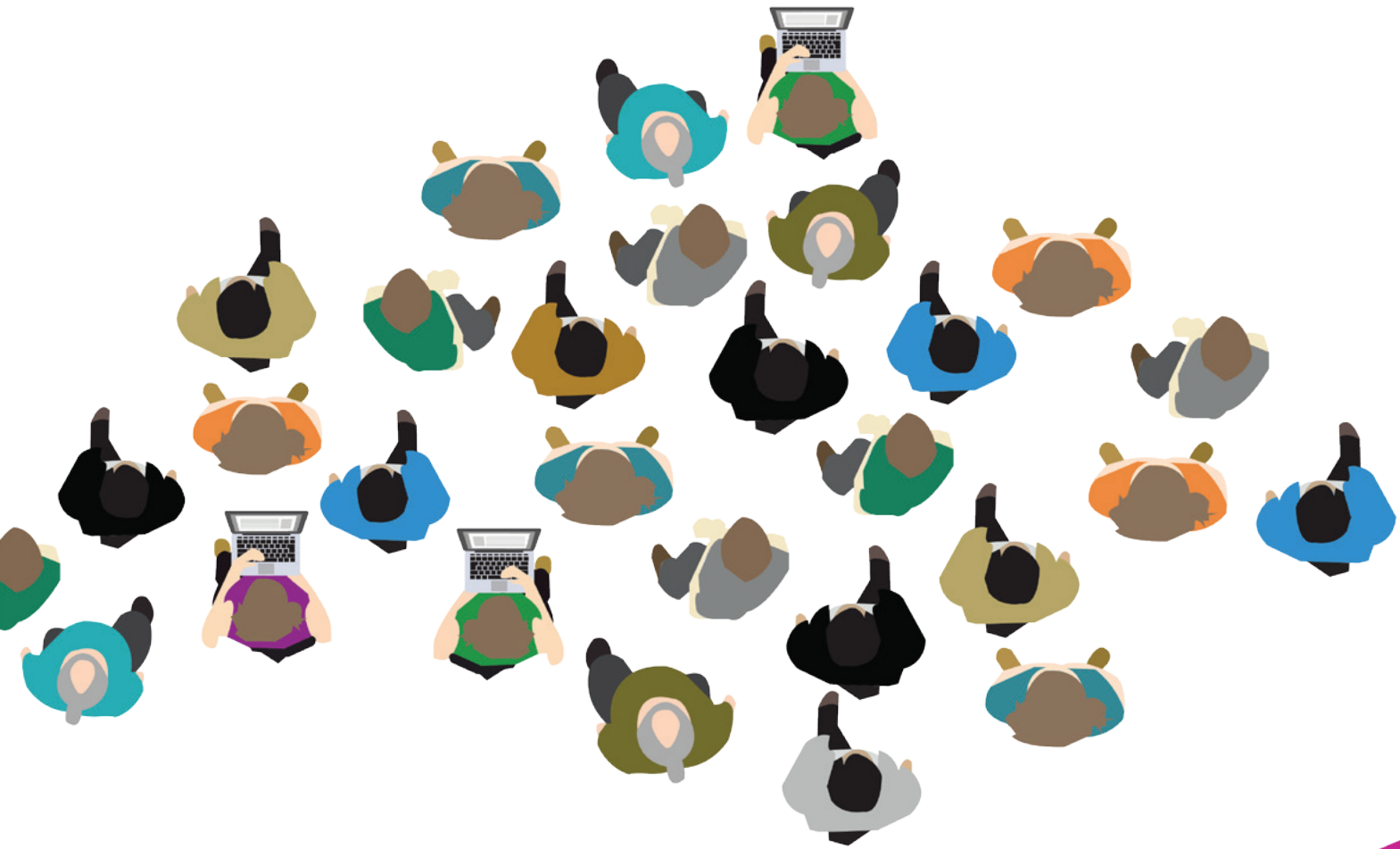


**ADAPT.
TRANSFORM.
GROW.**



WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

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Chairman and Chief Executive's Foreword

2016 was a milestone year for the Singapore Workforce Development Agency (WDA) when it was reconstituted into two statutory boards in October 2016 – SkillsFuture Singapore (SSG) and Workforce Singapore (WSG). The formation of these agencies was key to further sharpening the focus on skills and employment. As part of its mandate, WSG will focus on transforming the landscape of employment and the workforce to meet new challenges that lie ahead, while SSG will take SkillsFuture forward and strengthen the ecosystem of quality education and training.

Building an Adaptable and Resilient Workforce

WSG's key focus is to build a strong Singaporean core, and the Adapt and Grow initiative unveiled in April 2016 was to help advance this cause. This initiative consists of a range of programmes to help Singaporeans adapt to the changing labour market conditions, grow their skills, and move into new jobs in emerging sectors. Against the backdrop of weaker global economic conditions and ongoing economic restructuring, this initiative also helps affected workers return to the workforce after retrenchment or time away, or to reskill to a different sector to progress in their next career.

Partnering Enterprises to be Productive and Manpower-Lean

WSG also introduced the Transform and Grow initiative, comprising a series of programmes that help employers transform to become more productive and manpower-lean. Programmes like the Enterprise Training Support programme and the Industry Catalyst Programme had significantly benefited various enterprises, especially Small and Medium Enterprises. The Lean Enterprise Development scheme gained more traction in 2016 through clustering solutions and the adoption of technology. WSG also made headway to help various industries be more innovative and manpower-lean.

Looking ahead, WSG will continue on this transformative journey to build a resilient and future-ready workforce. As we journey ahead, we would like to thank our industry partners and staff for their dedication and passion in serving the needs of the nation, especially in enabling the Singaporean workforce to Adapt and Grow.

LEFT:

Mr Lim Ming Yan, Chairman

RIGHT:

Mr Tan Choon Shian, Chief Executive



**BOARD MEMBERS
AND COMMITTEES**

**WORKFORCE
SINGAPORE AGENCY**



WSG Board Members



FRONT:
Mr Lim Ming Yan, Chairman

MIDDLE ROW:
(Left to Right)
Ms Deborah Ong, Mr Tan Tong Hai,
Mr Tan Choon Shian, and Ms Elaine Yew

BACK ROW:
(Left to Right)
Ms Ng Cher Pong, Dr Ahmad Mohamed Magad,
Ms Judy Hsu, Mr Terence Ho,
Mr Patrick Tay, Mr Douglas Foo

ABSENT:
Mr James Wong, Mr K. Muralidharan Pillai



◀ **Mr Ng Cher Pong**
M E M B E R
Chief Executive,
SkillsFuture Singapore
Deputy Secretary (SkillsFuture),
Ministry of Education

▼ **Ms Elaine Yew**
M E M B E R
Global Executive
Committee Member,
Egon Zehnder



▶ **Mr Lim Ming Yan**
C H A I R M A N
Chief Executive Officer,
CapitaLand

▶▶ **Mr Tan Choon Shian**
M E M B E R
Chief Executive,
Workforce Singapore

◀ **Mr Patrick Tay Teck Guan**
M E M B E R
Assistant Secretary-
General, National Trades
Union Congress



◀◀ **Mr Tan Tong Hai**
M E M B E R
CEO & Executive
Director, StarHub Ltd

◀ **Mr. K. Muralidharan Pillai**
M E M B E R
Partner, Commercial Litigation,
Rajah & Tann Singapore LLP

◀ **Mr James Wong Kok Onn**
M E M B E R
Deputy Secretary (Workforce), Public
Service Division, Prime Minister's Office
Secretary, Public Service Commission,
Public Service Division,
Prime Minister's Office



▲ **Mr Terence Ho**
M E M B E R
Divisional Director,
Manpower Policy and Planning,
Ministry of Manpower

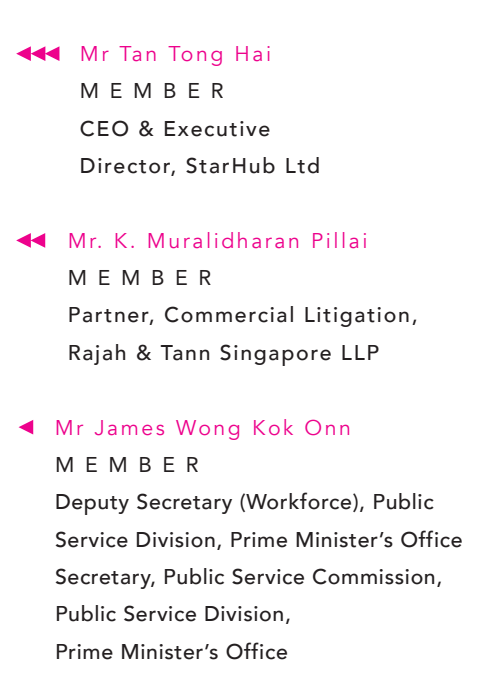
▶ **Ms Deborah Ong**
M E M B E R
Assurance Partner and
Risk & Quality Leader,
PwC Singapore



▶ **Ms Judy Hsu**
M E M B E R
Chief Executive Officer,
Standard Chartered Bank
Singapore

▶▶ **Mr Douglas Foo**
M E M B E R
Chairman,
Sakae Holdings Ltd

◀ **Dr Ahmad
Mohamed Magad**
M E M B E R
Group Managing Director,
II-VI Singapore Pte Ltd



WSG Board Members and Committees

CHAIRMAN

Mr Lim Ming Yan
Chief Executive Officer, CapitaLand

Audit and Risk Committee (ARC)

CHAIRMAN

Ms Deborah Ong
Assurance Partner and Risk & Quality
Leader, PwC Singapore

MEMBERS

Mr Terence Ho
Divisional Director,
Manpower Policy and Planning,
Ministry of Manpower

Mr K. Muralidharan Pillai
Partner, Commercial Litigation,
Rajah & Tann Singapore LLP

Finance Committee (FC)

CHAIRMAN

Mr James Wong
Deputy Secretary (Workforce), Public Service
Division, Prime Minister's Office
Secretary, Public Service Commission, Public
Service Division, Prime Minister's Office

MEMBERS

Ms Judy Hsu
Chief Executive Officer,
Standard Chartered Bank Singapore

***Mr Tan Tong Hai**
CEO & Executive Director,
StarHub Ltd

Mr Patrick Tay
Assistant Secretary-General,
National Trades Union Congress

Remuneration Committee (RC)

CHAIRMAN

Mr Douglas Foo
Chairman, Sakae Holdings Ltd

MEMBERS

Mr Ng Cher Pong
Chief Executive, SkillsFuture Singapore
Deputy Secretary (SkillsFuture),
Ministry of Education

***Dr Ahmad Mohamed Magad**
Group Managing Director,
II-VI Singapore Pte Ltd

Ms Elaine Yew
Global Executive Committee
Member, Egon Zehnder

BOARD MEMBER

Mr Tan Choon Shian
Chief Executive, Workforce Singapore

Corporate Governance

CORPORATE GOVERNANCE DISCLOSURE

Function of the WSG Board

The WSG Board provides guidance and advice to the WSG Management on all matters under WSG's scope, including its policy, operational and promotional roles. The WSG Board also reviews and approves the strategic plans and budgets of WSG. WSG Board members are selected from a diverse range of backgrounds, from the unions, and the private and public sectors to tap on their varied experience and perspective. Under the Workforce Singapore Agency Act, the WSG Board shall comprise a Chairman, a Deputy Chairman (if appointed), and a minimum of 9 but not more than 15 members in total as determined by the Minister for Manpower.

The WSG Board Committees

The WSG Act empowers the WSG Board to form committees from among its own members or other persons to support the work of the WSG Board. In order to guide the development of specific areas of WSG and perform the necessary due diligence and reporting to the WSG Board, three committees have been formed. They are the Audit and Risk Committee, the Finance Committee, and the Remuneration Committee.

The WSG Board Committees are:

- (a) **Audit and Risk Committee** - The Audit and Risk Committee ensures that WSG has a rigorous and robust system of internal controls. It reviews WSG's risk assessment and management systems, rigor of internal control systems, as well as the set-up of the internal audit function. Internal and external auditors are engaged to conduct audit reports on WSG's work and processes. The committee will also review and monitor the integrity of the annual financial statements.
- (b) **Finance Committee** - The Finance Committee ensures that WSG has a robust financial system to fulfill WSG's mission. It provides advice on grant policies, and also approves finance policies and funding proposals that are within budget values specified by the WSG Board.
- (c) **Remuneration Committee** - The Remuneration Committee sets human resource management and development policies, which includes approving staff remuneration policies, major changes to schemes of service, early retirement and early release schemes, as well as the appointment, promotion and performance bonuses for senior management in WSG. It also reviews and deliberates on staff appeals related to personnel matters.

* stepped down on 31 Aug 2017

Corporate Governance

RISK MANAGEMENT PRACTICES AND INTERNAL CONTROLS

Internal Control Framework

WSG's internal control system ensures that assets and resources are safeguarded, and that the risk management, control measures and procedures are adequate and effective. It also ensures compliance with established policies and regulations, proper maintenance of accounting records and reliability of the financial statements.

The risk items and mitigation measures are monitored regularly by the WSG Management and reported to the Audit and Risk Committee and the WSG Board. The WSG Management is responsible for reviewing and monitoring the effectiveness of internal controls to safeguard WSG's interests, and will evaluate the need to implement other internal control policies from time to time, to ensure compliance with all regulatory and statutory standards.

Internal and External Audit Functions

The Internal Audit Unit provides independent reasonable assurance to the WSG Board and the WSG Management through the evaluation of adequacy and effectiveness of internal controls, risk management and governance of WSG. It adopts risk-based approach as the key audit assurance practice, and the results of audits and recommendations for enhancements are promptly communicated to the WSG Management. The Internal Audit Unit reports directly to the Audit and Risk Committee and administratively to the WSG's Chief Executive.

