabilities (PwDs)

- SSG has been supporting the training of PwDs through its partnership with SG Enable since 2021. In September 2023, SSG furthered its support to IMHCs, and contributed as an active member of the national Interagency Taskforce for Mental Health and Well-being.

- An outreach call to training providers to join the inclusive movement was held in 2023. More than 60 training providers responded and attended the first combined briefing event, jointly organised by SSG, SG Enable, Disabled People's Association, and the Mental Health Agencies, namely, Institute of Mental Health, Singapore Association for Mental Health, and Singapore Anglican Community Services to learn about the learning needs of IMHCs, and PwDs.

- The pool of training providers for PwDs has grown from 30 to 83, and in June 2024, Nanyang Polytechnic held its first training course for 10 individuals with mental health conditions in Microsoft Excel for Workplace. In 2023, a total of 469 PwDs were trained and 181 were placed for employment.

- More efforts are underway to equip more training providers with the capabilities to provide inclusive training. These efforts include the launch of 101 Disability and Mental Health Literacy workshops for adult educators (AEs) and working with the Institute for Adult Learning to develop an inclusive curriculum for AEs.

- In supporting PwDs and IMHCs, SSG has also worked with the Lifelong Learning Institute to customise dedicated SkillsFuture Advice workshops to raise awareness of SkillsFuture initiatives and resources, such as the Skills and Training Advisory and SkillsFuture Credit, that they can tap on to support their learning journey.

Initiatives for Inmates and Ex-offenders

- SSG collaborated with Yellow Ribbon Singapore and Nanyang Polytechnic to provide training and employment facilitation for inmates and ex-offenders.

Provision of Customised and Scalable Support to Small and Medium-sized Enterprises (SMEs)

- Measures to support SMEs in skills development and business transformation were offered through the Workplace Skills Recognition Programme, Skills Profiler for SMEs and SkillsFuture Enterprise Credit to benefit SMEs in skilling up their workforce and sharpen their competitiveness in the new economy.

Creating Learning Opportunities For The Green Economy

- To equip the Singapore workforce with skills to support the Green Economy, SSG worked with industry partners and education institutions to offer a diverse suite of green courses ranging from short-form SkillsFuture Series green courses to the more intensive SkillsFuture Career Transition Programme in Sustainability Management.
- Ministry of Trade & Industry (MTI) and SSG kicked off the Green Skills Committee (GSC) workstreams involving sector agency leads such as Energy Market Authority, Accounting and Corporate Regulatory Authority, Enterprise Singapore, and other industry partners, to drive green skills development and meet the growing industry demand for green expertise and talents. There are further plans by MTI and SSG to set up additional green initiatives and scale up on-going efforts.
- SSG developed the national definition for green jobs and skills. This was endorsed by the GSC main committee in November 2023.

Reaching out to the Community

Meals-on-Wheels for Seniors

- In collaboration with Thye Hua Kwan (THK) Home Help Service East, SSG co-organised two Meals-on-Wheels sessions with WSG. This was part of SSG's Corporate Social Responsibility commitment and efforts to support and contribute to the community through meaningful engagement and assistance. Volunteers from both agencies delivered dinners to seniors in need living in rental flats within the Geylang area in December 2021.

Charity Bazaar

- The inaugural Charity Bazaar jointly organised by SSG and WSG in January 2024, centred around sustainability and featured sales of pre-loved items from staff, including an auction of items donated by senior management. The bazaar was complemented by an 'Upcycling Workshop' where staff learnt how to recycle and upcycle by making tote bags using old cotton T-shirts. More than $9,000 was raised for Care Community Services Society Singapore, the social service agency chosen by SSG and WSG.

SkillsFuture Singapore Agency and its Subsidiaries

In our opinion:

(a) the accompanying financial statements of SkillsFuture Singapore Agency ("the Agency") and its subsidiaries (the "Group"), set out on pages 42-114 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "PSG Act"), SkillsFuture Singapore Agency Act 2016 ('the Act'), and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and the Agency as at 31 March 2024, and the results and changes in equity of the Group and the Agency and cash flows of the Group for the financial year ended on that date;

(b) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by the Agency during the financial year have been in accordance with the provisions of the Act; and

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

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Tan Kai Hoe	Tan Kok Yam (Chen Guyan)
Chairman	Chief Executive

15 August 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Agency are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "PSG Act"), SkillsFuture Singapore Agency Act 2016 ("the Act"), and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and the Agency as at 31 March 2024 and the results and changes in equity of the Group and the Agency and cash flows of the Group for the financial year ended on that date.

What we have audited

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

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report.

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

Independence

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

Report on the Audit of the Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the Statement by the Board of SkillsFuture Singapore Agency but does not include the financial statements and our auditors' report thereon.

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

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

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

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on the Audit of the Financial Statements (continued)

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

Our Opinion

In our opinion:

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

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

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory requirements

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

Report on Other Legal and Regulatory Requirements (continued)

Auditors' Responsibility for the Compliance Audit

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

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 Agency's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore
15 August 2024

	Note	General Fund 2024 $'000	General Fund 2023 $'000	Restricted Funds 2024 $'000	Restricted Funds 2023 $'000	Total 2024 $'000	Total 2023 $'000
Group							
Operating income	3	**1,667**	2,306	**-**	-	**1,667**	2,306
Other income	4	**4,335**	1,734	**18,383**	18,740	**22,718**	20,474
Other gains	5	**149**	3	**-**	-	**149**	3
		6,151	4,043	**18,383**	18,740	**24,534**	22,783
Expenditure							
Amortisation of intangible assets	10	**(7,885)**	(8,789)	**(11,351)**	(15,863)	**(19,236)**	(24,652)
Depreciation expense	9	**(5,021)**	(5,560)	**(9,347)**	(10,109)	**(14,368)**	(15,669)
Staff costs	6	**(66,206)**	(63,097)	**(2,922)**	(3,983)	**(69,128)**	(67,080)
Reimbursement expenses	7	**-**	-	**(12,964)**	(11,843)*	**(12,964)**	(11,843)
Grant disbursements		**(7,433)**	(7,781)	**(26,018)**	(219,148)	**(33,451)**	(226,929)
Rental of office premises and property taxes		**(2,353)**	(2,304)	**-**	-	**(2,353)**	(2,304)
Professional services		**(32,078)**	(23,279)	**(679)**	(159)	**(32,757)**	(23,438)
Maintenance expenses		**(45,258)**	(41,997)	**(9,347)**	(8,514)	**(54,605)**	(50,511)
Public relations		**(19,000)**	(14,342)	**(17)**	(19)	**(19,017)**	(14,361)
Others		**(15,077)**	(12,562)	**(2,475)**	(2,976)	**(17,552)**	(15,538)
		(200,311)	(179,711)	**(75,120)**	(272,614)	**(275,431)**	(452,325)
Deficit before government grant		**(194,160)**	(175,668)	**(56,737)**	(253,874)	**(250,897)**	(429,542)

* Prior period amounts have been restated to better reflect the net rental returned to SDF.

SKILLSFUTURE SINGAPORE AGENCY
AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	General Fund 2024 $'000	General Fund 2023 $'000	Restricted Funds 2024 $'000	Restricted Funds 2023 $'000	Total 2024 $'000	Total 2023 $'000
Group							
Add							
Grants from government	24	**191,437**	185,152	**36,160**	227,507*	**227,597**	412,659
Deferred capital grants amortised	21	**8,633**	10,041	**20,465**	25,507	**29,098**	35,548
		200,070	195,193	**56,625**	253,014	**256,695**	448,207
Surplus/(Deficit) before contribution to Consolidated Fund		**5,910**	19,525	**(112)**	(860)	**5,798**	18,665
Contribution to Consolidated Fund	23	**(810)**	(3,095)	**-**	-	**(810)**	(3,095)
Income tax expense	8	**-**	-	**(82)**	(63)	**(82)**	(63)
Net surplus/(deficit), representing total comprehensive income for the year		**5,100**	16,430	**(194)**	(923)	**4,906**	15,507

* Prior period amounts have been restated to better reflect the net rental returned to SDF.

	Note	General Fund 2024 $'000	General Fund 2023 $'000	Restricted Funds 2024 $'000	Restricted Funds 2023 $'000	Total 2024 $'000	Total 2023 $'000
Agency							
Operating income	3	**1,667**	2,306	**-**	-	**1,667**	2,306
Other income	4	**5,388**	2,890	**13,786**	15,028	**19,174**	17,918
Other gains	5	**149**	3	**-**	-	**149**	3
		7,204	5,199	**13,786**	15,028	**20,990**	20,227
Expenditure							
Amortisation of intangible assets	10	**(7,885)**	(8,789)	**(11,351)**	(15,863)	**(19,236)**	(24,652)
Depreciation expense	9	**(4,999)**	(5,545)	**(9,326)**	(10,068)	**(14,325)**	(15,613)
Staff costs	6	**(59,329)**	(58,375)	**(2,369)**	(3,431)	**(61,698)**	(61,806)
Reimbursement expenses	7	**-**	-	**(12,964)**	(11,843)*	**(12,964)**	(11,843)
Grant disbursements		**(22,863)**	(21,573)	**(25,978)**	(219,111)	**(48,841)**	(240,684)
Rental of office premises and property taxes		**(2,592)**	(2,826)	**-**	-	**(2,592)**	(2,826)
Professional services		**(30,374)**	(21,763)	**(612)**	(52)	**(30,986)**	(21,815)
Maintenance expenses		**(44,719)**	(41,697)	**(6,563)**	(5,771)	**(51,282)**	(47,468)
Public relations		**(15,266)**	(9,406)	**-**	-	**(15,266)**	(9,406)
Others		**(14,485)**	(12,215)	**(1,208)**	(1,866)	**(15,693)**	(14,081)
		(202,512)	(182,189)	**(70,371)**	(268,005)	**(272,883)**	(450,194)
Deficit before government grant		**(195,308)**	(176,990)	**(56,585)**	(252,977)	**(251,893)**	(429,967)

* Prior period amounts have been restated to better reflect the net rental returned to SDF.

SKILLSFUTURE SINGAPORE AGENCY
AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	General Fund 2024 $'000	General Fund 2023 $'000	Restricted Funds 2024 $'000	Restricted Funds 2023 $'000	Total 2024 $'000	Total 2023 $'000
Agency							
Add							
Grants from government	24	**191,437**	185,153	**36,120**	227,470*	**227,557**	412,623
Deferred capital grants amortised	21	**8,633**	10,041	**20,465**	25,507	**29,098**	35,548
		200,070	195,194	**56,585**	252,977	**256,655**	448,171
Surplus before contribution to Consolidated Fund		**4,762**	18,204	**-**	-	**4,762**	18,204
Contribution to Consolidated Fund	23	**(810)**	(3,095)	**-**	-	**(810)**	(3,095)
Net surplus, representing total comprehensive income for the year		**3,952**	15,109	**-**	-	**3,952**	15,109

* Prior period amounts have been restated to better reflect the net rental returned to SDF.

	Note	Group 2024 $'000	Group 2023 $'000	Agency 2024 $'000	Agency 2023 $'000
Non-current assets					
Property, plant and equipment	9	**164,948**	169,061	**164,896**	168,966
Intangible assets	10	**32,518**	32,663	**32,518**	32,663
Deferred tax assets	11	**86**	-	-	-
Investments in subsidiaries	12	-	-	-	-
		197,552	201,724	**197,414**	201,629
Current assets					
Trade and other receivables	13	**14,646**	18,244	**79,859**	70,020
Cash and cash equivalents	14	**155,799**	164,046	**80,751**	102,885
Deposits and prepayments	15	**4,889**	4,499	**4,704**	4,401
		175,334	186,789	**165,314**	177,306
Total assets		**372,886**	388,513	**362,728**	378,935
Equity attributable to shareholders of the Agency					
Share capital	16	**4,145**	4,145	**4,145**	4,145
Capital reserves	17	**17,678**	17,678	**18,028**	18,028
Accumulated surplus:					
General Fund		**67,108**	62,008	**63,071**	59,119
Restricted Funds	18	**202**	396	**-**	-
Total equity		**89,133**	84,227	**85,244**	81,292
Non-current liabilities					
Lease liabilities	19	**7,029**	-	**7,029**	-
Provision for reinstatement costs	20	**6,562**	8,766	**6,562**	8,766
Deferred capital grants	21	**183,862**	193,743	**183,862**	193,743
Other payables	22	**784**	1,291	-	-
		198,237	203,800	**197,453**	202,509
Current liabilities					
Lease liabilities	19	**4,688**	1,700	**4,688**	1,698
Other payables	22	**52,208**	67,477	**48,234**	63,194
Provision for contribution to Consolidated Fund	23	**810**	3,095	**810**	3,095
Income tax payable		**171**	67	-	-
Provision for reinstatement costs	20	-	1,866	-	1,866
Government grants received in advance	24	**27,639**	26,281	**26,299**	25,281
		85,516	100,486	**80,031**	95,134
Total liabilities		**283,753**	304,286	**277,484**	297,643
Total equity and liabilities		**372,886**	388,513	**362,728**	378,935
Net assets/(liabilities) of trust and agency funds					
Skills Development Fund	25	**1,403,478**	1,238,745	**1,403,478**	1,238,745
Lifelong Learning Endowment Fund	26	**1,706**	571	**1,706**	571
National Productivity Fund	27	**(212)**	13,756	**(212)**	13,756
SkillsFuture Jubilee Fund	28	**21,212**	20,712	**21,212**	20,712