The external auditor performs the annual statutory audit and its audit observations (if any) are detailed in the Management Letter which is reported to the Audit and Risk Committee. The Audit and Risk Committee (ARC) will meet with the external auditors, without the presence of the Management, at least once a year. The financial statements are endorsed by ARC and approved by the Board.

Business and Ethical Conduct

All WSG staff must adhere to high standards of professional integrity and personal conduct. They are to avoid placing themselves in matters where a conflict of interest may arise and are to declare these types of situations to their supervisor. WSG staff are also subject to provisions of the Official Secrets Act.

To reinforce WSG's commitment to a culture of integrity and transparency within the organisation, WSG has in place a whistle blowing policy and reporting mechanism to facilitate the reporting of fraud and wrongdoing of staff.

Whistle-Blowing

WSG has in place a whistle-blowing policy for the reporting of possible irregularities regarding WSG approved training providers, grant recipients, vendors, contractors or any other matters. The policy is communicated regularly to the employees.

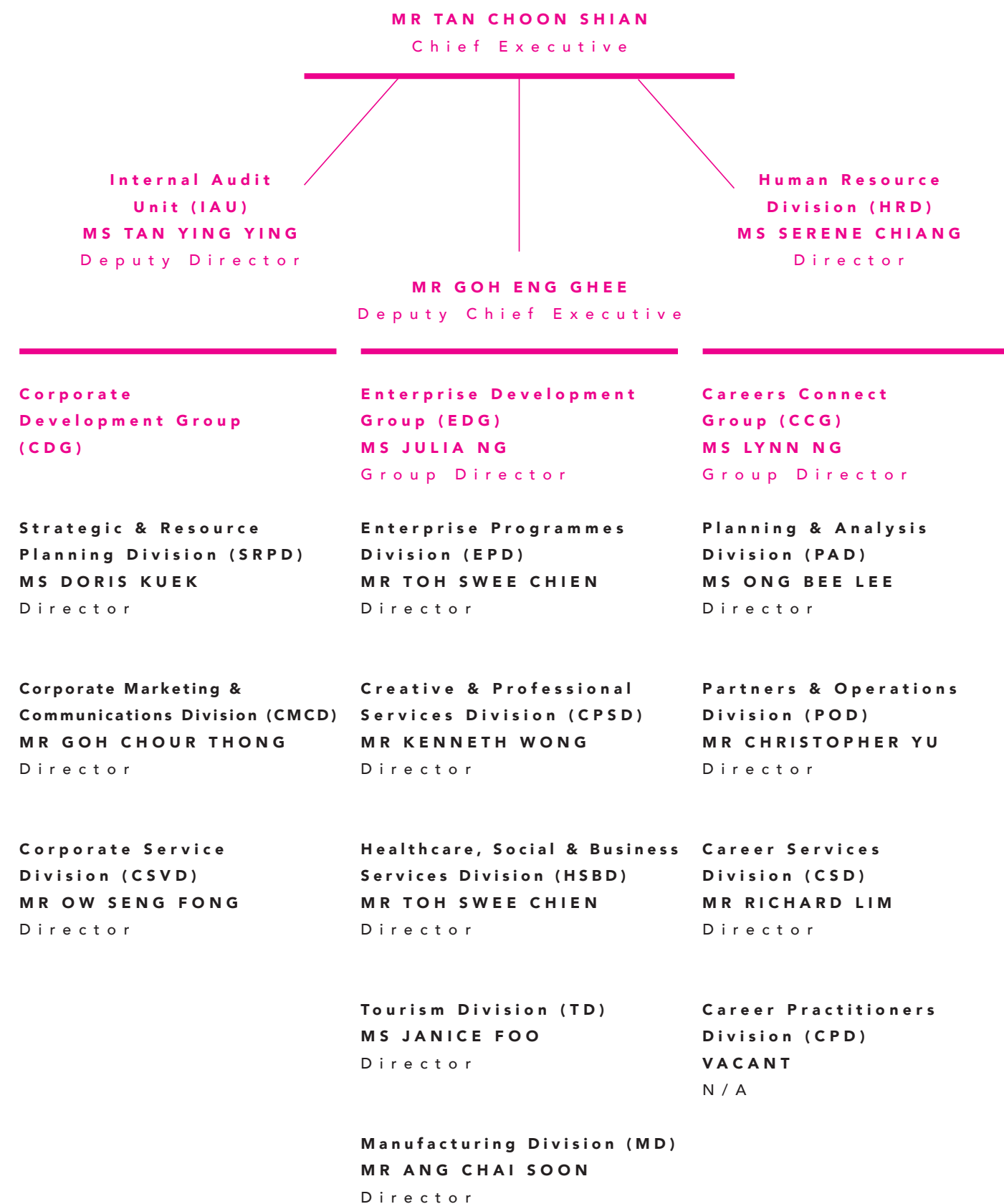
Employees and members of public may disclose concerns through various secured and confidential channels without fear of reprisal, discrimination or adverse consequences. Information provided will be treated sensitively and in the strictest confidence. All cases reported and investigated will be surfaced to the Audit and Risk Committee.

Annual Report and Financial Reporting

WSG submits an annual report after the end of each financial year to the Minister of Manpower. WSG's full-year financial results are reported to the WSG Board and included in WSG's Annual Reports, which are published on WSG's corporate website.

Organisation Chart

(SSG Shared Services)



WSG Senior Management Team



▲ Mr Tan Choon Shian
CHIEF EXECUTIVE



▲ Mr Goh Eng Ghee
DEPUTY
CHIEF EXECUTIVE

▼ Ms Lynn Ng
GROUP DIRECTOR
Careers Connect Group (CCG)

▼ Ms Julia Ng
GROUP DIRECTOR
Enterprise Development
Group (EDG)



▶ **Mr Ang Chai Soon**
D I R E C T O R
Manufacturing
Division (MD)



▶▶ **Ms Serene Chiang**
D I R E C T O R
Human Resource
Division (HRD)



▶ **Mr Richard Lim**
D I R E C T O R
Career Services
Division (CSD)



▶▶ **Ms Ong Bee Lee**
D I R E C T O R
Planning & Analysis
Division (PAD)



▲ **Ms Janice Foo**
D I R E C T O R
Tourism Division (TD)



▲ **Mr Goh Chour Thong**
D I R E C T O R
Corporate Marketing &
Communications
Division (CMCD)



▼ **Ms Doris Kuek**
D I R E C T O R
Strategic & Resource
Planning Division (SRPD)



◀ **Mr Ow Seng Fong**
D I R E C T O R
Corporate Service
Division (CSVD)



▶ **Mr Toh Swee Chien**
D I R E C T O R
Healthcare, Social &
Business Services Division
(HSBD) and Enterprise
Programme Division (EPD)

▶ **Mr Kenneth Wong**
D I R E C T O R
Creative & Professional
Services Division (CPSD)

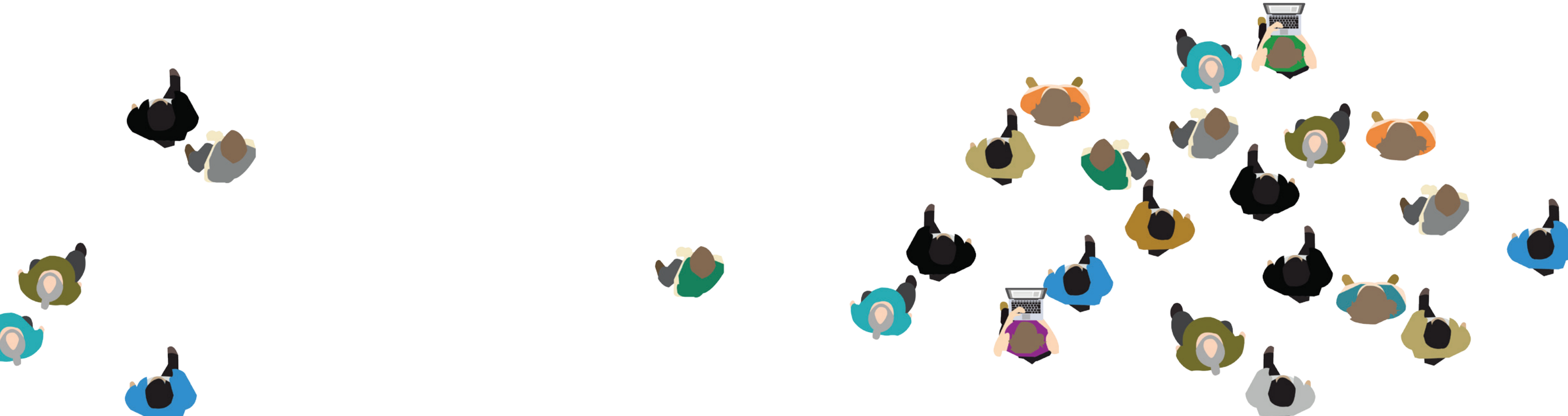


▶▶ **Mr Christopher Yu**
D I R E C T O R
Partners & Operations
Division (POD)



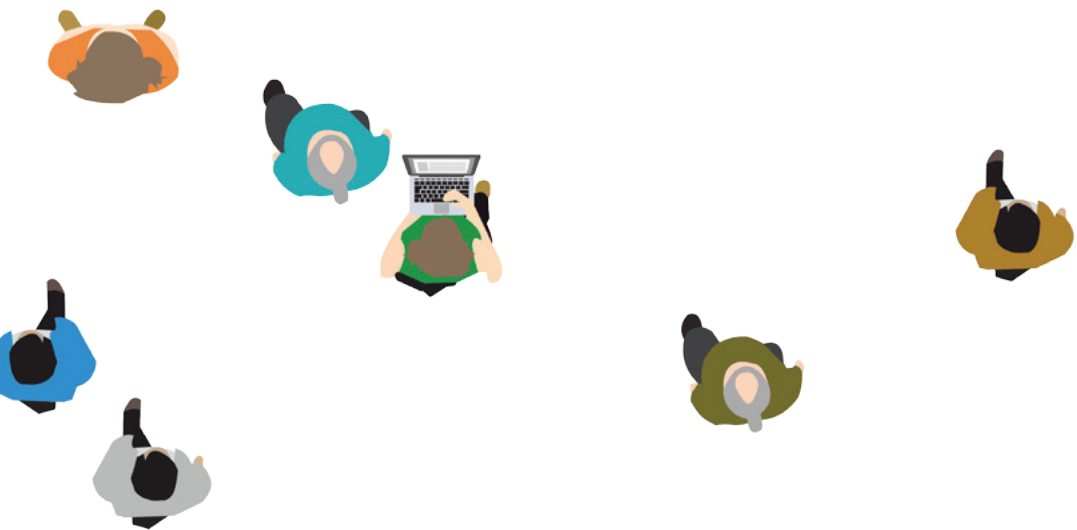
ADAPT.
TRANSFORM.
GROW.

WORKFORCE
SINGAPORE AGENCY



Mission

enable
INDIVIDUALS to
ADAPT and
EMPLOYERS to
TRANSFORM



every
INDIVIDUAL in a
FULFILLING
career with
PROGRESSIVE
EMPLOYERS

Vision

Building a Career Resilient Workforce



OUR KEY ROLE IN FACILITATING EMPLOYMENT

The Adapt and Grow national initiative was launched in April 2016, as part of WSG's efforts to help Singaporeans remain employable and with relevant skillsets. It consists of a suite of programmes to help Singaporeans adapt to the changing labour market conditions, grow their skills, and move into new jobs in emerging sectors.

WSG actively encourages Singaporeans to attend career events to speak with hiring employers and gain a better understanding of the industry and labour market conditions to prepare them for their career transitions. Career counselling and career management services are also offered to jobseekers through our Career Matching Services to prepare them for their next career. Through targeted interventions and coaching throughout their job search journey, WSG has helped many jobseekers meet their career aspirations.

In addition to job matching services at WSG's physical career centres, Jobs Bank is an online job matching platform where local jobseekers and hiring employers from a diverse background can be matched. WSG's Career Matching Services and Jobs Bank serve a diverse group of Singaporeans, from fresh graduates, to mid-career switchers, retrenched individuals, and even locals returning to the workforce.

Mature Singapore citizens who have been retrenched or have been unemployed for a prolonged period of time have also benefitted from WSG's Career Support Programme. Through salary support for the employer, the programme boosts the employability of mature Singapore citizens or citizens affected by disruptions in the labour market, and enables them to return to the workforce at a pay which commensurates their skills and experience.



Singaporeans looking to try out a new job role or occupation without having the pre-requisite knowledge or skills can benefit from the Work Trial programme. Through a short term working arrangement for jobseekers to try out the new role, employers are also able to have an opportunity to assess the jobseekers' job fit and suitability, before offering permanent employment.

Many mid-career switchers who wish to embark on a new career in a different sector have also commenced on their career switch through our Professional Conversion Programme. Cutting across more than 20 sectors and 60 specific programme tracks, mid-career switchers have benefitted from the training subsidies and salary support on their journey towards a new fulfilling career. The P-Max programme helps facilitate local PMETs to enter Small and Medium Enterprises (SMEs) and grow in their job roles. Through the programme, WSG helps PMETs increase their domain knowledge across various job roles and functions.

WSG has also ramped up employment support for ex-offenders and Persons with Disabilities, through partnerships with Singapore Cooperation of Rehabilitative Enterprise (SCORE) and the Industrial and Services Co-operative Society (ISCOS) to offer employment assistance for ex-offenders, and partnerships with SG Enable to help Persons with Disabilities. These partnerships are efforts to enhance inclusiveness at the workplace.

In addition to the Adapt and Grow initiative, the Taskforce for Responsible Retrenchment and Employment Facilitation helps to provide timely and targeted assistance to companies either considering or carrying out retrenchment activities.

Empowering Employers to take on Bigger Roles in Recognising and Developing Skills for the Workforce



With technological disruption to traditional businesses, coupled with the evolving profile and needs of the local workforce, enterprises in Singapore need to be able to transform to remain competitive and grow their businesses. Through the Transform and Grow initiative, WSG aims to help businesses enhance their capabilities to be more innovative and manpower-lean. It encompasses a series of employer-centric programmes to help employers, especially SMEs, to transform to become more productive and manpower-lean so as to offer better careers for Singaporeans.

The Lean Enterprise Development scheme, a tripartite initiative, enables clusters of companies to collaborate through shared resources, for e.g. in the Food Manufacturing and Early Childhood sectors to be more productive and manpower-lean. Apart from industry clustering initiatives, company-specific projects were also supported to achieve manpower-lean outcomes.

With the changing profile of the Singapore workforce, WSG continued with the support for better age management practices through WorkPro, and more companies are encouraged to be more age-friendly through job redesign and technology adoption.

To help enhance enterprise' capabilities, the Industry Catalyst Programme helps companies build on their capabilities by supporting knowledge transfer of the latest industry trends and technology through platforms such as specialist masterclasses, seminars and conferences.



WSG continues to work closely with the business community on workforce transformation projects to reduce jobs, skills and wage mismatches. One of the programmes is the Professional Conversion Programmes that companies can tap on to build capabilities to transform their business to reduce skills mismatches, especially in sectors which are growing and in demand. With the Career Support Programme, WSG helped enterprises to expand their potential pool of workers by including experienced PMETs and attracting such talent through wage subsidies to reduce wage mismatches. WSG assisted enterprises, especially SMEs, with manpower placement through P-Max. WSG also worked to reduce missed matches and enable better job-fitting through Work Trial which allows both employers and jobseekers to assess the job fit and suitability of the job position.

WSG also supports the Industry Transformation Maps (ITMs) through the Transform and Grow initiative. This is reflected in the development of the ITMs and Industry Manpower Plans (IMPs) with lead sectoral agencies. In 2016, seven ITMs and three IMPs were developed in partnership with these agencies and endorsed by the Council for Skills, Innovation and Productivity.

Achievements

Launch of Adapt and Grow Initiative

8 APRIL 2016

The "Adapt and Grow" initiative was introduced for two groups – Professionals, Managers, Executives and Technicians (PMETs) and Rank and File (RnF) workers. Three existing schemes - Career Support Programme (CSP) introduced in October 2015, Professional Conversion Programme (PCP) introduced in 2007, and P-Max launched in March 2015 - were enhanced.



Inaugural Adapt & Grow Infocomm Technology (ICT) Career Fair

4 MAY 2016

Over 500 PMET job vacancies were made available, with 250 PCP job opportunities in the ICT industry. Eight new ICP PCPs were enhanced. Career preparatory workshops and networking sessions were also featured at the fair.



Launch of Wafer Fab PCP and Opening of SSMC L.E.A.N. Centre

16 MAY 2016

The PCPs for Wafer Fab Engineer and Wafer Fab Assistant Engineer were launched to allow mid-career PMETs to acquire the skills required in the wafer fabrication industry and to make a career switch. The PCPs for Assembly & Test Engineer and Assembly & Test Assistant Engineers were also rolled out.

Food Services SMP Launch

31 MAY 2016

The Food Services Sectoral Manpower Plan (SMP) was jointly launched by WDA and SPRING to develop a manpower lean food services sector, with a future-ready, skilled and productive workforce.

Adapt & Grow Career Fair

14 JUNE 2016

WDA held its first mega Adapt and Grow Career Fair to raise the awareness of the Adapt and Grow initiative, and the programmes available to help displaced workers and those considering a mid-career switch. The 14 June Career Fair was the key highlight of a month-long series of 30 events offering 3,000 job vacancies ranging from rank and file to professional job positions.

Launch of Logistics Professional Conversion Programme and Appointment of SCALA's Board of Advisors

28 JUNE 2016

WDA and the Supply Chain and Logistics Academy (SCALA) jointly launched the Logistics PCP to provide training for Professionals, Managers, Executives and Technicians (PMETs) who intend to join the logistics industry and to help them develop a new career. The programme was expected to create 150 PMET jobs in the next two years - in two job roles - logistics officer and logistics executive.

Launch of Work Mentorship Programme for Creative Freelancers at Creative Freelancers Bootcamp

29 JUNE 2016

New initiatives were unveiled to support freelancers in the Creative Industries, introducing a pilot run of the Work Mentorship Programme for Freelancers.

Outcomes Evaluation Survey (OES) for WSQ Training 2015

20 JULY 2016

The results of the WDA Outcomes Evaluation Survey (OES) 2015 and on WDA's commitment to intensify efforts to help the local workforce adapt and grow reflected that employers and individuals continue to find Singapore Workforce Skills Qualifications (WSQ) courses relevant, with skills application indicators consistently high for both employers and individuals.

Launch of International Trading Professional Conversion Programme and MOU Signing Event

28 JULY 2016

IE Singapore initiated a training programme with WDA to reskill mid-career professionals for the international trading sector. About 15,000 new jobs in this sector had been projected till 2020.

Launch of Central Processing Unit by iRAS and Learning Journey

4 AUGUST 2016

The Indian Restaurants Association (Singapore) opened a central processing unit to boost productivity, build manpower lean capabilities and develop a Singaporean core in the Indian food services sector. A new Place-and-Train programme was launched to build a pipeline of skilled local chefs.



WDA and e2i consolidate network of Career Centres for enhanced career services and job matching assistance.

30 AUGUST 2016

As part of ongoing efforts to provide quality career services to Singapore's resident workforce, WDA and the Employment and Employability Institute (e2i) consolidated its network of careers centres. Effective 1 Oct 16, WDA's Career Centre at Jurong merged with e2i's existing Career Services Centre to form e2i West, which is based at the Devan Nair Institute for Employment and Employability. WDA's career centre at Toa Payoh was renamed e2i Central and came under the management of e2i for operational synergy. WDA would continue to operate the three career centres located at Paya Lebar, Tampines and Woodlands. This reorganisation enabled WDA to focus on its upstream role as a strategic integrator for employment facilitation for the entire workforce.





Adapt and Grow Virtual Career Fair

16 SEPTEMBER 2016

The Virtual Career Fair was implemented to integrate different applications on a single platform for employers and individuals to connect on job opportunities. Close to 400 live chats with employers and career coaches were lined up for job seekers.



Hotel Day 2016

23 SEPTEMBER 2016

This event was organised to galvanise interest in hotel careers through a showcase of success stories and to raise awareness of lean manpower initiatives through technology showcase. The Skills Framework for Hotel and Accommodation Services was also launched at this event.

Launch of Industry Manpower Plan for Early Childhood at ECCE's Early Childhood Conference

1 OCTOBER 2016

The Early Childhood Care and Education (ECCE) Industry Manpower Plan, ECCE SkillsFuture Framework and new ECCE PCP for Pre-School Teachers (1st intake in Nov 2016) was launched.

Reorganisation of WDA into WSG and SSG

4 OCTOBER 2016

WDA was officially reorganised into two statutory boards, SkillsFuture Singapore (SSG) and Workforce Singapore (WSG) on 3 October and 4 October respectively. This enables both agencies to further sharpen their focus on skills and employment respectively. WSG will focus on transforming the workforce and employment to meet the new challenges ahead.

Launch of SkillsFuture Career Advisors at Techskills Accelerator Career Services Day 2016

21 OCTOBER 2016

The SkillsFuture Career Advisors for Infocomm Technology sector is a coordinated career support ecosystem which provides job matching, group mentoring, leadership programmes to provide career advisory, and facilitation and support services for individuals who are looking to join or develop careers in the Infocomm Technology (ICT) sector.



Age Management Seminar 2016

1 NOVEMBER 2016

The Age Management Seminar featured progressive employers sharing industry best practices to help retain their older workers and build age-friendly workplaces to encourage employers to foster progressive workplaces and adopt good age management practices.

LED Symposium

3 NOVEMBER 2016

The LED symposium aimed to inspire a transformation mindset in SME employers, business owners and employees and be an added impetus for enterprises to adopt the Lean Enterprise Development (LED) Scheme. More than 700 individuals from 600 companies attended the inaugural LED symposium and about 1,400 companies have benefitted from the LED Scheme since its launch in Oct 2015.

Manpower Minister's Visit to WSG Career Centre @ Paya Lebar

25 NOVEMBER 2016

Minister (Manpower) announced the new requirement on mandatory retrenchment notifications, which took effect from 1 Jan 2017. These notifications will provide more complete and timely retrenchment information to enable WSG and the Taskforce for Responsible Retrenchment and Employment Facilitation to assist retrenched local employees find alternative employment and relevant training to enhance their employability.



2nd Lean Enterprise Development Forum 2016

28 NOVEMBER 2016
Workforce Advancement Federation (WAF) announced its two-pronged approach of combining the use of technology to create breakthrough business propositions and productivity with the development and enhancement of a strong, Singaporean core.

Learning Journey PCPs for Rail Professionals

10 JANUARY 2017
The Learning Journey (LJ) was organised by SBS Transit Limited (SBST) at Boon Keng MRT Station to generate awareness and interest for the new Public Transport PCPs.

Adapt and Grow Career Fair @ Changi Airport

8 FEBRUARY 2017
The tripartite career fair co-organised by Workforce Singapore (WSG), the Civil Aviation Authority of Singapore (CAAS), the Labour Movement's Aerospace & Aviation Cluster and National Trade Union Congress' (NTUC) e2i (Employment and Employability Institute) offered more than 2,300 jobs by more than 40 employers across various sectors.



Adapt and Grow Career Series

13 MARCH 2017

The Adapt and Grow Career Series is a career event with jobs that are specially curated for Professionals, Managers, Executives and Technicians (PMET) job seekers. It comprises a suite of career matchmaking activities, including a Career Fair. Workforce Singapore (WSG) and NTUC's Employment and Employability Institute (e2i) organised the first "Adapt and Grow Career Series" for 2017. A series of career preparatory workshops ran from 13 March, and culminated in a Career Fair on 17 March 2017.



CEO Breakfast Talk: Lean Hotel Initiative

22 MARCH 2017

The CEO Breakfast Talk was a prelude to the official commencement of the Lean Hotel Initiative (LHI) and included a sharing by McKinsey on productivity improvements through lean methodologies. The event was graced by former Minister of State (MOM) Teo Ser Luck. At the launch event, 16 participating hotels were recognised as being forerunners and 2 hotels also shared on their existing productivity efforts.

Launch of SNEF Sapphire Project and Beyond SG50 Management Forum

16 FEBRUARY 2017

Singapore National Employers Federation (SNEF) Agency for Productivity practices, Human Resource and Industrial Relations (SAPPHIRE), an initiative supported by WSG, aims to help companies transform into progressive lean organisations underpinned by a strong human capital strategy to enhance competitiveness and sustain business growth. SNEF was also appointed as programme managers for the PCP for Professional Executives.



Financial Services Week

28 - 31 MARCH 2017

A 4-day career event was organised to facilitate professionals to enter the finance industry through networking sessions, career preparatory workshop, expert series, Industry mentoring and Financial Services Career Fair.

Plans for FY2017

DEVELOP SKILLS AND CAREER RESILIENCY IN THE WORKFORCE

WSG will continue its work in developing skills and career resilience in the workforce, encouraging individuals to take ownership of their own career planning and job search as part of the upstream strategies to help those in the workforce better chart their career paths. WSG will work with SSG to leverage intermediaries to deliver career services through providing industry specific information, which will be done in collaboration with SSG to heighten our outreach efforts to the community.

MINIMISE MISMATCHES IN THE LABOUR MARKET

WSG's Career Centres will be rebranded to better support the needs of jobseekers and hiring employers. The rebranding aims to create more self-help resources for jobseekers, and targeted assistance for employers to develop more detailed job specifications based on skills, to increase the chances of matching jobseekers to employers.

WSG will also be partnering leading overseas employment agencies to help place PMETs who are made redundant, or who are unemployed for a prolonged duration, to better prepare them to return to the workforce.

More Professional Conversion Programmes (PCPs) will also be rolled out in new sectors and for new job roles, including PCPs under the Attach-and-Train mode, to better meet the manpower needs of employers.

WSG will develop an "online jobs marketplace" to offer an additional platform for employers to meet jobseekers. It will allow jobseekers to search for the types of jobs they want, and employers to post specific skills required for the job posting, to better enhance the job match. Once fully operational, the "online job marketplace will minimise job missed matches amongst jobseekers and employers.

WSG will continue to increase out outreach efforts to employers and engage them on the programmes under the Adapt and Grow initiative. Under the Taskforce for Responsible Retrenchment and Employment Facilitation, WSG will also provide assistance to company HR personnel and affected workers in companies considering or are planning retrenchments.

SUPPORT INDUSTRY TRANSFORMATION FOR BETTER CAREERS

WSG will continue to drive manpower-lean programmes to support companies in adopting productive business models to build a stronger Singaporean Core. WSG will continue to collaborate with stakeholders and sector lead agencies to support the development and roll-out of Industry Transformation Maps to increase workforce productivity and innovation.

To assist more employers to develop business capability with manpower-lean resources, WSG will be strengthening the Lean Enterprise Development Scheme (LEDS) through helping SMEs to go digital and expand overseas, offering cluster solutions for companies to tap on existing solutions in a cost effective and time sensitive manner, and accelerate job redesign efforts to offer better quality jobs.