	Note	Share capital $'000	Capital reserve $'000	Accumulated surplus General fund $'000	Accumulated surplus Restricted fund $'000	Total $'000
Group						
2024						
Beginning of financial year		4,145	17,678	62,008	396	84,227
Net surplus/(deficit) for the year, representing total comprehensive income for the year		-	-	5,100	(194)	4,906
End of financial year		**4,145**	**17,678**	**67,108**	**202**	**89,133**
2023						
Beginning of financial year		4,145	17,678	47,794	1,319	70,936
Net surplus/(deficit) for the year, representing total comprehensive income for the year		-	-	16,430	(923)	15,507
Dividends paid	32	-	-	(2,216)	-	(2,216)
End of financial year		**4,145**	**17,678**	**62,008**	**396**	**84,227**

	Note	Share capital $'000	Capital reserve $'000	Accumulated surplus General fund $'000	Accumulated surplus Restricted fund $'000	Total $'000
Agency						
2024						
Beginning of financial year		4,145	18,028	59,119	-	81,292
Net surplus for the year, representing total comprehensive income for the year		-	-	3,952	-	3,952
End of financial year		**4,145**	**18,028**	**63,071**	**-**	**85,244**
2023						
Beginning of financial year		4,145	18,028	46,226	-	68,399
Net surplus for the year, representing total comprehensive income for the year		-	-	15,109	-	15,109
Dividends paid	32	-	-	(2,216)	-	(2,216)
End of financial year		**4,145**	**18,028**	**59,119**	**-**	**81,292**

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Deficit before government grant		**(250,897)**	(429,542)
Adjustments for:			
Amortisation and depreciation		**33,604**	40,321
Write-off property, plant and equipment		**4,269**	43
Interest expenses		**679**	473
Interest income	4	**(4,670)**	(1,833)
Reversal of overprovision for reinstatement costs	5	**(148)**	-
		(217,163)	(390,538)
Changes in:			
Trade and other receivables		**5,940**	8,532
Deposits and prepayments		**(390)**	(682)
Other payables		**(15,776)**	(8,229)
Provision for reinstatement costs		**(4,223)**	-
Cash used in operations		**(231,612)**	(390,917)
Contribution to Consolidated Fund		**(3,095)**	(2,672)
Income tax paid		**(64)**	(5)
Net cash used in operating activities		**(234,771)**	(393,594)
Cash flows from investing activities			
Purchase of property, plant and equipment (Note A)		**(173)**	(137)
Purchase of intangible assets (Note A)		**(18,398)**	(18,466)
Interest received		**2,993**	487
Net cash used in investing activities		**(15,578)**	(18,116)
Cash flows from financing activities			
Grants received from government	24	**246,814**	369,914
Payment of lease liabilities	19	**(4,334)**	(4,621)
Interest paid	19	**(378)**	(139)
Dividend paid	32	**-**	(2,216)
Net cash generated from financing activities		**242,102**	362,938
Net decrease in cash and cash equivalents		**(8,247)**	(48,772)
Cash and cash equivalents at beginning of the year		**164,046**	212,818
Cash and cash equivalents at end of the year		**155,799**	164,046

	Note	2024 $'000	2023 $'000
Note A			
Addition of property, plant and equipment	9	**14,524**	5,569
Less: Lease assets additions	19	**(14,351)**	-
Less: Reinstatement cost provided	20	**-**	(5,432)
		173	137
Addition of intangible assets	10	**19,091**	18,771
Less: Other fixed assets received	21	**(693)**	(305)
		18,398	18,466

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

1. General

The SkillsFuture Singapore Agency ("the Agency") was established in the Republic of Singapore under the SkillsFuture Singapore Agency Act 2016. The address of the registered office and principal place of operations of the Agency is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533.

The Agency, under the Ministry of Education ("MOE") has been formed to drive and coordinate the implementation of the national SkillsFuture movement, promote a culture and holistic system of lifelong learning through the pursuit of skills mastery, and strengthen the ecosystem of quality education and training in Singapore.

The Agency absorbed the Council for Private Education ("CPE"), previously a statutory board under MOE.

The principal activities of the subsidiaries are described in Note 12 to the financial statements.

The principal activities of the Agency are:

(a) to plan and develop policies, programs and services that provide, or support the provision, of adult education and further education;

(b) to promote, facilitate and assist in the identification, development and upgrading of skills and competencies for the current, emerging and future needs of the Singapore workforce;

(c) to develop, in consultation with employers and relevant representatives of commerce or industry, models for the provision of adult education or further education for the purposes of developing skills;

(d) to promote a national approach to the provision of adult education and further education through collaboration and cooperation between universities, public sector post-secondary education institutions and other providers of adult education or further education;

(e) to provide funding for the provision or promotion of, or taking part in, or to encourage participation in, adult education and further education (wherever held) that is responsive to the needs of commerce or industry or employers;

1. General (continued)

The principal activities of the Agency are: (continued)

(f) to defray or subsidise any costs or expenses incurred or to be incurred in connection with any absence from work of any person to take part in any adult education or further education;

(g) to promote public awareness in Singapore of the importance of adult education and further education and encourage enthusiasm for lifelong learning;

(h) to collect, compile and analyse data about the provision of adult education or further education;

(i) to accredit, or facilitate accreditation by others in Singapore, of providers of or courses in adult education or further education (even if the course is developed outside Singapore);

(j) to facilitate the improvement of quality of courses in adult education or further education provided in Singapore, including the standard of teachers and trainers in Singapore of these courses;

(k) to promote or undertake research in Singapore into matters relating to adult education and further education;

(l) to facilitate public availability of meaningful and accurate information relating to the quality of courses in adult education or further education provided in Singapore (even if the course is developed outside Singapore);

(m) to provide career guidance services and facilities to assist students prepare to enter the labour market and to other people;

(n) to administer the Private Education Act 2009 in accordance with that Act and the Skills Development Fund in accordance with the Skills Development Levy Act 1979;

(o) to cooperate and collaborate with the Workforce Singapore Agency ("WSG") in the discharge of its functions under the Workforce Singapore Agency Act 2003; and

(p) to perform such other functions as may be conferred on the Agency by any other Act.

In carrying out its principal activities, the Agency disburses grants received from MOE and administers grant disbursements under other trust funds as disclosed in Notes 25 to 28.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Statutory Board Financial Reporting Standards ("SB-FRS"), including interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes as promulgated by the Accountant-General under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2024

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

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

2.2 Currency translation

(a) Functional and presentation currency

The financial statements of each entity in the Group are measured using the currency of the primary economic environment in which each entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the Agency's functional currency. All information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in statement of comprehensive income. Monetary items include primarily financial assets (other than equity investments) and financial liabilities.

2. Material accounting policy information (continued)

2.2 Currency translation (continued)

(b) Transactions and balances (continued)

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in statement of comprehensive income.

2.3 Income

(a) Income from services rendered in the ordinary course of the Agency's operations is recognised when the Agency satisfies a performance obligation ("PO") to the customer. Invoices issued are payable within 30 days.

(i) Application fees

Income from application fees are recognised at a point in time when the application for Singapore Workforce Skills Qualifications ("WSQ") credential have been approved.

(ii) Annual fees

Income from annual fees are recognised over time, being the period (2 years) over which the EduTrust Certificates issued to Private Education Institutes are applicable.

(iii) Income from rendering of services

Income from rendering of services are recognised at a point in time when the e-certificates are awarded to the Approved Training Organisations.

(b) Interest income comprises interest income on deposits held with Accountant-General's Department ("AGD"). Interest income is recognised as it accrues in statement of comprehensive income, using the effective interest rate method.

2. Material accounting policy information (continued)

2.4 Employee benefits

(a) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income in the periods during which related services are rendered by employees. Contributions on the employees' salaries are made to the Central Provident Fund ("CPF") as required by law. The CPF contributions are recognised as expenses in the period when the employees rendered their services.

(b) *Short-term employee benefits*

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

(c) *Employee leave entitlements*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the unconsumed leave as a result of services rendered by employees up to the reporting date.

2.5 Grant disbursement

Grant disbursements are recognised as an expense in the statement of comprehensive income when there is an obligation to disburse.

2. Material accounting policy information (continued)

2.6 Government grants received

The Group receives various types of grants to meet its operating and development expenditure.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred capital grant in the statement of financial position and transferred to income or expenditure on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in income or expenses in the period in which they become receivable.

2.7 Trust funds

Trust funds are set up to account for funds held in trust where SSG is not the owner and beneficiary of the funds received from the Government and other organisations.

<u>Skills Development Fund ("SDF")</u>

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds.* Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 25.

2. Material accounting policy information (continued)

2.7 Trust funds (continued)

Lifelong Learning Endowment Fund ("LLEF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds.* Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using cash basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 26.

National Productivity Fund ("NPF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds.* Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 27.

SkillsFuture Jubilee Fund ("SFJF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds.* Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 28.

2.8 Restricted funds

These are funds earmarked for specific purposes and for which separate disclosure is necessary as these funds are material. There are legal and other restrictions on the ability of the Agency to distribute or otherwise apply its funds. The treatment is in accordance with Guidance Note 1 issued by the AGD. Restricted funds are accounted for on an accrual basis. They are accounted for separately in the Statements of Comprehensive Income and the assets and liabilities are disclosed separately in Note 18 of the financial statements.

2. Material accounting policy information (continued)

2.9 Contribution to Consolidated Fund

In lieu of income tax, the Agency is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The provision is based on the guidelines specified by the Ministry of Finance. It is computed based on the net surplus of the Agency for each of the financial period at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided for on an accrual basis.

2.10 Income taxes

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

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

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

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

2. Material accounting policy information (continued)

2.10 Income taxes (continued)

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

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

2.11 Group accounting

Subsidiaries

(a) Consolidation

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

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

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2. Material accounting policy information (continued)

2.11 Group accounting (continued)

Subsidiaries (continued)

(b) Acquisitions

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

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

Acquisition-related costs are expensed as incurred.

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

(c) Disposals

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

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

2. Material accounting policy information (continued)

2.12 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(b) Components of cost

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

(c) Depreciation

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

Depreciation is recognised as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

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

Work-in-progress included in property, plant and equipment are not depreciated as these assets are not available for use.

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2. Material accounting policy information (continued)

2.12 Property, plant and equipment (continued)

(c) Depreciation (continued)

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

Furniture and fittings	8 years
Office equipment	5 years
Computer equipment	3 to 5 years
Leasehold land	25 years
Mechanical and electrical equipment	10 years
Building	25 years

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

(d) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the statement of comprehensive income when incurred.

(e) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in the statement of comprehensive income.

2. Material accounting policy information (continued)

2.13 Intangible assets

Computer software are initially capitalised at cost which includes the purchase prices (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures including employee costs, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated based on the cost of the asset, less its residual value. Amortisation is recognised in the statement of comprehensive income on a straight–line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer software pertains to systems developed for the Agency's operations.

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

Computer software	3 to 5 years

The amortisation period and amortisation method of intangible assets are reviewed at the end of each reporting period. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

2.14 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

2. Material accounting policy information (continued)

2.14 Impairment of non-financial assets (continued)

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

Impairment losses are recognised in statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

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

2.15 Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses in the Agency's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in statement of comprehensive income.

2.16 Financial instruments

Financial assets

(i) Classification and measurement

The Group classifies its financial assets as measured at amortised cost.

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

2. Material accounting policy information (continued)

2.16 Financial instruments (continued)

Financial assets (continued)

(ii) At initial recognition

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

(iii) At subsequent measurement

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

There is one subsequent measurement categories based on the Group's business model for managing the asset and the cash flow characteristics of the asset:

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

(iv) Recognition and derecognition

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

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

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

2. Material accounting policy information (continued)

2.16 Financial instruments (continued)

Financial assets (continued)

(v) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Group determines whether there has been a significant increase in credit risk.

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

Financial liabilities

(i) Recognition and derecognition

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired. 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 derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of comprehensive income.

(ii) Initial and subsequent measurement

All financial liabilities are recognised initially at fair value, in the case of financial liabilities not at FVTPL, directly attributable transaction costs.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

2. Material accounting policy information (continued)

2.17 Offsetting of financial instruments

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

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the AGD which are subject to an insignificant risk of changes in value, and are used by the Group in the management of its short-term commitments.

2.19 Other payables

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

Other payables are initially recognised at fair value less directly attributable transaction costs, and subsequently carried at amortised cost using the effective interest method.

2.20 Provisions

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

Provision for restoration cost

A provision for site restoration is recognised when there is a projected cost of dismantlement, removal or restoration as a consequence of using a leased property and land during a particular period. The provision is measured at the present value of the restoration cost expected to be paid upon termination of the lease agreement.

2. Material accounting policy information (continued)

2.21 Leases

(a) When the Group is the lessee:

- Right-of-use assets

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

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

  Right-of-use assets are presented within “Property, plant and equipment”.