WSG will also raise HR capabilities among employers to support career development by validating and strengthening the HR profession in Singapore through raising competencies and creating developmental pathways for these professionals. One of such initiatives will be the setup of a tripartite entity, the Institute for Human Resource Professionals, which will focus on the certification of the HR professionals.

WSG will also engage more employers to encourage inclusive hiring practices and tap on WorkPro to implement age-friendly workplaces through job redesign efforts and adoption of technological enhancements.



REPORT AND FINANCIAL STATEMENTS

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

YEAR ENDED
31 MARCH 2017



WORKFORCE SINGAPORE AGENCY

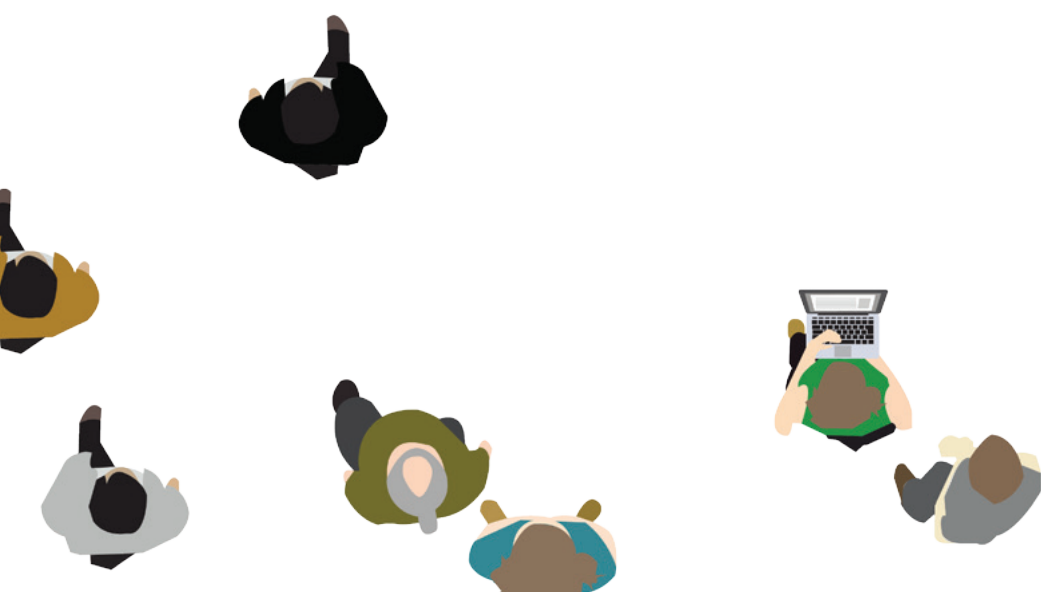
(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

REPORT AND FINANCIAL STATEMENTS

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WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**STATEMENT BY
WORKFORCE SINGAPORE AGENCY**

In our Opinion,

- (a) the accompanying financial statements of Workforce Singapore Agency ("WSG") as set out on pages 50 to 133 are properly drawn up in accordance with the provisions of the Workforce Singapore Agency Act, Cap. 305D (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of WSG as at 31 March 2017, and the financial performance and cash flows of WSG and its subsidiaries and WSG, and changes in equity of WSG for the year ended on that date.
- (b) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by WSG 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 WSG whether purchased, donated or otherwise, in accordance with the provisions of the Act.

On behalf of the Workforce Singapore Agency



Lim Ming Yan
Chairman



Tan Choon Shian
Chief Executive

Singapore
17 August 2017

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE BOARD OF****WORKFORCE SINGAPORE AGENCY**

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**Report on the Audit of
the Financial Statements****Opinion**

We have audited the financial statements of Workforce Singapore Agency ("WSG"), which comprise the statement of financial position as at 31 March 2017, the consolidated statement of comprehensive income and consolidated statement of cash flows of WSG and its subsidiaries ("Group"), and the statement of comprehensive income, statement of changes in equity and statement of cash flows of WSG for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 50 to 133.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Workforce Singapore Agency, Cap. 305D (the "Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of WSG as at 31 March 2017, and the financial performance and cash flows of the Group and WSG, and the changes in equity of WSG for the year ended on that date.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

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 WSG 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.

**Information Other than
Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the Statement by Workforce Singapore Agency set out on page 1, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified, 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.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**Responsibilities of Management's 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 Act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing WSG'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 WSG or for WSG to cease operations.

Those charged with governance are responsible for overseeing WSG'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.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

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

- (a) 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.
- (b) 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 WSG's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 WSG'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 WSG to cease to continue as a going concern.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

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

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

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**Report on Other Legal
and Regulatory Requirements**

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by WSG 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, including records of all assets of WSG whether purchased, donated or otherwise, 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 *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

**Responsibilities of Management for
Compliance with Legal and Regulatory Requirements**

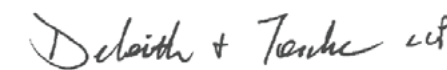
Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditor's Responsibilities for the Compliance Audit

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

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



Public Accountants and
Chartered Accountants
Singapore

Singapore
17 August 2017

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF FINANCIAL POSITION

AS OF 31 MARCH 2017

ASSETS

		GROUP		W S G	
Note		(\$) 2016	(\$) 2017		(\$) 2016
CURRENT ASSETS					
	Cash and cash equivalents	6	84,621,334	82,470,686	69,863,867
	Trade and other receivables	7	16,653,783	54,824,628	23,643,533
	Deposits and prepayments	8	7,217,224	539,719	7,825,289
	Total current assets		108,492,341	137,835,033	101,332,689
NON-CURRENT ASSETS					
	Deposits and prepayments	8	1,515,894	851,280	1,695,545
	Property, plant and equipment	9	242,598,329	1,018,274	242,569,731
	Intangible assets	10	56,094,108	5,382,345	56,094,108
	Total non-current assets		300,208,331	7,251,899	300,359,384
	TOTAL ASSETS		408,700,672	145,086,932	401,692,073

See accompanying notes to financial statements.

LIABILITIES AND EQUITY

Note	GROUP		W S G	
	(\$) 2016	(\$) 2017	(\$) 2016	
CURRENT LIABILITIES				
Other payables	14	55,587,001	104,422,514	52,870,998
Provision for contribution to consolidated fund	16	5,170	63,507	5,170
Income tax payable		340	-	-
Provision for reinstatement costs	15	1,881,095	302,549	1,881,095
Government grants received in advance	11	21,322,294	13,279,401	16,709,723
Total current liabilities		78,795,900	118,067,971	71,466,986
NON-CURRENT LIABILITIES				
Provision for reinstatement costs	15	3,135,418	317,934	3,135,418
Deferred capital grants	13	295,379,474	6,350,136	295,379,474
Total non-current liabilities		298,514,892	6,668,070	298,514,892

Note	GROUP		W S G	
	(\$) 2016	(\$) 2017	(\$) 2016	
CAPITAL AND OTHER FUNDS				
Capital Account	18	7,872,073	7,872,073	7,872,073
Share capital	19	1,000	1,000	1,000
Accumulated surplus (deficit)				
- General Fund		24,181,992	11,345,370	22,704,674
- Restricted Funds	20	(665,185)	1,132,448	1,132,448
Total capital and other funds		31,389,880	20,350,891	31,710,195

TOTAL LIABILITIES AND EQUITY		408,700,672	145,086,932	401,692,073
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Net assets (liabilities) of trust funds

Skills Development Fund	21	1,287,506,732	-	1,287,506,732
Lifelong Learning Endowment Fund	22	7,066,833	3,677,193	7,066,833
National Productivity Fund	23	(5,950,051)	-	(5,950,051)
SkillsFuture Jubilee Fund	24	20,084,916	-	20,084,916

NOTE

Following the reorganisation as explained in Note 1 to the financial statements, the subsidiaries have been transferred to SkillsFuture Singapore Agency ("SSG") on 3 October 2016. The Group ceased to exist as at that date. Accordingly, the consolidated statement of financial position of the Group and the related notes for the year 31 March 2017 are not presented.

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2017

GROUP

	Note	(\$) 2017			(\$) 2016		
		General Fund	Restricted Funds	Total	General Fund	Restricted Funds	Total
Operating income	25	1,241,928	2,576,650	3,818,578	1,354,492	4,918,835	6,273,327
Other income	26	420,437	6,750,628	7,171,065	225,901	12,278,649	12,504,550
Other (losses) gains	27	973,562	(2,273,434)	(1,299,872)	51,325	588,975	640,300
EXPENDITURE							
Amortisation of intangible assets	10	(1,591,549)	(7,090,024)	(8,681,573)	(1,402,692)	(5,440,851)	(6,843,543)
Depreciation expense	9	(2,333,396)	(6,613,176)	(8,946,572)	(917,427)	(12,665,084)	(13,582,511)
Staff costs	28	(25,581,758)	(30,208,933)	(55,790,691)	(27,608,793)	(56,940,394)	(84,549,187)
Grant disbursements		(20,841,500)	(78,187,747)	(99,029,247)	(74,226,016)	(65,428,280)	(139,654,296)
Operating leases payments		(5,311,119)	(2,579,588)	(7,890,707)	(4,570,628)	(3,155,648)	(7,726,276)
Professional services		(20,548,504)	(14,625,671)	(35,174,175)	(6,584,356)	(17,750,891)	(24,335,247)
Maintenance expenses		(10,657,488)	(8,792,067)	(19,449,555)	(7,197,599)	(15,245,235)	(22,442,834)
Suppliers and material		(724,403)	(821,839)	(1,546,242)	(606,861)	(2,103,947)	(2,710,808)
Public relations		(221,080)	(1,058,807)	(1,279,887)	(554,809)	(1,353,595)	(1,908,404)
Travel expenses		(411,500)	(205,613)	(617,113)	(466,545)	(404,723)	(871,268)
Agency fee paid to CPF Board		-	(493,126)	(493,126)	-	(1,059,775)	(1,059,775)
GST expenses		(2,359,262)	(1,099,669)	(3,458,931)	(666,149)	(3,117,306)	(3,783,455)
Temporary staff cost		(660,400)	(1,523,277)	(2,183,677)	(1,060,986)	(2,491,068)	(3,552,054)
Course-related trainers' fees		-	(4,113,703)	(4,113,703)	-	(5,471,489)	(5,471,489)
Others		(1,426,147)	(1,155,880)	(2,582,027)	(1,171,129)	(1,171,393)	(2,342,522)
Deficit before government grant		(90,032,179)	(151,515,276)	(241,547,455)	(125,402,272)	(176,013,220)	(301,415,492)

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2017

GROUP

	Note	← (\$) 2 0 1 7 ←			← (\$) 2 0 1 6 ←		
		General Fund	Restricted Funds	Total	General Fund	Restricted Funds	Total
Grants from government	11	92,304,139	134,625,873	226,930,012	123,504,381	158,307,371	281,811,752
Deferred capital grants amortised	13	2,292,761	16,320,935	18,613,696	1,979,661	17,716,835	19,696,496
		94,596,900	150,946,808	245,543,708	125,484,042	176,024,206	301,508,248
Surplus (Deficit) before contribution to consolidated fund		4,564,721	(568,468)	3,996,253	81,770	10,986	92,756
Contribution to consolidated fund	16	(58,337)	-	(58,337)	-	-	-
Income tax expense	17	-	(155)	(155)	-	(595)	(595)
NET SURPLUS (DEFICIT), REPRESENTING TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		4,506,384	(568,623)	3,937,761	81,770	10,391	92,161

NOTE

The consolidated statement of comprehensive income of WSG and its subsidiaries (the "Group") for the financial year ended 31 March 2017 comprises of financial performance of the subsidiaries for the financial period from 1 April 2016 to 2 October 2016 and the financial performance of WSG from 1 April 2016 to 31 March 2017.