- Lease liabilities

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

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

2. Material accounting policy information (continued)

2.21 Leases (continued)

(a) When the Group is the lessee: (continued)

- Lease liabilities

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

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:
- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

- Short term and low value leases

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

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2. Material accounting policy information (continued)

2.21 Leases (continued)

(b) When the Group is the lessor

Lessor – Operating leases

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

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

2.22 Share capital

Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3. Operating income

	Group and Agency	
	2024	2023
	$'000	$'000
Application fees	**1,439**	1,631
Annual fees	**131**	156
Income from rendering of services	**97**	519
	1,667	2,306

Operating income is generated in Singapore.

4. Other income

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Interest income from:				
- Centralised Liquidity Management ("CLM") deposits held with AGD	**4,670**	1,833	**4,209**	1,586
Rental income	**13,395**	12,458	**12,416**	12,005
Service income	**2,871**	2,825	**-**	-
Carpark fee income	**245**	187	**-**	-
Others	**1,537**	3,171	**2,549**	4,327
	22,718	20,474	**19,174**	17,918

5. Other gains

	Group and Agency	
	2024	2023
	$'000	$'000
Reversal of overprovision for reinstatement costs	**148**	-
Currency translation gain	**1**	3
	149	3

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6. Staff costs

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Wages, salaries and staff related costs	**59,371**	56,822	**52,970**	52,310
Contributions to defined contribution plans	**7,563**	8,243	**6,621**	7,572
Staff training and benefits	**2,135**	1,958	**2,056**	1,872
Skills Development Levy	**59**	57	**51**	52
	69,128	67,080	**61,698**	61,806

7. Reimbursement expenses

	Group and Agency	
	2024	2023
	$'000	$'000
Net rental returned to SDF	**12,964**	11,843

The Agency received grant from SDF for the development of two Continuing Education and Training ("CET") campuses. The rental revenue collected (after deducting relevant costs) is returned to SDF.

8. Income tax expense

	Group 2024 $'000	Group 2023 $'000
Current tax expense		
Current year	**170**	67
Over provision in prior years	**(2)**	(4)
	168	63
Deferred tax credit		
Current year	**(23)**	-
Over provision in prior years	**(63)**	-
	(86)	-
Tax expense	**82**	63

Reconciliation of effective tax rate

	Group 2024 $'000	Group 2023 $'000
Profit before income tax of subsidiaries	**1,025**	431
Tax calculated using Singapore tax rate of 17% (2023: 17%)	**174**	73
Statutory stepped income exemption	**(29)**	(23)
Non-deductible expenses	**2**	-
Over provision in prior years	**(65)**	(4)
Current year losses for which no deferred tax assets are recognised	**-**	17
	82	63

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9. Property, plant and equipment

	Furniture and fittings $'000	Office equipment $'000	Computer equipment $'000	Leasehold land $'000	Mechanical and electrical equipment $'000	Building $'000	Construction-in-progress $'000	Total $'000
Group								
2024								
Cost								
Beginning of financial year	14,688	2,874	16,334	29,868	3,845	198,276	-	265,885
Additions	-	52	121	-	-	14,351	-	14,524
Disposals/Write-off	(308)	(116)	(12,636)	-	-	(3,961)	-	(17,021)
Derecognition of right-of-use assets	-	(15)	-	-	-	-	-	(15)
End of financial year	14,380	2,795	3,819	29,868	3,845	208,666	-	263,373
Accumulated depreciation								
Beginning of financial year	10,574	2,484	15,964	7,592	1,931	58,279	-	96,824
Depreciation	793	226	277	1,194	418	11,460	-	14,368
Disposals/Write-off	-	(116)	(12,636)	-	-	-	-	(12,752)
Derecognition of right-of-use assets	-	(15)	-	-	-	-	-	(15)
End of financial year	11,367	2,579	3,605	8,786	2,349	69,739	-	98,425
Net book value								
End of financial year	**3,013**	**216**	**214**	**21,082**	**1,496**	**138,927**	**-**	**164,948**

9. Property, plant and equipment (continued)

	Furniture and fittings $'000	Office equipment $'000	Computer equipment $'000	Leasehold land $'000	Mechanical and electrical equipment $'000	Building $'000	Construction-in-progress $'000	Total $'000
Group								
2023								
Cost								
Beginning of financial year	14,194	2,896	16,238	29,868	3,845	193,472	37	260,550
Additions	500	6	99	-	-	4,964	-	5,569
Disposals/Write-off	(6)	(28)	(3)	-	-	-	(37)	(74)
Derecognition of right-of-use assets	-	-	-	-	-	(160)	-	(160)
End of financial year	14,688	2,874	16,334	29,868	3,845	198,276	-	265,885
Accumulated depreciation								
Beginning of financial year	8,407	2,226	15,229	6,398	1,513	47,573	-	81,346
Depreciation	2,167	286	738	1,194	418	10,866	-	15,669
Disposals/Write-off	-	(28)	(3)	-	-	-	-	(31)
Derecognition of right-of-use assets	-	-	-	-	-	(160)	-	(160)
End of financial year	10,574	2,484	15,964	7,592	1,931	58,279	-	96,824
Net book value								
End of financial year	**4,114**	**390**	**370**	**22,276**	**1,914**	**139,997**	**-**	**169,061**

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9. Property, plant and equipment (continued)

	Furniture and fittings $'000	Office equipment $'000	Computer equipment $'000	Leasehold land $'000	Mechanical and electrical equipment $'000	Building $'000	Construction-in-progress $'000	Total $'000
Agency								
2024								
Cost								
Beginning of financial year	14,688	2,653	16,232	29,868	3,813	198,276	-	265,530
Additions	-	52	121	-	-	14,351	-	14,524
Disposals/Write-off	(308)	(116)	(12,636)	-	-	(3,961)	-	(17,021)
End of financial year	14,380	2,589	3,717	29,868	3,813	208,666	-	263,033
Accumulated depreciation								
Beginning of financial year	10,574	2,324	15,892	7,592	1,903	58,279	-	96,564
Depreciation	793	196	265	1,194	417	11,460	-	14,325
Disposals/Write-off	-	(116)	(12,636)	-	-	-	-	(12,752)
End of financial year	11,367	2,404	3,521	8,786	2,320	69,739	-	98,137
Net book value								
End of financial year	**3,013**	**185**	**196**	**21,082**	**1,493**	**138,927**	**-**	**164,896**

9. Property, plant and equipment (continued)

	Furniture and fittings $'000	Office equipment $'000	Computer equipment $'000	Leasehold land $'000	Mechanical and electrical equipment $'000	Building $'000	Construction-in-progress $'000	Total $'000
Agency								
2023								
Cost								
Beginning of financial year	14,194	2,681	16,166	29,868	3,813	193,312	37	260,071
Additions	500	-	69	-	-	4,964	-	5,533
Disposals/Write-off	(6)	(28)	(3)	-	-	-	(37)	(74)
End of financial year	14,688	2,653	16,232	29,868	3,813	198,276	-	265,530
Accumulated depreciation								
Beginning of financial year	8,407	2,105	15,173	6,398	1,486	47,413	-	80,982
Depreciation	2,167	247	722	1,194	417	10,866	-	15,613
Disposals/Write-off	-	(28)	(3)	-	-	-	-	(31)
End of financial year	10,574	2,324	15,892	7,592	1,903	58,279	-	96,564
Net book value								
End of financial year	**4,114**	**329**	**340**	**22,276**	**1,910**	**139,997**	**-**	**168,966**

10. Intangible assets

	Group and Agency		
	Computer software $'000	Assets under development $'000	Total $'000
2024			
Cost			
Beginning of financial year	184,704	1,302	186,006
Additions	16,285	2,806	19,091
Transfer	1,186	(1,186)	-
Disposals/Write-off	(82,943)	-	(82,943)
End of financial year	119,232	2,922	122,154
Accumulated amortisation			
Beginning of financial year	153,343	-	153,343
Amortisation	19,236	-	19,236
Disposals/Write-off	(82,943)	-	(82,943)
End of financial year	89,636	-	89,636
Net book value			
End of financial year	**29,596**	**2,922**	**32,518**
2023			
Cost			
Beginning of financial year	165,765	1,729	167,494
Additions	17,868	903	18,771
Transfer	1,330	(1,330)	-
Disposals/Write-off	(259)	-	(259)
End of financial year	184,704	1,302	186,006
Accumulated amortisation			
Beginning of financial year	128,950	-	128,950
Amortisation	24,652	-	24,652
Disposals/Write-off	(259)	-	(259)
End of financial year	153,343	-	153,343
Net book value			
End of financial year	**31,361**	**1,302**	**32,663**

11. Deferred tax assets

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

	2024 $'000	**2023 $'000**
Deferred tax assets	**641**	-
Deferred tax liabilities	**(555)**	-
Net deferred tax assets	**86**	-

Movement in deferred tax assets and liabilities of the Group (prior to offsetting of balances) during the year are as follows:

2024	**Beginning of financial year $'000**	**Recognised In profit Or loss $'000**	**End of financial year $'000**
Deferred tax assets			
Lease liabilities	-	586	586
Provisions	-	55	55
	-	641	641
Deferred tax liabilities			
Property, plant and equipment	-	(9)	(9)
Right-of-use assets	-	(546)	(546)
	-	(555)	(555)
Net deferred tax assets	**-**	**86**	**86**

Deferred tax assets in respect of deductible temporary differences have been recognised because Management assessed that it is probable that future taxable profit will be available against which the Company can utilise these benefits. The deductible temporary differences do not expire under current legislation. There was no movement in 2023.

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12. Investments in subsidiaries

	Agency 2024 $'000	**Agency 2023 $'000**
Equity investments at cost	**-**	-

Details of the subsidiaries are as follows:

Name of subsidiaries	**Principal place of business/ Country of incorporation**	**Effective equity held by the Agency 2024 %**	**Effective equity held by the Agency 2023 %**
<u>Held by the Agency</u>			
Learning Gateway Ltd ("LG") (i)	Singapore	**100**	100
<u>Held by LG</u>			
Lifelong Learning Institute Pte Ltd ("LLI") (ii)	Singapore	**100**	100

(i) *LG was incorporated on 17 May 2013 as a board limited by guarantee, with no share capital.*
(ii) *LLI is a wholly-owned subsidiary of LG, incorporated on 12 August 2013.*

The Agency has provided a commitment for financial support of $686,000 (2023: $809,000) to a subsidiary for a period of twelve months from the end of the reporting period so as to enable the subsidiary to continue to operate as a going concern and meet its contractual obligations as and when they fall due.

13. Trade and other receivables

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Trade receivables	**1,118**	6,459	**945**	6,251
Other receivables	**4,314**	4,043	**2,763**	2,032
Amount due from related parties:				
- WSG	**3,116**	2,481	**3,116**	2,481
- NPF	**1,026**	454	**1,026**	454
- LLEF	**-**	2	**-**	2
- MOE	**5,072**	4,805	**5,072**	4,805
Amount due from subsidiaries	**-**	-	**63,786**	52,707
Grants disbursed in advance	**-**	-	**3,151**	1,288
	14,646	18,244	**79,859**	70,020

The credit period on rendering of services is 30 days (2023: 30 days).

The amount due from subsidiaries and related parties are unsecured, interest-free and repayable within a credit period of 30 days.

Credit risks and impairment losses

The Group and the Agency's exposure to credit risks, and impairment losses for trade and other receivables, are disclosed in Note 33.

14. Cash and cash equivalents

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
CLM deposits held with AGD	**155,799**	164,046	**80,751**	102,885

Deposits are placed with AGD in accordance with AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD under the CLM and are available to the statutory boards upon requests, earning interest at the average rate of 3.38% (2023: 1.61%) per annum.

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15. Deposits and prepayments

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Deposits	**1,539**	1,514	**1,467**	1,441
Prepayments	**3,350**	2,985	**3,237**	2,960
	4,889	4,499	**4,704**	4,401

16. Share capital

	2024		2023	
	Number of shares '000	**$'000**	**Number of shares '000**	**$'000**
Issued and fully-paid:				
Ordinary shares				
At beginning and end of the year	**4,145**	4,145	**4,145**	4,145

Injection of capital is part of the Capital Management Framework for Statutory Boards under Finance Circular Minute M26/2008. The shares have been fully paid and are held by the Minister for Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959. The holder of these shares, which has no par value, is entitled to receive dividends.

17. Capital reserves

Capital reserves represents the carrying amount of the net value of assets and liabilities transferred from the former Singapore Workforce Development Agency ("WDA") and Council for Private Education ("CPE") when the Agency was established on 3 October 2016.