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2017

WSG

	Note	(\$) 2017			(\$) 2016		
		General Fund	Restricted Funds	Total	General Fund	Restricted Funds	Total
Operating income	25	1,241,928	2,576,650	3,818,578	1,354,492	4,918,835	6,273,327
Other income	26	460,113	6,223,676	6,683,789	273,437	10,887,408	11,160,845
Other (losses) gains	27	973,562	(2,273,434)	(1,299,872)	51,325	588,975	640,300
EXPENDITURE							
Amortisation of intangible assets	10	(1,591,549)	(7,090,024)	(8,681,573)	(1,402,692)	(5,440,851)	(6,843,543)
Depreciation expense	9	(2,333,398)	(6,608,398)	(8,941,796)	(917,427)	(12,659,262)	(13,576,689)
Staff costs	28	(25,358,620)	(29,347,245)	(54,705,865)	(27,016,884)	(55,774,324)	(82,791,208)
Grant disbursements		(20,841,500)	(77,928,405)	(98,769,905)	(74,226,016)	(65,516,709)	(139,742,725)
Operating leases payments		(6,329,580)	(3,371,559)	(9,701,139)	(5,172,452)	(4,314,214)	(9,486,666)
Professional services		(20,548,504)	(14,542,620)	(35,091,124)	(6,584,356)	(17,609,192)	(24,193,548)
Maintenance expenses		(10,690,490)	(7,876,790)	(18,567,280)	(7,488,894)	(13,026,543)	(20,515,437)
Suppliers and material		(725,169)	(406,473)	(1,131,642)	(611,474)	(1,287,663)	(1,899,137)
Public relations		(221,079)	(971,338)	(1,192,417)	(554,809)	(1,175,317)	(1,730,126)
Travel expense		(410,910)	(203,690)	(614,600)	(465,924)	(401,589)	(867,513)
Agency fee paid to CPF Board		-	(493,126)	(493,126)	-	(1,059,775)	(1,059,775)
GST expenses		(2,359,262)	(1,099,669)	(3,458,931)	(666,149)	(3,117,306)	(3,783,455)
Temporary staff cost		(660,400)	(1,325,359)	(1,985,759)	(1,060,986)	(2,223,235)	(3,284,221)
Course-related trainers' fees		-	(4,105,318)	(4,105,318)	-	(5,470,929)	(5,470,929)
Others		(1,426,149)	(1,138,291)	(2,564,440)	(1,173,747)	(1,134,051)	(2,307,798)
Deficit before government grant		(90,821,007)	(149,981,413)	(240,802,420)	(125,662,556)	(173,815,742)	(299,478,298)

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2017

W S G

		← (\$) 2 0 1 7 ←			← (\$) 2 0 1 6 ←		
	Note	General Fund	Restricted Funds	Total	General Fund	Restricted Funds	Total
Grants from government	11	92,304,139	133,660,478	225,964,617	123,504,381	156,098,907	279,603,288
Deferred capital grants amortised	13	2,292,761	16,320,935	18,613,696	1,979,661	17,716,835	19,696,496
		94,596,900	149,981,413	244,578,313	125,484,042	173,815,742	299,299,784
Surplus (Deficit) before contribution to consolidated fund		3,775,893	-	3,775,893	(178,514)	-	(178,514)
Contribution to consolidated fund	16	(58,337)	-	(58,337)	-	-	-
NET SURPLUS (DEFICIT), REPRESENTING TOTAL COMPREHENSIVE INCOME (LOSS) OF THE YEAR		3,717,556	-	3,717,556	(178,514)	-	(178,514)

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2017

GROUP

	Capital Account (\$)	Share Capital (\$)	ACCUMULATED SURPLUS ← (DEFICIT) →		Total (\$)
			General Fund (\$)	Restricted Fund (\$)	
At 1 April 2015	7,872,073	1,000	24,100,222	(675,576)	31,297,719
Net surplus for the year, representing total comprehensive income for the year	-	-	81,770	10,391	92,161
AT 31 MARCH 2016	7,872,073	1,000	24,181,992	(665,185)	31,389,880

NOTE

Following the reorganisation as explained in Note 1 to the financial statements, the subsidiaries have been transferred to SSG on 3 October 2016. The Group ceased to exist as at that date. Accordingly, the statement of changes in equity of the Group for the year 31 March 2017 is not presented.

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2017

W S G

	ACCUMULATED SURPLUS ← (DEFICIT) →				Total (\$)
	Capital Account (\$)	Share Capital (\$)	General Fund (\$)	Restricted Fund (\$)	
At 1 April 2015	7,872,073	1,000	22,883,188	1,132,448	31,888,709
Net deficit for the year, representing total comprehensive loss for the year	-	-	(178,514)	-	(178,514)
Balance at 31 March 2016	7,872,073	1,000	22,704,674	1,132,448	31,710,195
Transfer of net assets to SSG (Note 31)	-	-	(15,076,860)	-	(15,076,860)
Net surplus for the year, representing total comprehensive income for the year	-	-	3,717,556	-	3,717,556
BALANCE AT 31 MARCH 2017	7,872,073	1,000	11,345,370	1,132,448	20,350,891

See accompanying notes to financial statements.

**WORKFORCE
SINGAPORE AGENCY**

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**OPERATING
ACTIVITIES**

	G R O U P		W S G	
	(\$) 2017	(\$) 2016	(\$) 2017	(\$) 2016
Deficit before government grant	(241,547,455)	(301,415,492)	(240,802,420)	(299,478,298)
Adjustments for:				
- Amortisation and depreciation	17,628,145	20,426,054	17,623,369	20,420,232
- Loss on disposal of property, plant and equipment and intangible assets	1,448,263	909	1,448,263	909
- Interest income	(796,653)	(666,521)	(796,653)	(666,521)
- Provision for reinstatement costs	(133,902)	206,433	(133,902)	206,433
Operating cash flows before movements in working capital	(223,401,602)	(281,448,617)	(222,661,343)	(279,517,245)
Trade and other receivables	(50,980,260)	(9,074,096)	(53,777,316)	(13,354,967)
Deposits and prepayments	4,183,667	(1,494,195)	4,570,340	(1,996,261)
Other payables	78,516,427	13,002,426	75,049,382	11,701,122
Cash used in operations	(191,681,768)	(279,014,482)	(196,818,937)	(283,167,351)
Income tax paid	(340)	(255)	-	-
NET CASH USED IN OPERATING ACTIVITIES	(191,682,106)	(279,014,737)	(196,818,937)	(283,167,351)

See accompanying notes to financial statements.

**WORKFORCE
SINGAPORE AGENCY**

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**INVESTING
ACTIVITIES**

	G R O U P		W S G	
	(\$) 2017	(\$) 2016	(\$) 2017	(\$) 2016
Purchase of property, Plant and equipment and intangible assets	(13,787,197)	(51,687,841)	(13,756,898)	(51,656,861)
Proceeds from disposal of property, plant and equipment and intangible assets	31,070	149,557	31,070	149,557
Interest received	815,918	378,975	815,918	378,975
NET CASH IN INVESTING ACTIVITIES	(12,940,209)	(51,159,309)	(12,909,910)	(51,128,329)

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

STATEMENTS OF CASH FLOWS

YEAR ENDED
31 MARCH 2017

FINANCING ACTIVITIES

	G R O U P		W S G	
	(\$) 2017	(\$) 2016	(\$) 2017	(\$) 2016
Grants received from government	232,426,671	334,819,229	236,073,845	332,530,127
Unutilised grant returned	-	(512,358)	-	(512,358)
Net cash outflows arising from transfer of net assets (Note 1, 31)	(29,955,002)	-	(13,738,179)	-
NET CASH FROM FINANCING ACTIVITIES	202,471,669	334,306,871	222,335,666	332,017,769
Net increase (decrease) in cash and cash equivalents	(2,150,648)	4,132,825	12,606,819	(2,277,911)
Cash and cash equivalents at beginning of year	84,621,334	80,488,509	69,863,867	72,141,778
Cash and cash equivalents at end of year	82,470,686	84,621,334	82,470,686	69,863,867

NOTE

Following the reorganisation as explained in Note 1 to the financial statements, the subsidiaries have been transferred to SSG on 3 October 2016. The consolidated statement of cash flows for the year ended 31 March 2017 comprises of result of WSG and its subsidiaries for the financial period from 1 April 2016 to 2 October 2016. The statement of cashflows of WSG for the year ended 31 March 2016 has been presented for comparative purposes.

See accompanying notes to financial statements.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM
SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

NOTES TO FINANCIAL STATEMENTS

31 MARCH 2017

01 GENERAL

The Workforce Singapore Agency ("WSG") was established in the Republic of Singapore under the Workforce Singapore Agency Act, Cap. 305D. The address of the registered office and principal place of operations of the Agency is No. 1 Marina Boulevard #18-01, One Marina Boulevard, Singapore 018989.

In January 2016, the Singapore Government announced the reorganisation of the functions of Singapore Workforce Development Agency ("WDA") for effective implementation of two key priorities: the national SkillsFuture initiative and the need to ensure competitiveness and quality jobs for Singaporeans over the long term. A new statutory board, SkillsFuture Singapore Agency ("SSG"), under the Ministry of Education ("MOE") has been formed to drive and coordinate the implementation of SkillsFuture initiative. Following the reorganisation of WDA, SSG has taken over some of the functions previously performed by WDA and absorbed the Council for Private Education ("CPE"), an existing statutory board under MOE.

WDA has been reconstituted into a new statutory board, Workforce Singapore Agency ("WSG"), under the Ministry of Manpower ("MOM") on 4 October 2016. The reorganisation was approved by Parliament on 16 August 2016 and assented by the President of the Republic of Singapore on 22 September 2016.

**NOTES TO
FINANCIAL STATEMENTS**

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The principal activities of WSG are:

- (a) to promote and facilitate employment and re-employment in Singapore through services and facilities that help citizens and residents of Singapore find and keep jobs;
- (b) to collaborate with and support employers, relevant representatives of commerce or industry and public sector agencies in Singapore:
 - (i) to identify and promote the enhancement of industry-specific skills;*
 - (ii) to enhance individuals' employability; and*
 - (iii) to increase workforce productivity and improve the international competitiveness of commerce and industry;*
- (c) to promote and facilitate productive employment and employee career development, including through review and reallocation of job duties and tasks among employees (commonly called job redesign);
- (d) to promote and facilitate the adoption of best practices in the management of human capital in Singapore;
- (e) to advise and make recommendations to the Government on policies, measures and laws connected with the Agency's functions under this Act or any other written law;
- (f) to cooperate and collaborate with SSG in the discharge of its functions under the SkillsFuture Singapore Agency Act 2016;
- (g) to encourage, promote and facilitate the development of the human resources industry in Singapore;
- (h) to promote or undertake research in Singapore into matters relating to the Singapore workforce;

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

- (i) to provide financial support by way of grants, loans or otherwise so as to give effect to the functions and objects of WSG;
- (j) to undertake, direct and support the analysis and dissemination of labour market information and trends to the public;
- (k) to represent the Government internationally in respect of matters relating to adult continuing education and training and public employment services; and
- (l) to carry out such other functions as are imposed upon WSG by or under the Act or any other written law.

There has been no significant change in the nature of these activities during the financial year.

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

The financial statements of WSG for the financial year ended 31 March 2017 were authorised for issue by members of the Board on 17 August 2017.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

**02 SUMMARY OF
SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING AND
ADOPTION OF NEW AND REVISED STANDARDS**

The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up 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.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, WSG takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SB-FRS 102 *Share-based Payment*, leasing transactions that are within the scope of SB-FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 *Inventories* or value in use in SB-FRS 36 *Impairment of Assets*.

**NOTES TO
FINANCIAL STATEMENTS**

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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS

On 1 April 2016, WSG has adopted all the new and revised SB-FRSs and INT SB-FRS and SB-FRS Guidance Notes that are effective from that date and are relevant to its operations. The adoption of these new/revised SB-FRSs, INT SB-FRSs and SB-FRS Guidance Notes does not result in changes to WSG's accounting policies and has no material effect on the amounts reported for the current or prior years.

Consequential amendments were also made to various standards as a result of these new/revised standards.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

Management anticipates that the adoption of new and revised SB-FRS as at the date of authorisation of these financial statements but effective only in future periods will not have a material impact on the financial statements in the period of its initial adoption, except for the following:

SB-FRS 116 Leases

(Applies to annual periods beginning on or after 1 January 2019, with early application permitted if SB-FRS 115 is adopted.)

SB-FRS 116 was issued in February 2017 and will supersede SB-FRS 17 Leases and its associated interpretative guidance.

The standard provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The identification of leases, distinguishing between leases and service contracts, are determined on the basis of whether there is an identified asset controlled by the customer.

Significant changes to lessee accounting are introduced, with the distinction between operating and finance leases removed and assets and liabilities recognised in respect of all leases (subject to limited exceptions for short-term leases and leases of low value assets). The standard maintains substantially the lessor accounting approach under the predecessor SB-FRS 17.

As at 31 March 2017, WSG has operating lease arrangements as disclosed in Note 29. A preliminary assessment indicates that these arrangements will meet the definition of a lease under FRS 116, and hence WSG will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon application of SB-FRS 116. The new requirement to recognise a right-of-use asset and a related lease liability may have a significant impact on the amounts recognised in the financial statements. WSG does not plan to early adopt SB-FRS 116.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of WSG and entities (including special purpose entities) controlled by WSG (its subsidiary). Control is achieved when WSG:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

WSG reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when WSG obtains control over the subsidiary and ceases when WSG loses control of the subsidiary. Specifically, income and expense of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date WSG gains control until the date when WSG ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies into line with WSG's accounting policies.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on WSG's statement of financial position when WSG becomes a party to the contractual provisions of the instrument.

Effective Interest Method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expenses are recognised on an effective interest basis for debt instruments.

Financial Assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs.

Loans and Receivables

Trade and other receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

Impairment of Financial Assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables where the carrying amount is reduced through the use of an allowance account. When a trade and other receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the income or expenditure. Changes in the carrying amount of the allowance account are recognised in income or expenditure.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through income or expense to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment loss not been recognised.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017*****Derecognition of Financial Assets***

WSG derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If WSG neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, WSG recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If WSG retains substantially all the risks and rewards of ownership of a transferred financial asset, WSG continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial Liabilities and Equity Instruments***Classification as Debt or Equity***

Financial liabilities and equity instruments issued by WSG are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of WSG after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of significant direct issue costs.

Pursuant to the Finance Circular Minute ("FCM") No. 26/2008 on Capital Management Framework ("CMF"), equity injection from the Government is recorded as share capital.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of Financial Liabilities

WSG recognises financial liabilities when, and only when, WSG's obligations are discharged, cancelled or they expire.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****LEASES**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

WSG as Lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income.

WSG as Lessee

Rentals payable under operating leases are charged to income or expense on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of property, plant and equipment over their estimated useful lives, using the straight-line method on the following bases:

Furniture and Fittings	8 years
Office Equipment	5 years
Computer Equipment	3 to 5 years
Leasehold Land	30 years
Mechanical and Electrical Equipment	10 years
Building	30 years

Construction-in-progress included in property, plant and equipment is not depreciated as these assets are not available for use. These are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other assets, commences when the assets are available for use.

The estimated useful lives, residual values and depreciation method of property, plant and equipment are reviewed at the end of each reporting period with the effect of any changes in estimates accounted for on a prospective basis.