18. Restricted funds

Group	MOE - TGS 2024 $'000	MOE - ATB 2024 $'000	Operations funded by SDF 2024 $'000	Operations funded by LLEF 2024 $'000	Operations funded by NPF 2024 $'000	MOE - SATB 2024 $'000	Total 2024 $'000
Income							
Other income	-	-	18,383	-	-	-	18,383
Expenditure							
Amortisation of intangible assets	(9,654)	-	-	-	(1,438)	(259)	(11,351)
Depreciation expense	-	-	(9,347)	-	-	-	(9,347)
Staff costs	(586)	(146)	(553)	-	(802)	(835)	(2,922)
Reimbursement expenses	-	-	(12,964)	-	-	-	(12,964)
Grant disbursements	-	(1,228)	(40)	-	-	(24,750)	(26,018)
Professional services	(612)	-	(67)	-	-	-	(679)
Maintenance expenses	(4,632)	-	(2,784)	-	(1,863)	(68)	(9,347)
Public relations	-	-	(17)	-	-	-	(17)
Others	(635)	-	(1,612)	-	(217)	(11)	(2,475)
Total expenditure	(16,119)	(1,374)	(27,384)	-	(4,320)	(25,923)	(75,120)
Deficit before government grant	(16,119)	(1,374)	(9,001)	-	(4,320)	(25,923)	(56,737)

18. Restricted funds (continued)

Group	MOE - TGS 2024 $'000	MOE - ATB 2024 $'000	Operations funded by SDF 2024 $'000	Operations funded by LLEF 2024 $'000	Operations funded by NPF 2024 $'000	MOE - SATB 2024 $'000	Total 2024 $'000
Add							
Grants from/(Refund to) government	6,465	1,374	(225)	-	2,882	25,664	36,160
Deferred capital grants amortised	9,654	-	9,114	-	1,438	259	20,465
	16,119	1,374	8,889	-	4,320	25,923	56,625
Deficit before contribution	-	-	(112)	-	-	-	(112)
Income tax expense	-	-	(82)	-	-	-	(82)
Net deficit for the year	-	-	(194)	-	-	-	(194)
Accumulated surplus at the beginning of the year	-	-	396	-	-	-	396
Accumulated surplus at the end of the year[#]	-	-	202	-	-	-	202

[#] The above balances predominantly comprise cash balances and accruals.

18. Restricted funds (continued)

Group	MOE - TGS 2023 $'000	MOE - ATB 2023 $'000	Operations funded by SDF 2023 $'000	Operations funded by LLEF 2023 $'000	Operations funded by NPF 2023 $'000	MOE - SATB 2023 $'000	Total 2023 $'000
Income							
Other income	2,152	694	15,882	-	12	-	18,740
	2,152	694	15,882	-	12	-	18,740
Expenditure							
Amortisation of intangible assets	(3,732)	-	-	-	(11,377)	(754)	(15,863)
Depreciation expense	-	-	(10,109)	-	-	-	(10,109)
Staff costs	(1,079)	-	(552)	-	(620)	(1,732)	(3,983)
Reimbursement expenses	-	-	(11,843)*	-	-	-	(11,843)
Grant disbursements	-	(14)	(37)	-	-	(219,097)	(219,148)
Rental expenses on operating leases	-	-	-	-	-	-	-
Professional services	(26)	-	(107)	-	(26)	-	(159)
Maintenance expenses	(2,856)	-	(2,743)	-	(1,780)	(1,135)	(8,514)
Public relations		-	(19)	-	-	-	(19)
Others	(1,369)	-	(1,386)	-	(160)	(61)	(2,976)
Total expenditure	(9,062)	(14)	(26,796)	-	(13,963)	(222,779)	(272,614)
(Deficit)/Surplus before government grant	(6,910)	680	(10,914)	-	(13,951)	(222,779)	(253,874)

* Prior period amounts have been restated to better reflect the net rental returned to SDF (Note 7).

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18. Restricted funds (continued)

Group	MOE - TGS 2023 $'000	MOE - ATB 2023 $'000	Operations funded by SDF 2023 $'000	Operations funded by LLEF 2023 $'000	Operations funded by NPF 2023 $'000	MOE - SATB 2023 $'000	Total 2023 $'000
Add							
Grants from/(Refund to) government	3,178	(680)	410*	-	2,574	222,025	227,507
Deferred capital grants amortised	3,732	-	9,644	-	11,377	754	25,507
	6,910	(680)	10,054	-	13,951	222,779	253,014
Deficit before contribution	-	-	(860)	-	-	-	(860)
Income tax expense	-	-	(63)	-	-	-	(63)
Net deficit for the year	-	-	(923)	-	-	-	(923)
Accumulated (deficit)/surplus at the beginning of the year	-	-	(18,055)	19,374	-	-	1,319
Transfer within restricted funds	-	-	19,374	(19,374)	-	-	-
Accumulated surplus at the end of the year#	-	-	396	-	-	-	396

* Prior period amounts have been restated to better reflect the net rental returned to SDF (Note 7).
# The above balances predominantly comprise cash balances and accruals.

18. **Restricted funds** (continued)

	MOE - TGS 2024 $'000	MOE - ATB 2024 $'000	Operations funded by SDF 2024 $'000	Operations funded by LLEF 2024 $'000	Operations funded by NPF 2024 $'000	MOE - SATB 2024 $'000	Total 2024 $'000
Agency							
Income							
Other income	-	-	13,786	-	-	-	13,786
Less: Expenditure							
Amortisation of intangible assets	(9,654)	-	-	-	(1,438)	(259)	(11,351)
Depreciation expense	-	-	(9,326)	-	-	-	(9,326)
Staff costs	(586)	(146)	-	-	(802)	(835)	(2,369)
Reimbursement expenses	-	-	(12,964)	-	-	-	(12,964)
Grant disbursements	-	(1,228)	-	-	-	(24,750)	(25,978)
Professional services	(612)	-	-	-	-	-	(612)
Maintenance expenses	(4,632)	-	-	-	(1,863)	(68)	(6,563)
Others	(635)	-	(345)	-	(217)	(11)	(1,208)
Total expenditure	(16,119)	(1,374)	(22,635)	-	(4,320)	(25,923)	(70,371)
Deficit before government grant	(16,119)	(1,374)	(8,849)	-	(4,320)	(25,923)	(56,585)

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18. **Restricted funds** (continued)

	MOE - TGS 2024 $'000	MOE - ATB 2024 $'000	Operations funded by SDF 2024 $'000	Operations funded by LLEF 2024 $'000	Operations funded by NPF 2024 $'000	MOE - SATB 2024 $'000	Total 2024 $'000
Agency							
Add							
Grants from/(Return to) government	6,465	1,374	(265)	-	2,882	25,664	36,120
Deferred capital grants amortised	9,654	-	9,114	-	1,438	259	20,465
	16,119	1,374	8,849	-	4,320	25,923	56,585
Surplus before contribution	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-
Net surplus for the year	-	-	-	-	-	-	-
Accumulated surplus at the beginning of the year	-	-	-	-	-	-	-
Accumulated surplus at the end of the year	-	-	-	-	-	-	-

18. Restricted funds (continued)

	MOE - TGS 2023 $'000	MOE - ATB 2023 $'000	Operations funded by SDF 2023 $'000	Operations funded by LLEF 2023 $'000	Operations funded by NPF 2023 $'000	MOE - SATB 2023 $'000	Total 2023 $'000
Agency							
Income							
Other income	2,152	694	12,170	-	12	-	15,028
	2,152	694	12,170	-	12	-	15,028
Less: Expenditure							
Amortisation of intangible assets	(3,732)	-	-	-	(11,377)	(754)	(15,863)
Depreciation expense	-	-	(10,068)	-	-	-	(10,068)
Staff costs	(1,079)	-	-	-	(620)	(1,732)	(3,431)
Reimbursement expenses	-	-	(11,843)*	-	-	-	(11,843)
Grant disbursements	-	(14)	-	-	-	(219,097)	(219,111)
Professional services	(26)	-	-	-	(26)	-	(52)
Maintenance expenses	(2,856)	-	-	-	(1,780)	(1,135)	(5,771)
Others	(1,369)	-	(276)	-	(160)	(61)	(1,866)
Total expenditure	(9,062)	(14)	(22,187)	-	(13,963)	(222,779)	(268,005)
(Deficit)/Surplus before government grant	(6,910)	680	(10,017)	-	(13,951)	(222,779)	(252,977)

* Prior period amounts have been restated to better reflect the net rental returned to SDF (Note 7).

18. Restricted funds (continued)

	MOE - TGS 2023 $'000	MOE - ATB 2023 $'000	Operations funded by SDF 2023 $'000	Operations funded by LLEF 2023 $'000	Operations funded by NPF 2023 $'000	MOE - SATB 2023 $'000	Total 2023 $'000
Agency							
Add							
Grants from/(Return to) government	3,178	(680)	373*	-	2,574	222,025	227,470
Deferred capital grants amortised	3,732	-	9,644	-	11,377	754	25,507
	6,910	(680)	10,017	-	13,951	222,779	252,977
Surplus before contribution	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-
Net surplus for the year	-	-	-	-	-	-	-
Accumulated surplus at the beginning of the year	-	-	-	-	-	-	-
Accumulated surplus at the end of the year	-	-	-	-	-	-	-

* Prior period amounts have been restated to better reflect the net rental returned to SDF (Note 7).

19. Lease liabilities

	Group		Agency	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Non-current				
Lease liabilities	**7,029**	-	**7,029**	-
Current				
Lease liabilities	**4,688**	1,700	**4,688**	1,698

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Group Lease Liabilities $'000
2024	
Beginning of financial year	1,700
Changes from financing cash flows	
Payment of lease liabilities	(4,334)
Interest paid	(378)
Total changes from financing cash flows	(4,712)
Other changes	
Interest expense	378
Lease additions	14,351
Total liability-related charges	14,729
End of financial year	**11,717**
2023	
Beginning of financial year	6,321
Changes from financing cash flows	
Payment of lease liabilities	(4,621)
Interest paid	(139)
Total changes from financing cash flows	(4,760)
Other changes	
Interest expense	139
Total liability-related charges	139
End of financial year	**1,700**

20. Provision for reinstatement costs

	Group and Agency $'000
2024	
Beginning of financial year	10,632
Reversal of provision during the year	(4,371)
Unwinding of discount	301
End of financial year	**6,562**
2023	
Beginning of financial year	4,866
Provision made during the year	5,432
Unwinding of discount	334
End of financial year	**10,632**

	2024	2023
	$'000	$'000
Represented by:		
Current portion	**-**	1,866
Non-current portion	**6,562**	8,766
	6,562	10,632

Provision for reinstatement costs is the estimated costs to restore any or all parts of the Group's and the Agency's leased premises and land to their state and condition. Management's estimate for reinstatement costs of land included expenditures to carry out demolition works, distress prestressed tendon, imported earth backfilling and turfing. The provision is expected to be utilised upon return of the Group's and the Agency's leased premises and land.

21. Deferred capital grants

	Note	Group and Agency $'000
2024		
Beginning of financial year		193,743
Amounts transferred from government grants	24	18,524
Amounts paid by National Productivity Fund		693
Amortisation of deferred capital grants		(29,098)
End of financial year		**183,682**

21. Deferred capital grants (continued)

	Note	Group and Agency $'000
2023		
Beginning of financial year		210,463
Amounts transferred from government grants	24	18,523
Amounts paid by National Productivity Fund		305
Amortisation of deferred capital grants		(35,548)
End of financial year		**193,743**

22. Other payables

	Group		Agency	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Other payables				
- Related parties	**13,374**	22,417*	**13,127**	22,028*
- Third parties	**6,150**	19,126	**4,200**	15,527
Amount due to SDF	**14,235**	12,297*	**14,235**	12,297*
Amount due to LLEF	**269**	-	**269**	-
Accruals	**16,111**	11,999	**14,593**	11,310
Deferred revenue	**2,853**	2,929	**1,810**	2,032
	52,992	68,768	**48,234**	63,194
Less: Deposits due after 12 months	**(784)**	(1,291)	-	-
	52,208	67,477	**48,234**	63,194
Current portion	**52,208**	67,477	**48,234**	63,194
Non-current portion	**784**	1,291	-	-
	52,992	68,768	**48,234**	63,194

The amount due to subsidiaries and related parties are unsecured, interest-free and repayable within a credit period of 30 days.

* Prior period amounts have been restated to better reflect the counterparty of the payables.

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23. Contribution to Consolidated Fund

The total contribution for the year can be reconciled to the net surplus as follows:

	Group and Agency	
	2024 $'000	2023 $'000
Surplus of the Agency before contribution to Consolidated Fund	**4,762**	18,204
Contribution at 17% (2023: 17%)	**810**	3,095

24. Government grants received in advance

	Note	Operations funded by SDF (i) $'000	Operations funded by NPF (ii) $'000	MOE - TGS (iii) $'000	MOE - ATB (iv) $'000	MOE - SATB (v) $'000	Operating grant $'000	Total $'000
Group								
2024								
Beginning of financial year		1,000	-	-	9,830	14,829	622	26,281
Grants (refunded)/received during the financial year, net		288	2,882	12,721	357	28,321	202,245	246,814
Grants receivable in the next financial year		-	-	663	-	-	2	665
Transfer to statement of comprehensive income		225	(2,882)	(6,465)	(1,374)	(25,664)	(191,437)	(227,597)
Transfer to deferred capital grants	21	(173)	-	(6,919)	-	-	(11,432)	(18,524)
End of financial year		**1,340**	**-**	**-**	**8,813**	**17,486**	**-**	**27,639**
2023								
Beginning of financial year		1,406	-	(247)	9,150	73,107	-	83,416
Grants (refunded)/received during the financial year, net		(40)*	2,574	14,140	-	163,758	189,482	369,914
Grants receivable in the next financial year		-	-	4,133	-	-	-	4,133
Transfer to statement of comprehensive income		(410)*	(2,574)	(3,178)	680	(222,025)	(185,152)	(412,659)
Transfer to deferred capital grants	21	44	-	(14,848)	-	(11)	(3,708)	(18,523)
End of financial year		**1,000**	**-**	**-**	**9,830**	**14,829**	**622**	**26,281**
Agency								
2024								
Beginning of financial year		-	-	-	9,830	14,829	622	25,281
Grants (refunded)/received during the financial year, net		(92)	2,882	12,721	357	28,321	202,245	246,434
Grants receivable in the next financial year		-	-	663	-		2	665
Transfer to statement of comprehensive income		265	(2,882)	(6,465)	(1,374)	(25,664)	(191,437)	(227,557)
Transfer to deferred capital grants	21	(173)	-	(6,919)	-	-	(11,432)	(18,524)
End of financial year		**-**	**-**	**-**	**8,813**	**17,486**	-	**26,299**
2023								
Beginning of financial year		-	-	(247)	9,150	73,107	-	82,010
Grants (refunded)/received during the financial year, net		329*	2,574	14,140	-	163,758	189,483	370,284
Grants receivable in the next financial year		-	-	4,133	-	-	-	4,133
Transfer to statement of comprehensive income		(373)*	(2,574)	(3,178)	680	(222,025)	(185,153)	(412,623)
Transfer to deferred capital grants	21	44	-	(14,848)	-	(11)	(3,708)	(18,523)
End of financial year		**-**	**-**	**-**	**9,830**	**14,829**	**622**	**25,281**

* Prior period amounts have been restated to better reflect the net rental returned to SDF (Note 7).

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24. Government grants received in advance (continued)

(i) Operations funded by Skills Development Fund ("SDF") and Lifelong Learning Endowment Fund ("LLEF")

In areas permissible, the Agency taps on the SDF and LLEF to meet the increasing demands and needs of the Agency's workforce development efforts. These expenditures pertain to manpower and operating overheads related to the delivery of specific CET programmes.

(ii) Operations funded by NPF

National Productivity Fund ("NPF") is a government fund administered by Productivity Fund Administration Board ("PFAB") to fund initiatives related to productivity enhancement and continuing education.

The Agency taps on the NPF to deliver SkillsFuture initiatives limited to specific projects approved by PFAB.

(iii) MOE - Training Grant System ("MOE - TGS")

Co-funding between Smart Nation and Digital Government Office and MOE to support the development of Whole-Of-Government-Training Grant System.

(iv) MOE - Above-The-Block ("MOE - ATB")

In support of the Jobs and Skills ("JS") strategies and desired macro outcomes as part of the JS 2030 Roadmap, MOF has provided Above-The-Block ("ATB") grant through MOE to supplement the Agency's existing funds for programmes and initiatives. The main beneficiaries of the JS Programmes budget are the employers, individuals and the general community. It supports expenditure on:

a. Employment facilitation and career services;
b. Enterprise/Productivity-oriented programmes;
c. Programmes targeted at special workforce segments; and
d. Consultancy, survey and research.

(v) MOE – Special Above-The-Block ("MOE - SATB")

Special Above-The-Block are provided by MOF through MOE to support the expenditures on training allowances, placement incentive and provision for skills and training advisory service, arising from the following programs:

a. Enhanced Training Support Package;
b. SG United Skills Programme; and
c. SG United Mid-Career Pathways Programme-Company Training.

25. Net assets of Skills Development Fund

The Skills Development Fund ("SDF") was established in the Republic of Singapore on 1 October 1979 as a Government fund under the Skills Development Levy Act 1979. SDF was administered by Singapore Workforce Development Agency ("WDA") from 1 September 2003 to 2 October 2016. The administration of the SDF was transferred from WDA to SkillsFuture Singapore Agency ("the Agency") with effect from 3 October 2016.

The Agency and WSG has established a mutually agreed allocation framework on the usage of SDF to fund the Agency's and WSG's operations respectively. As the Agency and WSG's activities and operations have expanded rapidly to react to greater economic downturns and uncertainties impacting the Singapore workforce, management has obtained approval from the Board of the Agency to fund expenditures on manpower, other operating expenditures and development costs for selected Continuing Education and Training ("CET") functions using SDF.

The SDF is established for the following purposes:

(i) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons re-joining the workforce;

(ii) the retraining of retrenched persons; and

(iii) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

The following financial information represents SDF as presented below, are prepared on an accrual basis.

	Group and Agency	
	2024	2023
	$'000	$'000
Income		
Operating income	**317,188**	314,575
Interest income	**53,376**	24,901
Other income	**12,964**	11,843
Fair value gain/(loss)	**72,091**	(57,839)
	455,619	293,480
Expenditure		
Net disbursements	**(459,883)**	(344,967)
Reversal of/(Allowance for) impairment loss on receivables	**369**	(67)
Bad debts (written off)/recovered	**(6)**	4
	(459,520)	(345,030)
Grants from government	**168,634**	59,225
Surplus for the year	**164,733**	7,675
Accumulated surplus at the beginning of the year	**367,606**	359,931
Accumulated surplus at the end of the year	**532,339**	367,606

25. Net assets of Skills Development Fund (continued)

	Group and Agency	
	2024	2023
	$'000	$'000
Represented by:		
Current assets		
Cash and cash equivalents	**726,249**	1,600,305
Levy and other receivables	**62,563**	44,623
Grants disbursed in advance	**-**	15
Financial assets, at amortised cost	**800,000**	-
Financial assets, at FVTPL	**1,525,905**	1,453,814
	3,114,717	3,098,757
Current liabilities		
Trade payables	**(150,928)**	(131,067)
Grants received in advance	**(286,700)**	(343,690)
	(437,628)	(474,757)
Non-current liability		
Grants received in advance	**(1,273,611)**	(1,385,255)
Equity		
Capital account	**871,139**	871,139
Accumulated profits	**532,339**	367,606
	1,403,478	1,238,745
Net assets	**1,403,478**	1,238,745

26. Net assets of Lifelong Learning Endowment Fund

The Lifelong Learning Endowment Fund ("LLEF") is set up by the Singapore Government under the Lifelong Learning Endowment Fund Act 2001 for the acquisition of skills and expertise by persons and the development and upgrading of skills and expertise of persons to enhance their employability; and the promotion of the acquisition, development and upgrading of skills and expertise to enhance the employability of persons.

The financial statements of LLEF, as presented below, are prepared by MOE on a cash basis.

	Group and Agency	
	2024	2023
	$'000	$'000
Receipts		
Refund of unused grant from programme manager	**43**	36
Interest income	**477**	99
	520	135
Expenditure		
Grants disbursed	**(69,297)**	(68,834)
Grants from government	**69,912**	67,559
Surplus/(Deficit) for the year	**1,135**	(1,140)
Accumulated surplus at the beginning of the year	**571**	1,711
Accumulated surplus at the end of the year	**1,706**	571
Represented by:		
Current asset		
Cash and cash equivalents	**24,564**	9,816
Current liability		
Amount due to related parties	**(22,858)**	(9,245)
Net assets	**1,706**	571

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27. Net assets of National Productivity Fund

Singapore Workforce Development Agency ("WDA") administers the National Productivity Fund ("NPF") on behalf of Productivity Fund Administration Board. The administration of NPF was transferred from WDA to the Agency with effect from 3 October 2016. NPF provides funding initiatives endorsed by the Future Economy Council ("FEC"), which could include sector-specific Industry transformation Maps ("ITM") to uplift productivity as well as initiatives and programmes supporting lifelong learning.

The following financial information represents NPF, as presented below, are prepared on an accrual basis.

	Note	Group and Agency	
		2024	2023
		$'000	$'000
Income			
Government grants (refunded) / received		**(3,552)**	110,698
Other income		**99**	76
		(3,453)	110,774
Expenditure			
Grants disbursements		**(9,821)**	(62,782)
Others		**(1)**	(15)
Purchase of plant and equipment	20	**(693)**	(305)
		(10,515)	(63,102)
(Deficit)/Surplus for the year		**(13,968)**	47,672
Accumulated surplus/(deficit) at the beginning of the year		**13,756**	(33,916)
Accumulated (deficit)/surplus at the end of the year		**(212)**	13,756
Represented by:			
Current assets			
Cash and bank balances		**2,925**	20,723
Trade and other receivables		**389**	128
		3,314	20,851
Current liabilities			
Current payables		**(3,521)**	(7,091)
Accruals		**(5)**	(4)
		(3,526)	(7,095)
Net (liabilities)/assets		**(212)**	13,756

28. Net assets of SkillsFuture Jubilee Fund

The SkillsFuture Jubilee Fund ("SFJF") was established in the Republic of Singapore as part of the Skills Development Fund ("SDF") established under section 5 of the Skills Development Levy Act 1979. SFJF was approved by the Cabinet on 11 February 2015 and was administered by Singapore Workforce Development Agency ("WDA") from 11 February 2015 to 2 October 2016. The administration of the SFJF was transferred from WDA to SkillsFuture Singapore Agency ("the Agency") with effect from 3 October 2016.

The financial statements of SFJF, as presented below, are prepared on an accrual basis:

	Group and Agency	
	2024	2023
	$'000	$'000
Income		
Interest income	**720**	335
Expenditure		
Grants disbursements	**(220)**	(210)
Surplus for the year	**500**	125
Accumulated surplus at the beginning of the year	**20,712**	20,587
Accumulated surplus at the end of the year	**21,212**	20,712
Represented by:		
Current assets		
Cash and cash equivalents	**20,859**	20,434
Interest receivables	**353**	278
	21,212	20,712
Net assets	**21,212**	20,712

29. Capital commitments

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

	Group and Agency	
	2024	2023
	$'000	$'000
Commitments for the acquisition of:		
Intangible assets	**20,664**	9,230

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30. Leases

The Group as a lessee

The Group leases office premises and office equipment. The lease of office premises typically run for a period 3 years with option to extend or renew the lease. Lease payments are renegotiated every three years to reflect market rentals.

The lease of office equipment typically run for a period of 1 to 5 years. For leases that are short-term and/or leases of low-value items, the Group has elected not to recognise right-of-use assets and lease liabilities.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

(a) Carrying amounts

Right-of-use assets related to leased office spaces and office equipment are presented as property, plant and equipment (see Note 9).

	Leasehold land $'000	**Building $'000**	**Office equipment $'000**	**Total $'000**
2024				
Group				
Cost				
Beginning of financial year	29,868	22,164	15	52,047
Additions to right-of-use assets	-	14,351	-	14,351
Disposal/Write-off	-	(3,961)	-	(3,961)
Derecognition of right-of-use assets	-	-	(15)	(15)
End of financial year	29,868	32,554	-	62,422
Accumulated depreciation				
Beginning of financial year	7,592	12,792	13	20,397
Depreciation charge for the year	1,194	4,462	2	5,658
Derecognition of right-of-use assets	-	-	(15)	(15)
End of financial year	8,786	17,254	-	26,040
Net book value				
End of financial year	**21,082**	**15,300**	**-**	**36,382**

30. Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

(a) Carrying amounts (continued)

	Leasehold land $'000	Building $'000	Office equipment $'000	Total $'000
2023				
Group				
Cost				
Beginning of financial year	29,868	17,360	15	47,243
Additions to right-of-use assets	-	4,964	-	4,964
Derecognition of right-of-use assets	-	(160)	-	(160)
End of financial year	29,868	22,164	15	52,047
Accumulated depreciation				
Beginning of financial year	6,398	9,024	10	15,432
Depreciation charge for the year	1,194	3,928	3	5,125
Derecognition of right-of-use assets	-	(160)	-	(160)
End of financial year	7,592	12,792	13	20,397
Net book value				
End of financial year	**22,276**	**9,372**	**2**	**31,650**

	Leasehold land $'000	Building $'000	Total $'000
2024			
Agency			
Cost			
Beginning of financial year	29,868	22,164	52,032
Additions to right-of-use assets	-	14,351	14,351
Disposal/Write-off	-	(3,961)	(3,961)
End of financial year	29,868	32,554	62,422
Accumulated depreciation			
Beginning of financial year	7,592	12,792	20,384
Depreciation charge for the year	1,194	4,462	5,656
End of financial year	8,786	17,254	26,040
Net book value			
End of financial year	**21,082**	**15,300**	**36,382**

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30. Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

(a) Carrying amounts (continued)

	Leasehold land $'000	Building $'000	Total $'000
2023			
Agency			
Cost			
Beginning of financial year	29,868	17,200	47,068
Additions to right-of-use assets	-	4,964	4,964
End of financial year	29,868	22,164	52,032
Accumulated depreciation			
Beginning of financial year	6,398	8,864	15,262
Depreciation charge for the year	1,194	3,928	5,122
End of financial year	7,592	12,792	20,384
Net book value			
End of financial year	**22,276**	**9,372**	**31,648**

(b) Amounts recognised in statement of comprehensive income

	Group $'000	Agency $'000
2024 – Leases under SB-FRS 116		
Interest on lease liabilities	**378**	**378**
Expenses relating to short-term leases	**16**	**16**
Expenses relating to leases of low-value assets	**452**	**452**
Operating lease income from building	**16,511**	**12,416**
2023 – Leases under SB-FRS 116		
Interest on lease liabilities	139	139
Expenses relating to short-term leases	36	36
Expenses relating to leases of low-value assets	444	444
Operating lease income from building	15,470	12,005

30. Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

(c) Total lease payments during the financial year

	Group	
	2024 **$'000**	2023 $'000
Short-term lease	**16**	36
Low value leases	**452**	444
Principal and interest payments for lease liabilities	**4,712**	4,760
	5,180	5,240

(d) Extension options

The lease for office building contains extension options, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable by the Group and not by the lessor.