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

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

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

INTANGIBLE ASSETS

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses.

Intangible assets with finite lives are amortised over their estimated useful lives, using the straight-line method on the following bases:

Computer Software	3 to 5 years
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Assets under development included in intangible assets comprise of software implementation that are not depreciated as these assets are not available for use.

The estimated useful lives, residual values and amortisation method of intangible assets are reviewed at the end of each reporting period with the effect of any changes in estimates accounted for on a prospective basis.

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 income or expense in the year the asset is derecognised.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****IMPAIRMENT OF TANGIBLE
AND INTANGIBLE ASSETS**

At the end of each reporting period, WSG reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, WSG estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 assessment of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately as an expense.

Where an impairment loss subsequently reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately as income.

Intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****PROVISIONS**

Provisions are recognised when WSG has a present obligation (legal or constructive) as a result of a past event, it is probable that WSG will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

GOVERNMENT GRANTS

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

Government grants are not recognised until there is reasonable assurance that WSG will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that WSG should purchase, construct or otherwise acquire non-current assets are recognised as deferred income 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.

**NOTES TO
FINANCIAL STATEMENTS**

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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 WSG with no future related costs are recognised in income or expenses in the period in which they become receivable.

TRUST AND AGENCY FUNDS

Trust and agency funds are set up to account for funds held in trust where WSG is not the owner and beneficiary of the funds received from the Government and other organisations. The receipts and expenditure in respect of agency funds are taken directly to the funds accounts and the net assets relating to the funds are shown as a separate line item in the statement of financial position. Trust funds include Skills Development Fund ("SDF") and Lifelong Learning Endowment Fund ("LLEF"). In the previous financial year, trust funds also include SkillsFuture Jubilee Fund ("SFJF") and National Productivity Fund ("NPF"). The administration of SFJF and NPF were transferred to SSG effective from 3 October 2016.

Trust funds are accounted for on an accrual basis, except for the LLEF which is accounted for on a cash basis.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that economic benefits will flow to WSG and the amount can be reliably measured.

Workers' Assessment Fees

Workers' assessment fees are recognised when the assessment tests are undertaken.

Application Fees

Application fees are recognised when the application to be an approved training organisation or application for courses' accreditation have been approved.

Course Fees

Course fees are recognised upon attendance of the courses by the participants.

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

RETIREMENT BENEFIT OBLIGATIONS

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where WSG's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****EMPLOYEE LEAVE ENTITLEMENT**

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

CONTRIBUTION TO CONSOLIDATED FUND

In lieu of income tax, WSG is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act, Chapter 319A. The provision is based on the guidelines specified by the Ministry of Finance. It is computed based on the net surplus of WSG for each of the financial year at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided for on an accrual basis.

INCOME TAX

Income tax represents the sum of the tax currently payable and deferred tax of the subsidiaries of WSG.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. WSG's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the subsidiaries operate by the end of the reporting period.

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017**

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which WSG expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in income or expenditure, except when it relate to items credited or debited outside income or expenditure (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside income or expenditure (either in other comprehensive income or directly in equity, respectively).

**CASH AND CASH EQUIVALENTS
IN THE STATEMENT OF CASH FLOWS**

Cash and cash equivalents in the statement of cash flows comprise cash balances and deposits placed with the Accountant-General's Department ("AGD") and are subject to an insignificant risk of changes in value.

Under the Accountant-General Circular No.4/2009 dated 2 November 2009, WSG is required to participate in the Centralised Liquidity Management Framework ("CLM"). Under the CLM, all bank accounts maintained with selected banks will be linked up with AGD's bank accounts such that excess available cash can be automatically aggregated for central management on a daily basis. These balances are included in cash and cash equivalents as "Centralised Liquidity Management ("CLM") deposits held with Accountant-General's Department (AGD)".

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

**03 CRITICAL ACCOUNTING JUDGEMENTS AND
KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of WSG’s accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management is of the opinion that there are no critical judgements or significant estimates that would have a significant effect on the amounts recognised in the financial statements.

**04 FINANCIAL INSTRUMENTS, FINANCIAL
RISKS AND CAPITAL RISKS MANAGEMENT**

(A) CATEGORIES OF FINANCIAL INSTRUMENTS

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

	GROUP		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
FINANCIAL ASSETS AT AMORTISED COST			
Loans and receivables (including cash and cash equivalents)	103,046,386	138,382,744	95,852,819
FINANCIAL LIABILITIES AT AMORTISED COST	59,504,216	104,986,508	57,496,559

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

(B) FINANCIAL RISK
MANAGEMENT POLICIES AND OBJECTIVES

WSG is exposed to financial risk arising from its operations which include foreign exchange risk, interest rate risk, credit risk and liquidity risk. WSG has adopted risk management practices, which set out its general risk management framework as discussed below.

There has been no change to WSG’s exposure to these financial risks or the manner in which it manages and measures the risk.

i. Interest Rate Risk Management

WSG has cash balances placed with reputable banks and financial institutions and deposits held with AGD and has limited exposure to interest rate risk as variable rate interest-bearing assets are mainly of a short-term nature (Note 6).

ii. Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to WSG. WSG’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.

iii. Liquidity Risk Management

WSG manages liquidity risk by maintaining sufficient funding from the Government to finance its operations.

iv. Fair Values of Financial Assets and Financial Liabilities

The carrying amounts of financial assets and financial liabilities approximate their respective fair values.

(C) CAPITAL RISK MANAGEMENT POLICIES AND OBJECTIVES

WSG 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 WSG consists of accumulated surplus, capital account and share capital. The overall strategy of WSG remains unchanged from the previous financial year.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

05 RELATED PARTY TRANSACTIONS

Some of WSG's 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. These balances are unsecured and non-interest bearing.

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

GROUP AND WSG	Parent Ministry (\$)	Other Ministries (\$)	Statutory Boards (\$)	Others (\$)	Total (\$)
2017					
Operating income	857	141,801	346,439	322,738	811,835
Grant disbursement	12,287,679	78,740	897,763	10,698,136	23,962,318
Professional services	-	-	20,941,772 ⁱ	477,353	21,419,125
Maintenance expenses	-	87,581	8,012,057 ⁱ	564,654	8,664,292
Other expenditure	-	663,666	6,334,196 ⁱ	4,806,842	11,804,704

ⁱ WSG and SSG 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. SSG provides various services to WSG as the main resource owner, including business process outsourcing, technological and facility services to deliver the shared goal. WSG will reimburse SSG for services rendered amounting to \$24,851,000 (included above) for the period from 3 October 2016 to 31 March 2017.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

GROUP AND WSG	Parent Ministry (\$)	Other Ministries (\$)	Statutory Boards (\$)	Others (\$)	Total (\$)
2016					
Operating income	453	441,683	371,733	573,810	1,387,679
Grant disbursement	10,014,027	4,550,068	17,837,083	13,263,894	45,665,072
Professional services	-	4,671,557	1,230,914	319,327	6,221,798
Maintenance expenses	-	156,913	7,974,791	836,047	8,967,751
Other expenditure	-	660,372	3,157,433	2,566,542	6,384,347

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

COMPENSATION OF
KEY MANAGEMENT PERSONNEL

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

	GROUP & WSG	
	(\$) 2017	(\$) 2016
Wages and salaries	7,555,107	10,293,711
Employer's contribution to Central Provident Fund	430,872	600,271
	7,985,979	10,893,982

06 CASH AND CASH EQUIVALENTS

	GROUP	WSG	
	(\$) 2016	(\$) 2017	(\$) 2016
Centralised Liquidity Management ("CLM") deposits held with AGD ⁱ	84,619,165	82,470,636	69,861,698
Cash at bank or on hand	2,169	50	2,169
	84,621,334	82,470,686	69,863,867

ⁱ With effect from financial year 2009/2010, Statutory Boards are to participate in the Centralised Liquidity Management by the AGD under AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD and are available to the statutory board upon request and earns interest at the average rate of 1.37% (2016 : 1.26%) per annum.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

07 TRADE AND OTHER RECEIVABLES

	GROUP	WSG	
	(\$) 2016	(\$) 2017	(\$) 2016
Trade and other receivables			
Not past due and not impaired	4,069,784	2,631,928	11,220,022
Past due but not impaired:	354,128	351,502	193,640
- < 3 months	316,553	351,502	157,637
- 3 months to 4 months	20,447	-	20,447
- > 4 months	17,128	-	15,556
Impaired receivables	32,007	-	32,007
Less: Allowance for impairment	(32,007)	-	(32,007)
	4,423,912	2,983,430	11,413,662
Amount due from SSG	-	2,289,708	-
Amount due from LLEF (Note 22)	-	48,215,394	-
Amount due from SDF (Note 21)	12,229,871	1,336,096	12,229,871
	16,653,783	54,824,628	23,643,533

The credit period on rendering of services is 30 days (2016 : 30 days). No interest is charged on the trade receivables and no collateral is held by WSG over the trade receivables.

In determining the recoverability of a receivable, WSG considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date. Credit risk is limited due to management's on-going evaluation of the creditworthiness of WSG's customers and that majority of WSG's trade receivables are within their expected cash collection cycle.

**NOTES TO
FINANCIAL STATEMENTS**

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Movement in the allowance for doubtful debts:

	G R O U P		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
Balance at beginning of the year	13,032	32,007	13,032
Charge to income or expenditure	32,007	309,621	32,007
Allowance utilised in the year	(13,032)	(32,007)	(13,032)
Transfer to SSG (Note 31)	-	(309,621)	-
BALANCE AT END OF THE YEAR	32,007	-	32,007

**NOTES TO
FINANCIAL STATEMENTS**

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08 DEPOSITS AND PREPAYMENTS

	G R O U P		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
Deposits	1,771,269	1,087,430	2,345,419
Prepayments	6,961,849	303,569	7,175,415
	8,733,118	1,390,999	9,520,834
Represented by:			
Current portion	7,217,224	539,719	7,825,289
Non-current portion	1,515,894	851,280	1,695,545
TOTAL	8,733,118	1,390,999	9,520,834

**NOTES TO
FINANCIAL STATEMENTS**

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09 PROPERTY, PLANT AND EQUIPMENT

G R O U P	Furniture and Fittings (\$)	Office Equipment (\$)
C O S T:		
At 1 April 2015	19,539,511	2,112,364
Additions	3,585,441	659,116
Disposal/Write-off	(79,367)	(5,639)
At 31 March 2016	23,045,585	2,765,841
A C C U M U L A T E D D E P R E C I A T I O N:		
At 1 April 2015	8,161,048	1,284,599
Depreciation	2,642,087	308,546
Disposal/Write-off	(74,659)	(5,639)
At 31 March 2016	10,728,476	1,587,506
C A R R Y I N G A M O U N T: A T 3 1 M A R C H 2 0 1 6	12,317,109	1,178,335

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

Computer Equipment (\$)	Leasehold Land (\$)	Mechanical and Electrical Equipment (\$)	Building (\$)	Total (\$)
10,653,835	36,822,094	2,111,136	190,009,579	261,248,519
14,496,370	-	187,054	3,023,614	21,951,595
(44,488)	-	-	-	(129,494)
25,105,717	36,822,094	2,298,190	193,033,193	283,070,620
3,152,851	4,091,343	66,594	10,256,923	27,013,358
2,781,816	1,227,403	228,108	6,394,551	13,582,511
(43,280)	-	-	-	(123,578)
5,891,387	5,318,746	294,702	16,651,474	40,472,291
19,214,330	31,503,348	2,003,488	176,381,719	242,598,329

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**NOTES TO
FINANCIAL STATEMENTS**
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W S G	Furniture and Fittings (\$)	Office Equipment (\$)	Computer Equipment (\$)
C O S T :			
At 1 April 2015	19,539,511	2,107,564	10,653,835
Additions	3,585,441	659,116	14,493,390
Disposal/Write-off	(79,367)	(5,639)	(44,488)
At 31 March 2016	23,045,585	2,761,041	25,102,737
Additions	69,088	45,775	397,308
Disposal/Write-off	(6,453,489)	(794,354)	(91,371)
Transfer to SSG (Note 31)	(15,705,237)	(1,779,762)	(25,333,696)
At 31 March 2017	955,947	232,700	74,978
A C C U M U L A T E D D E P R E C I A T I O N :			
At 1 April 2015	8,161,048	1,283,239	3,152,851
Depreciation	2,642,087	307,586	2,781,154
Disposal/Write-off	(74,659)	(5,639)	(43,280)
At 31 March 2016	10,728,476	1,585,186	5,890,725
Depreciation	1,423,535	193,811	3,368,351
Disposal/Write-off	(5,009,116)	(775,293)	(77,488)
Transfer to SSG (Note 31)	(6,502,895)	(918,159)	(9,124,609)
At 31 March 2017	640,000	85,545	56,979
C A R R Y I N G A M O U N T :			
AT 31 MARCH 2017	315,947	147,155	17,999
AT 31 MARCH 2016	12,317,109	1,175,855	19,212,012

Adapt. Transform. Grow.