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30. Leases (continued)

The Group as a lessor

The Group leases out its owned building (see Note 9) and has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Rental income from the building recognised by the Group and the Agency during 2024 was $13,395,000 (2023: $12,458,000) and $12,416,000 (2023: $12,005,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group **$'000**	**Agency** **$'000**
2024 – Operating leases under SB-FRS 116		
Less than one year	**15,851**	**9,884**
One to two years	**9,342**	**5,731**
Two to three years	**5,262**	**3,161**
Three to four years	**4,205**	**2,483**
Four to five years	**1,426**	**890**
Total undiscounted lease receivable	**36,086**	**22,149**
2023 – Operating leases under SB-FRS 116		
Less than one year	15,765	9,964
One to two years	11,339	7,067
Two to three years	5,624	3,469
Three to four years	2,376	1,446
Four to five years	2,376	1,446
More than five years	1,079	728
Total undiscounted lease receivable	38,559	24,120

31. Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Other than disclosed in the respective notes to the financial statements, the following transactions took place between the Agency and related parties during the year:

	Parent Ministry $'000	Other Ministries $'000	Other Statutory Boards $'000	Total $'000
Group and Agency				
2024				
Operating income	**-**	**-**	**(206)**	**(206)**
Grant disbursement	**-**	**-**	**52,220**	**52,220**
Other expenditure	**708**	**702**	**41,403**	**42,813**
Payments made on behalf of WSG by the Agency:				
- Shared services [(1)]	**-**	**-**	**15,333**	**15,333**
- Other expenditure	**-**	**-**	**173**	**173**
Payments made on behalf of the Agency by WSG:				
- Shared services [(1)]	**-**	**-**	**1,324**	**1,324**
- Other expenditure	**-**	**-**	**321**	**321**
2023				
Operating income	-	(21)	(150)	(171)
Grant disbursement	-	-	77,338	77,338
Other expenditure	775	1,088	17,625	19,488
Payments made on behalf of WSG by the Agency:				
- Shared services [(1)]	-	-	16,405	16,405
- Other expenditure	-	-	201	201
Payments made on behalf of the Agency by WSG:				
- Shared services [(1)]	-	-	1,700	1,700
- Other expenditure	-	-	480	480

[(1)] The Agency and WSG have the shared goal of helping individuals grow their skills in the course of seeking fulfilling careers, and enabling Singapore's enterprises to develop their workforce to remain globally competitive. The Agency and WSG provide various services ("shared services") to each other at cost, including outsourcing, technological and facility services to deliver the shared goal.

31. Related party transactions (continued)

Compensation of key management personnel

The remuneration of key management personnel during the financial year were as follows:

	2024 $'000	2023 (restated) $'000
Group and Agency		
Board of director fees	**152**	159
Wages and salaries	**5,217**	4,042
Employers' contribution to Central Provident Fund	**192**	140
	5,561	4,341

Wages and salaries and employer's contribution to Central Provident Fund include amounts for key management personnel seconded from other government bodies.

The Group restated the prior period to align with the current year's presentation, following a re-evaluation of the definition of key management personnel.

32. Dividends

	2024 $'000	2023 $'000
Group and Agency		
Dividend paid in respect of the previous financial year	**-**	2,216

The Group declared and paid a dividend of nil (2023: $2,216,000) in accordance with the Capital Management Framework for Statutory Boards outlined in Finance Circular Minute No. M26/2008.

33. Financial risk management

(a) Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

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

33. Financial risk management (continued)

(a) Overview (continued)

Risk management framework

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 objective seeks to minimise potential adverse effects on its financial performance.

It is the Group's policy not to hold derivative financial instruments for speculative purposes although such instruments may be used for hedging exposure.

The Group provides written principles for overall financial risk management, which covers specifically on market risk (including interest rate risk), credit risk and liquidity risk. Such written policies are reviewed periodically by the Group and periodic reviews are undertaken to ensure that the Group's policy is relevant and complied with.

The Group monitors its risk exposure regularly. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, as and when they fall due.

At the reporting date, the Group's credit risk is limited as the major classes of financial assets are cash and deposits with AGD and trade and other receivables. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments as presented on the statement of financial position, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets, except for balances with customers where security deposits are obtained.

33. Financial risk management (continued)

(b) Credit risk (continued)

Cash and cash equivalents

The Group held cash and cash equivalents of $155,799,000 at 31 March 2024 (2023: $164,046,000). The cash and cash equivalents are held with AGD which has low credit risk based on external credit ratings of the counterparties.

Impairment on cash and cash equivalents has been measured on the 12-months expected loss basis and reflects the short maturities of the exposures. The amount of allowance on cash and cash equivalents was negligible. No forward-looking factors are used in the computation as the balances are measured on the 12-months expected loss basis (i.e. short-term).

Trade receivables

The Group and the Agency has applied the simplified approach to measure the loss allowance based on lifetime expected credit losses. The Group and the Agency considers the differences between economic conditions during the period over which the probabilities of default are computed mainly based on actual historical credit experience and expected future economic conditions, along with a consideration of the amount of security deposits obtained, if any. The residual outstanding exposure primarily relates to a government agency, with low credit risk. The loss allowance has been determined to be immaterial as at 31 March 2024 and 2023.

Amount due from related parties and subsidiaries

Impairment on amount due from related parties and subsidiaries has been measured on a 12-months expected loss. The Group and the Agency considers that the amount due from related parties and subsidiaries have low credit risk based on the credit standing of the counterparties.

Other receivables

The other receivables is not considered to be material and the amount of the allowances on these balances is expected to be insignificant. Forward-looking factors are used in the computation. The amount of allowance on other receivables was negligible.

33. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by receiving grants from the Government to finance its operations and to mitigate the effects of fluctuations in cash flows.

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

		Cash flows		
	Carrying amount $'000	**Contractual cash flows $'000**	**Within 1 year $'000**	**Between 2 to 5 years $'000**
Group				
31 March 2024				
Non-derivative financial liabilities				
Lease liabilities	**11,717**	**12,418**	**5,138**	**7,280**
Other payables*	**50,139**	**50,139**	**49,355**	**784**
	61,856	**62,557**	**54,493**	**8,064**
31 March 2023				
Non-derivative financial liabilities				
Lease liabilities	1,700	1,715	1,715	-
Other payables*	65,839	65,839	64,548	1,291
	67,539	67,554	66,263	1,291
Agency				
31 March 2024				
Non-derivative financial liabilities				
Lease liabilities	**11,717**	**12,418**	**5,138**	**7,280**
Other payables*	**46,424**	**46,424**	**46,424**	**-**
	58,141	**58,842**	**51,562**	**7,280**
31 March 2023				
Non-derivative financial liabilities				
Lease liabilities	1,698	1,713	1,713	-
Other payables*	61,162	61,162	61,162	-
	62,860	62,875	62,875	-

** Excludes deferred revenue*

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

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33. Financial risk management (continued)

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group has cash balances placed with reputable banks and financial institutions and deposits held with AGD and are variable rate interest-bearing.

Sensitivity analysis

A change of 100 basis points in interest rates would have increased or decreased surplus and deficit by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group		Agency	
	2024 $'000	2023 $'000	**2024 $'000**	2023 $'000
Centralised Liquidity Management ("CLM") deposits held with AGD	**1,558**	1,640	**808**	1,029

(e) Fair value measurement

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, deposits, cash and cash equivalents, and other payables) approximate their fair values because of the short period to maturity.

33. Financial risk management (continued)

(f) Financial instruments by category

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

	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total carrying amount $'000
Group			
31 March 2024			
Cash and cash equivalents	**155,799**	**-**	**155,799**
Trade and other receivables#	**14,646**	**-**	**14,646**
Deposits	**1,539**	**-**	**1,539**
	171,984	**-**	**171,984**
Lease liabilities	**-**	**11,717**	**11,717**
Other payables*	**-**	**50,139**	**50,139**
	-	**61,856**	**61,856**
31 March 2023			
Cash and cash equivalents	164,046	-	164,046
Trade and other receivables#	18,244	-	18,244
Deposits	1,514	-	1,514
	183,804	-	183,804
Lease liabilities	-	1,700	1,700
Other payables*	-	65,839	65,839
	-	67,539	67,539

Excludes grants disbursed in advance
* *Excludes deferred revenue*

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33. Financial risk management (continued)

(f) Financial instruments by category (continued)

	Financial assets at amortised cost $'000	Financial liabilities at amortised cost $'000	Total carrying amount $'000
Agency			
31 March 2024			
Cash and cash equivalents	**80,751**	**-**	**80,751**
Trade and other receivables#	**76,708**	**-**	**76,708**
Deposits	**1,467**	**-**	**1,467**
	158,926	**-**	**158,926**
Lease liabilities	**-**	**11,717**	**11,717**
Other payables*	**-**	**46,424**	**46,424**
	-	**58,141**	**58,141**
31 March 2023			
Cash and cash equivalents	102,885	-	102,885
Trade and other receivables#	68,732	-	68,732
Deposits	1,441	-	1,441
	173,058	-	173,058
Lease liabilities	-	1,698	1,698
Other payables*	-	61,162	61,162
	-	62,860	62,860

Excludes grants disbursed in advance
* *Excludes deferred revenue*

(g) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board.

The capital structure of the Group consists of accumulated surplus, capital reserves and share capital. The overall strategy remains unchanged from the previous financial period.

34. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2024 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

35. Authorisation of financial statements

These financial statements were authorised for issue by the Board of SSG on 15 August 2024.

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Skills Development Fund

In our opinion:

(a) the accompanying financial statements of Skills Development Fund ("the Fund") set out on pages 124 to 147 are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Fund as at 31 March 2024, and the financial performance, changes in equity and cash flows of the Fund for the financial year ended on that date;

(b) the receipts, expenditure and investment of moneys of the Fund and the acquisition and disposal of assets by the Fund during the financial year have been in accordance with the provisions of the Act; and

(c) proper accounting and other records have been kept in accordance with the provisions of the Act.

On behalf of SkillsFuture Singapore Agency, which administers the Fund

Tan Kai Hoe
Chairman

Tan Kok Yam (Chen Guyan)
Chief Executive

15 August 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Fund as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Fund for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

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

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Other Information

Management is responsible for the other information. Other information comprises the Statement by SkillsFuture Singapore Agency which administers the Fund but does not include the financial statements and our auditors' report thereon.

Other Information (continued)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion:

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

(b) proper accounting and other records have been kept, in accordance with the provisions of the Act.

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory requirements

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

Report on Other Legal and Regulatory Requirements (continued)

Auditors' Responsibility for the Compliance Audit

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

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 Fund's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 15 August 2024

	Note	2024 $'000	2023 $'000
Operating income	3	**317,188**	314,575
Interest income	4	**53,376**	24,901
Other income	5	**12,964**	11,843
Fair value gain/(loss)		**72,091**	(57,839)
		455,619	293,480
Expenditure			
Net disbursements		**(459,883)**	(344,967)
Disbursements		**(470,771)**	(363,683)
Less: Disbursement refunds		**10,888**	18,716
Reversal of/(Allowance for) impairment loss on receivables		**369**	(67)
Bad debts (written off)/recovered		**(6)**	4
		(459,520)	(345,030)
Deficit before government grant		**(3,901)**	(51,550)
Add			
Grants from government	6	**168,634**	59,225
Surplus for the year, representing total comprehensive income for the year		**164,733**	7,675

	Note	2024 $'000	2023 $'000
Asset			
Cash and cash equivalents	7	**726,249**	1,600,305
Levy and other receivables	8	**62,563**	44,623
Grants disbursed in advance	9	**-**	15
Financial assets, at amortised cost	10	**800,000**	-
Financial assets, at fair value through profit or loss	11	**1,525,905**	1,453,814
Current assets		**3,114,717**	3,098,757
Total assets		**3,114,717**	3,098,757
Equity			
Capital account	12	**871,139**	871,139
Accumulated profits		**532,339**	367,606
Total equity		**1,403,478**	1,238,745
Liabilities			
Grants received in advance	6	**1,273,611**	1,385,255
Non-current liability		**1,273,611**	1,385,255
Trade payables	13	**150,928**	131,067
Grants received in advance	6	**286,700**	343,690
Current liabilities		**437,628**	474,757
Total liabilities		**1,711,239**	1,860,012
Total equity and liabilities		**3,114,717**	3,098,757

	Capital account $'000	Accumulated profit $'000	Total $'000
2024			
Beginning of financial year	871,139	367,606	1,238,745
Profit for the year, representing total comprehensive income for the year	-	164,733	164,733
End of financial year	**871,139**	**532,339**	**1,403,478**
2023			
Beginning of financial year	871,139	359,931	1,231,070
Profit for the year, representing total comprehensive income for the year	-	7,675	7,675
End of financial year	**871,139**	**367,606**	**1,238,745**

	Note	2024 $'000	2023 $'000
Cash flows from operating activities			
Deficit before government grant		**(3,901)**	(51,550)
Adjustments for:			
(Reversal of)/Allowance for impairment loss on receivables		**(369)**	67
Bad debts written off/(recovered)		**6**	(4)
Fair value (gain)/loss		**(72,091)**	57,839
Interest income	4	**(53,376)**	(24,901)
Operating cash flow before movements in working capital		**(129,731)**	(18,549)
Changes in:			
Levy and other receivables		**(18,581)**	23,541
Grants disbursed in advance		**15**	3,210
Trade payables		**19,861**	12,466
Net cash (used in)/generated from operating activities		**(128,436)**	20,668
Cash flows from investing activities			
Proceeds on maturity of financial assets, at amortised cost		**-**	30,000
Interest received		**54,380**	8,318
Purchase of financial assets, at amortised cost		**(800,000)**	-
Net cash (used in)/generated from investing activities		**(745,620)**	38,318
Net (decrease)/increase in cash and cash equivalents		**(874,056)**	58,986
Cash and cash equivalents at beginning of the year	7	**1,600,305**	1,541,319
Cash and cash equivalents at end of the year	7	**726,249**	1,600,305

1. General information

The Skills Development Fund ("the Fund") was established in the Republic of Singapore on 1 October 1979 as a Government fund under the Skills Development Levy Act 1979. The Fund was administered by Singapore Workforce Development Agency ("WDA") from 1 September 2003 to 2 October 2016. The administration of the Fund was transferred from WDA to SkillsFuture Singapore Agency ("SSG") with effect from 3 October 2016. The registered office and principal place of operations of SSG, being the administrator of the Fund, is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533.