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**NOTES TO
FINANCIAL STATEMENTS**
31 MARCH 2017

Leasehold Land (\$)	Mechanical and Electrical Equipment (\$)	Building (\$)	Construction-in- Progress (\$)	Total (\$)
C O S T :				
36,822,094	2,111,136	190,009,579	-	261,243,719
-	159,054	3,023,614	-	21,920,615
-	-	-	-	(129,494)
36,822,094	2,270,190	193,033,193	-	283,034,840
516,818	-	-	868,428	1,897,417
-	-	-	-	(7,339,214)
(37,338,912)	(2,270,190)	(193,033,193)	(331,255)	(275,792,245)
-	-	-	537,173	1,800,798
A C C U M U L A T E D D E P R E C I A T I O N :				
4,091,343	66,594	10,256,923	-	27,011,998
1,227,403	223,908	6,394,551	-	13,576,689
-	-	-	-	(123,578)
5,318,746	290,502	16,651,474	-	40,465,109
613,702	113,510	3,228,887	-	8,941,796
-	-	-	-	(5,861,897)
(5,932,448)	(404,012)	(19,880,361)	-	(42,762,484)
-	-	-	-	782,524
C A R R Y I N G A M O U N T :				
-	-	-	537,173	1,018,274
31,503,348	1,979,688	176,381,719	-	242,569,731

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

10 INTANGIBLE ASSETS

GROUP	Computer Software (\$)	Assets under Development (\$)	Total (\$)
COST:			
At 1 April 2015	25,038,919	22,696,552	47,735,471
Additions	28,918,189	818,057	29,736,246
Transfers	22,605,780	(22,605,780)	-
Disposals	(170,764)	-	(170,764)
At 31 March 2016	76,392,124	908,829	77,300,953
ACCUMULATED AMORTISATION:			
At 1 April 2015	14,389,516	-	14,389,516
Amortisation	6,843,543	-	6,843,543
Disposals	(26,214)	-	(26,214)
At 31 March 2016	21,206,845	-	21,206,845
CARRYING AMOUNT:			
AT 31 MARCH 2016	55,185,279	908,829	56,094,108

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

W S G	Computer Software (\$)	Assets under Development (\$)	Total (\$)
COST:			
At 1 April 2015	25,038,919	22,696,552	47,735,471
Additions	28,918,189	818,057	29,736,246
Transfers	22,605,780	(22,605,780)	-
Disposals	(170,764)	-	(170,764)
At 31 March 2016	76,392,124	908,829	77,300,953
Additions	6,388,982	5,470,499	11,859,481
Transfers	42,183	(42,183)	-
Transfer to SSG (Note 31)	(71,167,090)	(6,337,145)	(77,504,235)
Disposals	(46,611)	-	(46,611)
At 31 March 2017	11,609,588	-	11,609,588
ACCUMULATED AMORTISATION:			
At 1 April 2015	14,389,516	-	14,389,516
Amortisation	6,843,543	-	6,843,543
Disposals	(26,214)	-	(26,214)
At 31 March 2016	21,206,845	-	21,206,845
Amortisation	8,681,573	-	8,681,573
Transfer to SSG (Note 31)	(23,616,580)	-	(23,616,580)
Disposals	(44,595)	-	(44,595)
At 31 March 2017	6,227,243	-	6,227,243
CARRYING AMOUNT:			
AT 31 MARCH 2017	5,382,345	-	5,382,345
AT 31 MARCH 2016	55,185,279	908,829	56,094,108

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

11 GOVERNMENT GRANTS RECEIVED IN ADVANCE

GROUP								
	CES ⁱ (\$)	IAL ⁱⁱ (\$)	RF ⁱⁱⁱ (\$)	WTS ^{iv} (\$)	Operations funded by SDF ^v (\$)	Operations funded by LLEF ^v (\$)	Operating Grant (\$)	Total (\$)
At 1 April 2015	2,462,888	2,886,205	837,338	1,936,529	9,696,730	1,824,139	-	19,643,829
Reclassification	-	(2,886,205)	-	-	-	2,886,205	-	-
Grants received during the financial year	-	-	34,173,259	45,263,470	66,256,580	41,691,838	133,269,500	320,654,647
	2,462,888	-	35,010,597	47,199,999	75,953,310	46,402,182	133,269,500	340,298,476
Transfer to income or expenditure	-	-	(30,780,024)	(47,148,322)	(38,148,439)	(42,457,819)	(123,277,148)	(281,811,752)
Internal fund transfer	-	-	-	-	155,040	72,193	(227,233)	-
Transfer to deferred capital grants (note 13)	-	-	(3,444,725)	-	(21,843,319)	(1,598,909)	(9,765,119)	(36,652,072)
Unutilised grant returned	-	-	(512,358)	-	-	-	-	(512,358)
AT 31 MARCH 2016	2,462,888	-	273,490	51,677	16,116,592	2,417,647	-	21,322,294

WORKFORCE SINGAPORE AGENCY

(RECONSTITUTED FROM SINGAPORE WORKFORCE DEVELOPMENT AGENCY)

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017**

W S G	CES ⁱ (\$)	IAL ⁱⁱ (\$)	RF ⁱⁱⁱ (\$)	WTS ^{iv} (\$)	Operations funded by SDF ^v (\$)	Operations funded by LLEF ^v (\$)	Operating Grant (\$)	Total (\$)
At 1 April 2015	2,462,888	2,886,205	837,338	1,936,529	5,164,797	1,824,139	-	15,111,896
Reclassification	-	(2,886,205)	-	-	-	2,886,205	-	-
Grants received during the financial year	-	-	34,173,259	45,263,470	63,967,478	41,691,838	133,269,500	318,365,545
	2,462,888	-	35,010,597	47,199,999	69,132,275	46,402,182	133,269,500	333,477,441
Transfer to income or expenditure	-	-	(30,780,024)	(47,148,322)	(35,939,975)	(42,457,819)	(123,277,148)	(279,603,288)
Internal fund transfer	-	-	-	-	155,040	72,193	(227,233)	-
Transfer to deferred capital grants (Note 13)	-	-	(3,444,725)	-	(21,843,319)	(1,598,909)	(9,765,119)	(36,652,072)
Unutilised grant returned	-	-	(512,358)	-	-	-	-	(512,358)
At 31 March 2016	2,462,888	-	273,490	51,677	11,504,021	2,417,647	-	16,709,723
Grants received during the financial year	-	-	12,953,676	71,348,323	17,590,217	35,132,533	95,145,726	232,170,475
	2,462,888	-	13,227,166	71,400,000	29,094,238	37,550,180	95,145,726	248,880,198
Transfer to income or expenditure	-	-	(12,102,857)	(71,291,797)	(15,121,825)	(35,249,603)	(92,198,535)	(225,964,617)
Internal fund transfer	-	-	-	-	98,713	6,891	(105,604)	-
Transfer to deferred capital grants (Note 13)	-	-	(1,129,865)	-	(4,030,268)	(1,634,460)	(2,841,587)	(9,636,180)
AT 31 MARCH 2017	2,462,888	-	(5,556)	108,203	10,040,858	673,008	-	13,279,401

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****i. Centre for Employability Skills**

In November 1998, the Bukit Merah Skills Development Centre ("BMSDC") was established as part of the off-budget measure to offer full-time training facilities for workers and to expand training resources for companies in Singapore. In 2007, the centre was repositioned into a Centre for Employability Skills ("CES") which coordinates and delivers courses, appraises and assesses workers' and trainees' skills and provides facilities for organisations to operate training and administer Employability Skills System and Workforce Skills Qualification. The balance amount from the former BMSDC was transferred by the Institute of Technical Education to WSG. The centre manager was Nanyang Polytechnic ("NYP") in FY2005 and FY2006. In FY2007, WSG took over the assessment function from NYP while appointing Employment and Employability Institute ("E2I") as managing agent of the premises for a period of 2 years from 1 April 2007 to 31 March 2009. WSG has since relinquished the Temporary Occupation Licence for the premises with effect from 1 April 2009 and E2I has taken over the lease of the premises while the assessment function still remains with WSG.

ii. Institute for Adult Learning

Institute for Adult Learning ("IAL") was set up as a Division of WSG in April 2008 as part of the Continuing Education and Training ("CET") Master Plan approved by the Cabinet in December 2007. It is set up as a "Centre for Adult Pedagogy" to ensure high quality CET practices and research among adult educators. The set up and operation of IAL is fully funded by the LLEF. With effect from FY2015, the IAL was reported as part of the "Operations funded by Skills Development Fund and Lifelong Learning Endowment Fund".

**NOTES TO
FINANCIAL STATEMENTS****31 MARCH 2017****iii. Reinvestment Funds**

Reinvestment Funds ("RF") are provided by Ministry of Finance ("MOF") to supplement WSG's operating grant and/or project funds. There are various types of Reinvestment Funds allocated on an annual or multiple years' basis.

iv. Workfare Training Support

Workfare Training Support ("WTS") is a scheme which started on 1 July 2010 introduced in the Government Budget 2010 to complement the Workfare Income Supplement ("WIS"). WTS aims to incentivise employers to send their low-waged workers for training as well as to encourage low-waged workers to commit to sustained training efforts. While WIS encourages older low-wage workers to work by supplementing their income and retirement savings, WTS encourages them to upgrade their skills through training so that they can improve their employability, upgrade to better jobs and earn more.

**v. Operations Funded by Skills Development Fund
and Lifelong Learning Endowment Fund**

Starting FY2011, in areas permissible, WSG taps on the SDF and LLEF to meet the increasing demands and needs of WSG's workforce development efforts. These expenditures pertain to manpower and operating overheads related to the delivery of specific CET programmes.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

12 INVESTMENT IN SUBSIDIARIES

As at end of the reporting period, details of the subsidiary are as follows:

Name of Subsidiary	Principal Activities	Country of Incorporation and Place of Business	Proportion of Ownership Interest and Voting Power Held	
			(%) 2017	(%) 2016
HELD BY WSG Learning Gateway Ltd ("LG") ⁱ	Management of the CET East and West Campuses	Singapore	-	100
HELD BY LEARNING GATEWAY LTD Lifelong Learning Institute Pte Ltd ("LLI") ⁱⁱ	Management of the CET East Campus' Operations	Singapore	-	100

ⁱ LG was incorporated on 17 May 2013 as a company limited by guarantee. WDA was the sole member of LG from 17 May 2013 to 3 October 2016. Following the reorganisation as disclosed in Note 1, SSG is the sole member of LG with effect from 4 October 2016.

ⁱⁱ LLI is a wholly-owned subsidiary of LG, incorporated on 12 August 2013.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

13 DEFERRED CAPITAL GRANTS

	GROUP		W S G
	(\$)	2016	(\$)
	2016	2017	2016
At beginning of the year	264,259,316	295,379,474	264,259,316
Amounts transferred from government grants (Note 11)	36,652,072	9,636,180	36,652,072
Amounts transferred from National Productivity Fund (Note 23)	14,164,582	3,903,370	14,164,582
	315,075,970	308,919,024	315,075,970
Amortisation of deferred capital grants	(19,696,496)	(18,613,696)	(19,696,496)
Transfer to SSG (Note 31)	-	(283,955,192)	-
AT END OF THE YEAR	295,379,474	6,350,136	295,379,474

14 OTHER PAYABLES

	GROUP		W S G
	(\$)	2016	(\$)
	2016	2017	2016
Other payables			
- Related parties (Note 5)	8,287,702	1,634,152	8,341,277
- Third parties	13,810,534	3,379,242	12,014,532
Accruals	32,389,467	14,536,866	32,124,237
Advance receipts	1,099,298	56,489	390,952
Amount due to SSG	-	84,815,765	-
	55,587,001	104,422,514	52,870,998

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

15 PROVISION FOR REINSTATEMENT COSTS

	GROUP		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
At beginning of the year	4,810,080	5,016,513	4,810,080
Provision made during the year	840,207	21,635	840,207
Overprovision (Note 27)	(633,774)	(155,537)	(633,774)
Transfer to SSG (Note 31)	-	(4,262,128)	-
At end of the year	5,016,513	620,483	5,016,513
Represented by:			
Current portion	1,881,095	302,549	1,881,095
Non-current portion	3,135,418	317,934	3,135,418
	5,016,513	620,483	5,016,513

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

**NOTES TO
FINANCIAL STATEMENTS**

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16 CONTRIBUTION TO CONSOLIDATED FUND

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

	W S G	
	(\$) 2017	(\$) 2016
Surplus (Deficit) of WSG before contribution to consolidated fund	3,775,893	(178,514)
Utilisation of accumulated deficits carried forward	(3,402,324)	-
Adjusted surplus before contribution to consolidated fund	373,569	(178,514)
Contribution at 17%	63,507	-
Overprovision in prior years	(5,170)	-
	58,337	-

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

17 INCOME TAX EXPENSE

	G R O U P	
	(\$) 2017	(\$) 2016
Income Tax:		
Current Tax	213	340
(Over) Underprovision in prior years	(58)	255
	155	595

Domestic income tax is calculated at 17% (2016 : 17%) of the estimated assessable income of the subsidiaries for the year.

18 CAPITAL ACCOUNT

Capital account represents the Government's capital contribution for the establishment of WSG.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

19 SHARE CAPITAL

W S G	Number of Shares		(\$)	
	2017	2016	2017	2016
Issued and fully paid up:				
At beginning and end of year	1,000	1,000	1,000	1,000

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 (Chapter 183). The holder of these shares, which has no par value, is entitled to receive dividends.