The Fund was established for the following purposes:

(a) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons re-joining the workforce;

(b) the retraining of retrenched persons; and

(c) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

The Fund is exempted from income tax under Section 13(1)(e) of the Income Tax Act.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of the Act, and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes as promulgated by the Accountant-General. The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The preparation of the financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Fund's accounting policies. It also requires the use of accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

2. Material accounting policy information (continued)

Interpretations and amendments to published standards effective in 2024

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

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

2.2 Functional and presentation currency

(a) Functional and presentation currency

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

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments) and financial liabilities.

2.3 Government grants received

The Fund receives various types of grants to meet its operating expenditure.

Government grants are not recognised until there is reasonable assurance that the Fund will comply with the conditions attaching to them and the grants will be received. Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Fund with no future related costs are recognised in income or expenses in the period in which they become receivables.

2. Material accounting policy information (continued)

2.4 Finance Income

The Fund's finance income comprises interest income on deposits held with Accountant-General's Department ("AGD") and financial assets measured at amortised cost. Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

2.5 Grant disbursement

Grant disbursements are recognised as an expense in the statement of comprehensive income when there is an obligation to disburse.

2.6 Revenue

Income from Skills Development Levy ("SDL") is recognised on a monthly basis, in accordance to the month that SDL is paid for and payable by the employers.

2.7 Financial instruments

Financial assets

(i) Classification and measurement

The Group classifies its financial assets in the following measurement category:
- Amortised cost;
- Fair value through profit or loss

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

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2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

Financial assets (continued)

(ii) At initial recognition

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income.

(iii) At subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, levy and other receivables and unlisted debt securities.

There are 2 subsequent measurement categories based on the Fund's business model for managing the asset and the cash flow characteristics of the asset:

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

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

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

Financial assets (continued)

(iv) Recognition and derecognition

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

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

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

(v) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 16 details how the Fund determines whether there has been a significant increase in credit risk.

For trade receivables, the Fund applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

(i) Recognition and derecognition

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired. 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 derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of comprehensive income.

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

Financial liabilities (continued)

(ii) Initial and subsequent measurement

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

2.8 Offsetting of financial instruments

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

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the AGD which are subject to an insignificant risk of changes in value, and are used by the Fund in the management of its short-term commitments.

3. Operating income

	2024 $'000	2023 $'000
SDL from:		
- Private sector	**292,486**	291,084
- Statutory boards	**9,393**	8,433
- Ministries and Organs of State	**15,300**	15,048
Others	**9**	10
	317,188	314,575

SDL contribution is payable by employers for all employees up to the first $4,500 (2023: $4,500) of gross monthly wages at the rate of 0.25% or $2 (2023: 0.25% or $2), whichever is higher.

Recovery actions are taken on employers who have estimated outstanding SDL collections and this may allow the Fund to recover additional operating income in future years.

4. Interest income

	2024 $'000	2023 $'000
Interest income from:		
- Centralised Liquidity Management ("CLM") deposits held with AGD	**31,296**	24,610
- Financial assets, at amortised cost	**22,080**	291
	53,376	24,901

5. Other income

The Fund provided a grant for the development of two Continuing Education and Training ("CET") campuses. The rental revenue collected (after deducting relevant costs) is returned to the Fund.

SKILLS DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

6. Grants received in advance

	Grants received from Ministry of Finance [i] 2024 $'000	2023 $'000
Beginning of financial year	**1,728,945**	1,788,170
Transfer to statement of comprehensive income	**(168,634)**	(59,225)
End of financial year	**1,560,311**	1,728,945
Classified as		
- Current	**286,700**	343,690
- Non-current	**1,273,611**	1,385,255
	1,560,311	1,728,945

[i] The Fund has obtained a grant from Ministry of Finance to scale up the Jobs and Skills Programmes and SkillsFuture Work-Study Programmes, as part of the Next Bound of SkillsFuture over a period of four years. In areas permissible, the Fund taps on the grant to meet the increasing demands and needs of the Fund's skills development efforts.

7. Cash and cash equivalents

	2024 $'000	2023 $'000
CLM deposits held with AGD [i]	**726,249**	1,600,305

[i] The Fund participates in the CLM by the AGD under AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD and are available to the Fund upon request and earn interest at the average rate of 3.38% (2023: 1.61%) per annum.

8. Levy and other receivables

	2024 **$'000**	2023 $'000
Levy receivables	**2,965**	2,266
Interest receivables from bonds & CLM	**19,537**	20,541
Other receivables		
- National Productivity Fund	**980**	-
- Lifelong Learning Endowment Fund	**23,127**	9,243
- Workforce Singapore Agency	**138**	158
- SSG	**14,235**	12,297
- Others	**1,581**	118
	62,563	44,623

Other receivables, which are with related parties, are unsecured, interest-free and repayable within 12 months from balance sheet date.

Credit risk and impairment losses

The Fund's exposure to credit risk and impairment losses for interest and other receivables, are disclosed in Note 16.

9. Grants disbursed in advance

	2024 **$'000**	2023 $'000
Third parties	-	15

10. Financial assets, at amortised cost

	2024 **$'000**	2023 $'000
Singapore Government bonds	**800,000**	-
Represented by		
Current portion	**800,000**	-

In 2024, the quoted bonds have fixed interest rates of 3.68% per annum and maturity period of 12 months.

SKILLS DEVELOPMENT FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

11. Financial assets, at fair value through profit or loss

	2024 **$'000**	2023 $'000
Fund investments	**1,525,905**	1,453,814

Information about fair value measurement of fund investments is included in Note 16.

12. Capital account

The capital account represents the Singapore Government's capital contribution for the establishment of the Skills Development Fund.

13. Trade and other payables

	2024 **$'000**	2023 $'000
Related parties	**66,680**	39,837
Third parties	**84,248**	91,230
	150,928	131,067

The amounts due to related parties are unsecured, interest-free and repayable within a credit period of 30 days.

14. Related party transactions

Other related party transactions

Related companies in these financial statements refer to members of SSG's group of companies, or where the parties are subject to common control or common significant influence.

Some of the transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

14. Related party transactions (continued)

Other related party transactions (continued)

Other than disclosed in the respective notes to the financial statements, the Fund entered into the following significant transactions with its related parties during the year:

	2024 **$'000**	2023 $'000
Disbursements to related parties	**161,006**	112,431
Receipts from related parties in relation to payments made on behalf of related parties by the Fund	**(1,230)**	(143)

Key management personnel compensation

The Fund relies on SSG for management and administrative support.

None of the key management personnel earned any fees or other remuneration in respect of their appointment for the Fund during the current year and prior year. The key management personnel are not paid directly by the Fund but receive remuneration from SSG, in respect of their services to the larger group which includes the Fund. No consideration was paid to SSG for the service rendered by the key management personnel to the Fund.

15. Commitments

The following represents the training assistance grants committed by the Fund at the end of the financial reporting period. The actual disbursement of the training assistance grant commitments are subject to the fulfilment of the agreed conditions by the grant recipients.

	2024 **$'000**	2023 $'000
Training assistance committed for disbursement	**1,100,040**	1,243,743

Training assistance grant commitment are administered through Training Grants System and are derived from gross commitments less grant disbursed.

16. Financial risk management

Financial risk factors

The Fund has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

The Fund has adopted risk management practices, which set out its general risk management framework as discussed below. In addition, the SSG Board is also involved in formulating investment policies and guidelines, reviewing investment strategy and performance of the fund managers and monitoring the results of the investments. The investment report is also reviewed on a monthly basis by the SSG Chief Executive.

Fund investments

In connection with the funds placed with fund managers, the funds placed with fund managers are exposed to a variety of financial risk: credit risk, liquidity risk and market risk (including fair value interest rate risk, cash flow interest rate risk and price risk).

The fund managers appointed are held responsible in achieving the investment objectives set forth in their respective investment management agreements. All income and realised capital gains are to be reinvested by the fund managers unless otherwise instructed by SSG.

These financial assets are invested through the AGD Demand Aggregation Scheme, which consists of funds placements with six (2023: six) fund managers under the AGD panel of approved fund managers. The underlying financial assets of these funds include fixed income instruments, equities and commodities which are of high credit ratings as determined by recognised rating agencies.

The Fund manages risk via investments with fund managers under the AGD Demand Aggregation Scheme. The investment mandates, which include the investment objective, investment universe, asset allocation and risk tolerance, are set by the AGD, and as such the Fund does not have control over these investments. The investment managers are required to submit a monthly report to the Fund and ongoing monitoring is undertaken by the Fund to ensure that all investment activities are in compliance with the guidelines.

16. Financial risk management (continued)

(a) Credit risk

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

The Fund's major classes of financial assets are cash and deposits with AGD, interest and other receivables and financial assets at amortised costs. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position.

Cash and cash equivalents

The Fund held cash and cash equivalents of $726,249,000 at 31 March 2024 (2023: $1,600,305,000). The cash and cash equivalents are held with AGD have which has low credit risk based on the external credit ratings of the counterparties.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Forward-looking factors are used in the computation. The amount of allowances on cash and cash equivalents was negligible.

Financial assets at amortised costs

The Fund's investments classified as financial assets at amortised costs consist of Singapore Government bonds. The Fund's exposure to credit risk relating to its bonds are classified into AAA rating (based on public ratings assigned by Standard & Poor's).

The Fund monitors the credit risk of its financial assets at amortised costs by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Fund supplements this by reviewing changes in the probability of default of the issuers.

Impairment on AAA rated bonds has been measured on the 12-month expected loss basis. The Fund considers that its AAA rated bonds have low credit risk based on the external credit ratings of the counterparties. The loss allowances were assessed to be immaterial as at 31 March 2024.

16. Financial risk management (continued)

(a) Credit risk (continued)

Interest and other receivables

The Fund's most significant debtor amounts to $23,127,000 (2023: $12,297,000) which pertained to amounts owing by Lifelong Learning Endowment Fund (2023: SSG).

A breakdown of the Fund's interest and other receivables are disclosed under Note 8. Apart from the significant debtor above, the Fund believes the concentration of credit risk in interest and other receivables are mitigated.

The Fund does not obtain or hold collaterals in respect of interest and other receivables.

Impairment on interest and other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Interest and other receivables are considered to have low credit risk as there have been no significant increase in the risk of default on the receivables since initial recognition. The amount of the allowance was assessed to be immaterial.

(b) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Fund manages liquidity risk by maintaining sufficient funds from collection of SDL to enable it to meet its operational requirements.

The non-derivative financial liabilities of the Fund are presented in the statement of financial position. The undiscounted cash flows of the Fund's non-derivative financial liabilities (comprising trade payables) at the reporting approximate their carrying amounts and are expected to be settled within the next 12 months and are classified as current liabilities.

16. Financial risk management (continued)

(b) Liquidity risk (continued)

Capital management

The Fund's objectives when managing capital are to ensure that it is adequately capitalised and that it fulfils the objects for which moneys of the Fund may be applied under the Skills Development Levy Act 1979.

The Fund is not subject to any capital requirements under the Skills Development Levy Act 1979 or any other externally imposed capital requirements.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Price risk

Risk management policy

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate arising from changes in market prices (other than those arising from interest rate risk or currency risk, which are further discussed below), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The Fund is exposed to price risk arising from its investments with fund managers. The management monitors the price fluctuations of the investments and assesses the valuation on a monthly basis.

Sensitivity analysis

Investments at fair value through profit or loss

If prices of fund investments had been 10% higher with all other variables held constant, the fair value of these financial instruments for the year ended 31 March 2024 would have been higher by $152,591,000 (2023: $145,381,000). Correspondingly, the surplus would have been higher by $152,591,000 (2023: $145,381,000). Conversely, if prices of fund investments had been 10% lower with all other variables held constant, the fair value of the financial instruments and the surplus would have been lower by an equal amount.

The 10% represents management's assessment of the possible change in market prices. The sensitivity analysis is for illustrative purposes only. In practice, prices rarely change in isolation and are likely to be interdependent with other market variables.

16. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk

The Fund's fixed rate instruments relate primarily to financial assets at amortised costs, which consist of Singapore Government bonds. The Fund does not account for any fixed rate financial assets and liabilities at FVTPL. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

The Fund's exposure to changes in interest rates relates primarily to deposits held with AGD. Surplus funds are placed with AGD as disclosed in Note 7.

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	2024 **$'000**	2023 $'000
Fixed rate instruments		
Financial assets, at amortised cost	**800,000**	-
Variable rate instruments		
CLM deposits held with AGD	**726,249**	1,600,305
	1,526,249	1,600,305

As at 31 March 2024, if the interest rates had increased/decreased by 1% per annum (2023: 1% per annum), with all other variables including tax rate being held constant, the profit after tax for the year would have been higher/lower by $7,262,000 (2023: $16,003,000) as a result of higher/lower interest income on these cash and cash equivalents.

16. **Financial risk management** (continued)

(d) Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount				
	Note	**Mandatory at FVTPL $'000**	**Financial assets at amortised cost $'000**	**Other financial liabilities $'000**	**Total carrying amount $'000**	**Fair value $'000**
2024						
Financial assets measured at fair value						
Fund investments at FVTPL	11	**1,525,905**	**-**	**-**	**1,525,905**	**1,525,905**
Financial assets not measured at fair value						
Cash and cash equivalents	7	**-**	**726,249**	**-**	**726,249**	**-**
Interest and other receivables	8	**-**	**59,598**	**-**	**62,563**	**-**
Financial investments at amortised cost	10	**-**	**800,000**	**-**	**800,000**	**-**
		-	**1,585,847**	**-**	**1,588,812**	**-**
Financial liabilities						
Trade payables	13	**-**	**-**	**150,928**	**150,928**	**-**

16. **Financial risk management** (continued)

(d) Accounting classifications and fair values (continued)

		Carrying amount				
	Note	**Mandatory at FVTPL $'000**	**Financial assets at amortised cost $'000**	**Other financial liabilities $'000**	**Total carrying amount $'000**	**Fair value $'000**
2023						
Fund investments at FVTPL	11	1,453,814	-	-	1,453,814	1,453,814
Financial assets not measured at fair value						
Cash and cash equivalents	7	-	1,600,305	-	1,600,305	-
Interest and other receivables	8	-	42,357	-	44,623	-
		-	1,642,662	-	1,644,928	-
Financial liabilities						
Trade payables	13	-	-	131,067	131,067	-

The following methods and assumptions are made to estimate the fair value of each class of financial instruments (where it is practicable to estimate that value):

Fund investments at FVTPL

The Fund's investments at fair value through profit or loss represent financial assets carried at fair value through profit or loss on inception. The Fund's investments at fair value through profit or loss are managed externally by professional fund managers within discretion of the investment guidelines mandated by AGD under the Demand Aggregation Scheme. The Fund manages and evaluates the performance of such investments on a fair value basis in accordance with the Fund's investment policy and strategies.

The fair values of unquoted fund investments are determined based on the closing net asset value provided by the fund managers as at 31 March 2024.

16. Financial risk management (continued)

(d) Accounting classifications and fair values (continued)

Other financial assets and liabilities

The carrying amounts of interest and other receivables, cash and cash equivalents and, financial investments at amortised cost and trade payables approximate their respective fair values due to the short-term to maturity.

Fair value hierarchy

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

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

The following table stipulates investments measured at fair value by fair value hierarchy:

	Level 2 $'000	Total $'000
2024		
Fund investments at FVTPL	**1,525,905**	**1,525,905**
2023		
Fund investments at FVTPL	1,453,814	1,453,814

The Fund does not have any investments in the Level 3 category and there were no transfers between Level 1 and Level 2 in 2024 and 2023.

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16. Financial risk management (continued)

(d) Accounting classifications and fair values (continued)

Valuation techniques and inputs used to derive Level 2 fair values

Level 2 fair values of the fund investments at FVTPL were derived using the net asset value approach.

17. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2024 reporting periods and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

18. Authorisation of financial statements

These financial statements were authorised for issue by the Board of SSG on 15 August 2024.

SkillsFuture Jubilee Fund

In our opinion,

(a) the accompanying financial statements of SkillsFuture Jubilee Fund ("the Fund") set out on pages 156 to 167 are properly drawn up in accordance with the the provisions of the Skills Development Levy Act 1979 (the "Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Fund as at 31 March 2024, and the financial performance, changes in accumulated surplus, and cash flows of the Fund for the financial year ended on that date;

(b) the receipts and expenditure by the Fund during the financial year have been in accordance with the provisions of the Act;

(c) proper accounting and other records have been kept in accordance with the provisions of the Act, the Charities Act and Regulations.

On behalf of SkillsFuture Singapore Agency, which administers the Fund

Tan Kai Hoe
Chairman

Tan Kok Yam (Chen Guyan)
Chief Executive

15 August 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the "Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to give a true and fair view of the financial position of the Fund as at 31 March 2024, and the financial performance, changes in accumulated surplus and cash flows of the Fund for the financial year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the financial year ended 31 March 2024;
- the statement of financial position as at 31 March 2024;
- the statement of changes in accumulated surplus for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

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

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

Independence

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

Other Information

Management is responsible for the other information. Other information comprises the Statement by SkillsFuture Singapore Agency which administers the Fund but does not include the financial statements and our auditor's report thereon.

Report on the Audit of the Financial Statements (continued)

Other Information (continued)

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Report on the Audit of the Financial Statements (continued)

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In our opinion:

(a) the receipts and expenditure by the Fund during the year are, in all material respects, in accordance with the provisions of the Act;

(b) proper accounting and other records have been kept in accordance with the provisions of the Act, the Charities Act and Regulations.

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory requirements

Management is responsible for ensuring that the receipts and expenditure, are in accordance with the provision of the Act applicable to moneys of or managed by the Fund. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts and expenditure, are in accordance with the provision of the Act applicable to moneys of or managed by the Fund.

Report on Other Legal and Regulatory Requirements (continued)

Auditor's Responsibilities for the Compliance Audit (continued)

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts and expenditure; 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 Fund's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore
15 August 2024

	Note	2024 $	2023 $
Income			
Interest income		**719,980**	334,466
Expenditure			
Other expenses	3	**(220,000)**	(210,000)
Surplus for the year, representing total comprehensive income for the year		**499,980**	124,466

	Note	2024 $	2023 $
Current assets			
Other receivable	4	**353,164**	277,934
Cash and cash equivalents	5	**20,858,672**	20,433,922
		21,211,836	20,711,856
Total current assets representing total assets		**21,211,836**	20,711,856
Total accumulated surplus		**21,211,836**	20,711,856

	Accumulated surplus $
2024	
Beginning of financial year	20,711,856
Surplus for the year, representing total comprehensive income for the year	499,980
End of financial year	**21,211,836**
2023	
Beginning of financial year	20,587,390
Surplus for the year, representing total comprehensive income for the year	124,466
End of financial year	**20,711,856**

	Note	2024 $	2023 $
Cash flows from operating activities			
Surplus for the year		**499,980**	124,466
Adjustments for:			
Interest income		**(719,980)**	(334,466)
Net cash used in operating activities		**(220,000)**	(210,000)
Cash flows from investing activity			
Interest received		**644,750**	96,684
Net cash generated from investing activity		**644,750**	96,684
Net increase/(decrease) in cash and cash equivalents		**424,750**	(113,316)
Cash and cash equivalents at beginning of the year	5	**20,433,922**	20,547,238
Cash and cash equivalents at end of the year	5	**20,858,672**	20,433,922

1. General information

The SkillsFuture Jubilee Fund ("the Fund") was established in the Republic of Singapore as part of the Skills Development Fund ("SDF") in accordance with Section 5 of the Skills Development Levy Act 1979. The Fund was administered by Singapore Workforce Agency ("WDA") from 11 February 2015 to 2 October 2016. The administration of the Fund was transferred from WDA to SkillsFuture Singapore Agency ("SSG") with effect from 3 October 2016.

As the Fund will be administered and governed in accordance with the objects of the Skills Development Levy Act 1979, the objects for which moneys of the Fund may be applied are as follows:

a) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons re-joining the workforce;

b) the retraining of retrenched persons; and

c) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

The intent for the Fund is to use the moneys to administer SkillsFuture Fellowships and SkillsFuture Employer Awards. These are awards given to:

a) recognise and develop Singaporeans who embody characteristics aligned with the SkillsFuture objectives and support them in developing skills mastery in their respective fields of work; and

b) recognise employers who made significant effort to invest in employee training and supported the SkillsFuture effort to develop structured skills-based career pathways for their employees.

The Fund's registered office and principal place of operations is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533. The Fund is a registered charity under the Charities Act 1994.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with the provisions of Skills Development Levy Act 1979, the Charities Act 1994 and other relevant regulations ("the Acts and Regulations"), and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes as promulgated by the Accountant-General. The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The preparation of these financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Fund's accounting policies. It also requires the use of accounting estimates and assumptions. There are no areas which involve a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2024

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

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

2.2 Functional and presentation currency

(a) Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Fund's functional currency.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognised in the statement of comprehensive income. Monetary items include primarily financial assets, contract assets and financial liabilities.

2. Material accounting policy information (continued)

2.3 Interest income

Interest income is recognised using the effective interest method.

2.4 Financial instruments

Financial assets

(i) Classification and measurement

The Fund classifies its financial assets as measured at amortised cost.

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

(ii) At initial recognition

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income.

(iii) At subsequent measurement

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

There is one subsequent measurement categories based on the Fund's business model for managing the asset and the cash flow characteristics of the asset:

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

2. Material accounting policy information (continued)

2.4 Financial instruments (continued)

Financial assets (continued)

(iv) Recognition and derecognition

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

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

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

(v) Impairment

The Fund assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 6 details how the Fund determines whether there has been a significant increase in credit risk.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the Accountant-General Department ("AGD") which are subject to an insignificant risk of changes in value, and are used by the Fund in the management of its short-term commitments.

3. Other expenses

Other expenses pertain to disbursements via SkillsFuture Fellowship and SkillsFuture Employer Awards to citizens and employers respectively.

4. Other receivable

	2024	2023
	$	$
Interest receivable from Centralised Liquidity Management ("CLM") deposits held with AGD	**353,164**	277,934

5. Cash and cash equivalents

	2024	2023
	$	$
CLM deposits held with AGD [i]	**20,858,672**	20,433,922

[i] The Fund participates in the CLM by the AGD under AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD and are available to the Fund upon request and earns interest at the average rate of 3.38% (2023: 1.61%) per annum.

6. Financial risk management

Financial risk factors

The Fund's activities expose it to a variety of financial risks: credit risk and market risk.

Risk management framework

The Fund has documented financial risk management policies. These policies set out the Fund's overall business strategies and its risk management philosophy. The Fund's overall financial risk management objective seeks to minimise potential adverse effects on its financial performance.

6. Financial risk management (continued)

The Fund provides written principles for overall financial risk management, which covers specifically on market risk (including interest rate risk) and credit risk. Such written policies are reviewed periodically by the Fund and periodic reviews are undertaken to ensure that the Fund's policies are relevant and complied with.

The Fund monitors its risk exposure regularly. There has been no change to the Fund's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation, resulting in financial loss to the Fund.

Cash and cash equivalents

The Fund held cash and cash equivalents of $20,858,672 as at 31 March 2024 (2023: $20,433,922). The cash and cash equivalents are held with AGD which has low credit risk based on the external credit ratings of the counterparties.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Forward-looking factors are used in the computation. The amount of allowance on cash and cash equivalents was negligible.

Other receivable

Impairment on other receivable has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Other receivable is considered to have low credit risk as there have been no significant increase in the risk of default on the receivables since initial recognition. The amount of the allowance was assessed to be immaterial.

6. Financial risk management (continued)

Risk management framework (continued)

(b) Market risk

Interest rate risk

The Fund's exposure to interest rate risk for changes in interest rate environment relates mainly to its interest income from cash and cash equivalents held with AGD.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the interest-bearing financial instruments, as reported to the management, was as follows:

	2024 **$**	2023 $
Variable rate instruments		
Cash and cash equivalents	**20,858,672**	20,433,922

As at 31 March 2024, if the interest rates had increased/decreased by 1% per annum (2023: 1% per annum), with all other variables including tax rate being held constant, the profit after tax for the year would have been higher/lower by $209,000 (2023: $204,000) as a result of higher/lower interest income on these cash and cash equivalents.

(c) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2024 **$**	2023 $
Financial assets at amortised cost		
Other receivable	**353,164**	277,934
Cash and cash equivalents	**20,858,672**	20,433,922
	21,211,836	20,711,856

The financial assets with a maturity of less than one year (including other receivable and cash and cash equivalents) are assumed to approximate their fair values because of the short period to maturity.

7. Key management personnel compensation

The Fund relies on SSG for management and administrative support.

None of the key management personnel earned any fees or other remuneration in respect of their appointment for the Fund during the current year and prior year. The key management personnel are not paid directly by the Fund but receive remuneration from SSG, in respect of their services to the larger group which includes the Fund. No consideration was paid to SSG for the service rendered by the key management personnel to the Fund.

8. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2024 reporting periods have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

9. Authorisation of financial statements

These financial statements were authorised for issue by the Board of SSG on 15 August 2024.