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

20 STATEMENT OF COMPREHENSIVE INCOME -
RESTRICTED FUNDS

GROUP

	← CES		← IAL		← RF		← WTS		← OPERATIONS FUNDED BY SDF		← OPERATIONS FUNDED BY LLEF		← TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
I N C O M E														
Operating income	-	-	-	-	-	-	-	-	874	1,545	1,703	3,374	2,577	4,919
Other income	-	-	-	-	35	5	1	-	6,472	11,918	243	356	6,751	12,279
Other (Losses) gains	-	-	-	-	(1,892)	34	-	-	(32)	548	(350)	6	(2,274)	588
LESS: EXPENDITURE														
Amortisation of intangible assets	-	-	-	-	(91)	(101)	(34)	(34)	(5,051)	(3,507)	(1,914)	(1,799)	(7,090)	(5,441)
Depreciation expense	-	-	-	-	(323)	(534)	-	-	(5,824)	(11,373)	(466)	(758)	(6,613)	(12,665)
Staff costs	-	-	-	-	(4,742)	(7,974)	-	-	(8,461)	(25,171)	(17,006)	(23,795)	(30,209)	(56,940)
Grant disbursements	-	-	-	-	(5,970)	(18,111)	(71,293)	(47,148)	(328)	(169)	(597)	-	(78,188)	(65,428)
Operating lease payments	-	-	-	-	(700)	(668)	-	-	(50)	(16)	(1,830)	(2,472)	(2,580)	(3,156)
Professional services	-	-	-	-	(18)	(1,812)	-	-	(7,368)	(10,855)	(7,240)	(5,084)	(14,626)	(17,751)
Maintenance expenses	-	-	-	-	(340)	(979)	-	-	(5,442)	(10,708)	(3,010)	(3,558)	(8,792)	(15,245)
Suppliers and material	-	-	-	-	(20)	(183)	-	-	(461)	(1,233)	(341)	(688)	(822)	(2,104)
Public relations	-	-	-	-	2	(80)	-	-	(138)	(227)	(923)	(1,047)	(1,059)	(1,354)
Travel expenses	-	-	-	-	(11)	(2)	-	-	(76)	(189)	(119)	(214)	(206)	(405)
Agency fee paid to CPF Board	-	-	-	-	-	-	-	-	(493)	(1,060)	-	-	(493)	(1,060)
GST expenses	-	-	-	-	(91)	(264)	-	-	(438)	(1,766)	(571)	(1,087)	(1,100)	(3,117)
Temporary staff cost	-	-	-	-	(72)	-	-	-	(567)	(1,102)	(884)	(1,389)	(1,523)	(2,491)
Course-related trainers' fees	-	-	-	-	-	-	-	-	(565)	(460)	(3,549)	(5,011)	(4,114)	(5,471)
Others	-	-	-	-	(56)	(14)	-	-	(205)	(458)	(894)	(699)	(1,155)	(1,171)
Deficit before government grant	-	-	-	-	(14,289)	(30,683)	(71,326)	(47,182)	(28,153)	(54,283)	(37,748)	(43,865)	(151,516)	(176,013)

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

GROUP

	← CES		← IAL		← RF		← OPERATIONS FUNDED BY SDF		← OPERATIONS FUNDED BY LLEF		← TOTAL			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Grants from government	-	-	-	-	12,103	30,780	71,292	47,148	15,989	37,993	35,243	42,386	134,627	158,307
Deferred capital grants amortised	-	-	-	-	2,183	412	34	34	10,775	14,845	3,329	2,426	16,321	17,717
	-	-	-	-	14,286	31,192	71,326	47,182	26,764	52,838	38,572	44,812	150,948	176,024
Surplus (Deficit) before contribution	-	-	-	-	(3)	509	-	-	(1,389)	(1,445)	824	947	(568)	11
Contribution to consolidated fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-	-	-	(1)	-	-	-	(1)
Net surplus (deficit) for the year	-	-	-	-	(3)	509	-	-	(1,389)	(1,446)	824	947	(568)	10
Accumulated surplus (deficit) at the beginning of the year	1,138	1,138	-	-	538	29	1	1	(3,990)	(2,544)	1,648	701	(665)	(675)
Accumulated surplus (deficit) at the end of the year	1,138	1,138	-	-	535	538	1	1	(5,379)	(3,990)	2,472	1,648	(1,233)	(665)

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

WSG

	CES		IAL	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
I N C O M E				
Operating income	-	-	-	-
Other income	-	-	-	-
Other (losses) gains	-	-	-	-
LESS: EXPENDITURE				
Amortisation of intangible assets	-	-	-	-
Depreciation expense	-	-	-	-
Staff costs	-	-	-	-
Grant disbursements	-	-	-	-
Operating lease payments	-	-	-	-
Professional services	-	-	-	-
Maintenance expenses	-	-	-	-
Suppliers and material	-	-	-	-
Public relations	-	-	-	-
Travel expenses	-	-	-	-
Agency fee paid to CPF Board	-	-	-	-
GST expenses	-	-	-	-
Temporary staff cost	-	-	-	-
Course-related trainers' fees	-	-	-	-
Others	-	-	-	-
Deficit before government grant	-	-	-	-

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FINANCIAL STATEMENTS

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	RF		WTS		OPERATIONS FUNDED BY SDF		OPERATIONS FUNDED BY LLEF		TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income	-	-	-	-	874	1,545	1,703	3,374	2,577	4,919
Other income	35	5	-	-	5,946	10,526	243	356	6,224	10,887
Other (losses) gains	(1,891)	34	-	-	(32)	549	(350)	6	(2,273)	589
Amortisation of intangible assets	(91)	(101)	(34)	(34)	(5,051)	(3,507)	(1,914)	(1,799)	(7,090)	(5,441)
Depreciation expense	(323)	(534)	-	-	(5,820)	(11,367)	(466)	(758)	(6,609)	(12,659)
Staff costs	(4,742)	(7,974)	-	-	(7,599)	(24,005)	(17,006)	(23,795)	(29,347)	(55,774)
Grant disbursements	(5,970)	(18,319)	(71,293)	(47,148)	(68)	(49)	(597)	-	(77,928)	(65,516)
Operating lease payments	(699)	(872)	-	-	(270)	(319)	(2,403)	(3,125)	(3,372)	(4,316)
Professional services	(17)	(1,812)	-	-	(7,286)	(10,713)	(7,240)	(5,084)	(14,543)	(17,609)
Maintenance expenses	(340)	(1,076)	-	-	(4,278)	(8,099)	(3,258)	(3,852)	(7,876)	(13,027)
Suppliers and material	(19)	(183)	-	-	(46)	(416)	(341)	(688)	(406)	(1,287)
Public relations	2	(80)	-	-	(50)	(48)	(923)	(1,047)	(971)	(1,175)
Travel expenses	(11)	(2)	-	-	(74)	(185)	(119)	(214)	(204)	(401)
Agency fee paid to CPF Board	-	-	-	-	(493)	(1,060)	-	-	(493)	(1,060)
GST expenses	(91)	(264)	-	-	(438)	(1,766)	(571)	(1,087)	(1,100)	(3,117)
Temporary staff cost	(72)	-	-	-	(369)	(834)	(884)	(1,389)	(1,325)	(2,223)
Course-related trainers' fees	-	-	-	-	(557)	(460)	(3,548)	(5,011)	(4,105)	(5,471)
Others	(57)	(14)	-	-	(187)	(421)	(896)	(699)	(1,140)	(1,134)
Deficit before government grant	(14,286)	(31,192)	(71,327)	(47,182)	(25,798)	(50,629)	(38,570)	(44,812)	(149,981)	(173,815)

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

WSG

	← CES		← IAL		← RF		← WTS		← OPERATIONS FUNDED BY SDF		← OPERATIONS FUNDED BY LLEF		← TOTAL	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Grants from government	-	-	-	-	12,103	30,780	71,292	47,148	15,022	35,784	35,243	42,386	133,660	156,098
Deferred capital grants amortised	-	-	-	-	2,183	412	34	34	10,775	14,845	3,329	2,426	16,321	17,717
	-	-	-	-	14,286	31,192	71,326	47,182	25,797	50,629	38,572	44,812	149,981	173,815
Surplus before contribution	-	-	-	-	-	-	(1)	-	(1)	-	2	-	-	-
Contribution to consolidated fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net surplus for the year	-	-	-	-	-	-	(1)	-	(1)	-	2	-	-	-
Accumulated surplus (deficit) at the beginning of the year	1,138	1,138	-	-	25	25	-	-	(31)	(31)	-	-	1,132	1,132
Accumulated surplus (deficit) at the end of the year	1,138	1,138	-	-	25	25	(1)	-	(32)	(31)	2	-	1,132	1,132

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

21 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, Cap. 306. SDF was administered by Singapore Workforce Development Agency ("WDA") from 1 September 2003 to 2 October 2016. Following the reorganisation in Note 1, the administration of SDF was transferred to SSG on 3 October 2016.

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

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 rejoining 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.

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

The following financial information represents SDF:

	W S G	G R O U P & W S G
	(\$) 2017	(\$) 2016
I N C O M E		
Operating income	124,938,427	250,291,474
Other income	8,566,625	12,104,581
Fair value losses	(77,817)	(2,124,875)
	133,427,235	260,271,180
E X P E N D I T U R E		
Net disbursements	(90,644,952)	(185,192,299)
Allowance for impairment		
Loss on receivables	(18,011)	(13,814)
Others	-	(5)
	(90,662,963)	(185,206,118)
	42,764,272	75,065,062
Surplus for the year		
Accumulated surplus at the beginning of the year	416,368,036	341,302,974
Transfer to SSG on 3 October 2016	(459,132,308)	-
	-	416,368,036
ACCUMULATED SURPLUS AT THE END OF THE YEAR		

NOTES TO
FINANCIAL STATEMENTS

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	W S G	G R O U P & W S G
Represented by:	(\$) 2017	(\$) 2016
CURRENT ASSETS		
Cash and cash equivalents	38,176	1,033,816,138
Levy and other receivables	7,638,291	15,041,075
Grants disbursed in advance	7,231,017	11,504,020
Derivative financial instruments	-	1,605,027
Financial assets, held-to-maturity	-	56,216,891
	14,907,484	1,118,183,151
NON-CURRENT ASSETS		
Financial assets, held-to-maturity	-	86,302,176
Financial assets, fair value through profit or loss	-	102,915,658
	-	189,217,834
CURRENT LIABILITIES		
Payables	(131,154)	(19,894,253)
Amount due to WSG (Note 7)	(1,336,096)	-
Grants received in advance	(13,440,234)	-
	(14,907,484)	(19,894,253)
Capital account	-	(871,138,696)
Net assets	-	1,287,506,732
	-	416,368,036

NOTES TO
FINANCIAL STATEMENTS

31 MARCH 2017

**22 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, Cap.162A 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.

During the current financial year, WSG has been appointed by the Ministry of Education ("MOE") as the administrator of the LLEF to receive and deploy the grant for programmes that are congruent with the objectives of the LLEF.

During the previous financial year, WDA was appointed by MOM as the administrator of the LLEF to receive and deploy the grant for programmes that are congruent with the objectives of the LLEF. LLEF was transferred from MOM to MOE during the current financial year as part of the reorganisation as disclosed in Note 1.

**NOTES TO
FINANCIAL STATEMENTS**

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The financial statements of the LLEF, as presented below, are prepared by MOE/MOM on a cash basis and audited by another audit firm:

	W S G	G R O U P & W S G
	(\$) 2017	(\$) 2016
R E C E I P T S		
Refund of unused grant from programme manager	319,578	1,994,853
Fair value gains	267,499	306,746
	587,077	2,301,599
E X P E N D I T U R E		
Grants disbursed	(136,475,163)	(159,957,446)
Grants received	132,498,446	161,807,282
(Deficit) surplus for the year	(3,389,640)	4,151,435
Accumulated surplus at the beginning of the year	7,066,833	2,915,398
Accumulated surplus at the end of the year	3,677,193	7,066,833
Represented by:		
C U R R E N T A S S E T S		
Cash and cash equivalents	11,637,708	112,675
Other assets	40,505,053	7,025,903
	52,142,761	7,138,578
C U R R E N T L I A B I L I T Y		
Payables	(250,174)	(71,745)
Amount due to WSG (Note 7)	(48,215,394)	-
	(48,465,568)	(71,745)
Net Assets	3,677,193	7,066,833

**NOTES TO
FINANCIAL STATEMENTS**

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23 NET LIABILITIES OF NATIONAL PRODUCTIVITY FUND

Singapore Workforce Development Agency ("WDA") administers the National Productivity Fund ("NPF") on behalf of Productivity Fund Administration Board. Following the reorganisation in Note 1, the administration of NPF was transferred to SSG on 3 October 2016.

The following financial information represents NPF:

	W S G	G R O U P & W S G
	(\$) 1 April 2016 to 3 October 2016	(\$) 1 April 2015 to 31 March 2016
R E C E I P T S		
Government grants received	35,775,123	20,550,000
Interest income	165,606	13,757
	35,940,729	20,563,757
E X P E N D I T U R E		
Grants disbursements	(21,974,199)	(11,432,585)
Staff costs	(569,669)	(766,499)
Others	(602,780)	(150,142)
Purchase of plant and equipment (Note 13)	(3,903,370)	(14,164,582)
	(27,050,018)	(26,513,808)
Surplus (deficit) for the year	8,890,711	(5,950,051)
Accumulated deficit at the beginning of the year	(5,950,051)	-
Transfer to SSG on 3 October 2016	(2,940,660)	-
Accumulated deficit at the end of the year	-	(5,950,051)
Represented by:		
C U R R E N T A S S E T S		
Cash and bank balances	-	1,661,936
Trade and other receivables	-	219,144
	-	1,881,080
C U R R E N T L I A B I L I T I E S		
Other payables	-	(5,040,625)
Accruals	-	(2,790,506)
	-	(7,831,131)
Net Liabilities	-	(5,950,051)

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

24 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 (Chapter 306). SFJF was approved by the Cabinet on 11 February 2015 and was administered by Singapore Workforce Agency ("WDA") from 11 February 2015 to 2 October 2016. Following the reorganisation in Note 1, the administration of SFJF was transferred from WDA to SSG with effect from 3 October 2016.

The financial statements of SFJF, as presented below, are prepared on an accruals basis and was audited by another audit firm in the previous financial year:

	W S G	G R O U P & W S G
	(\$) 1 April 2016 to 3 October 2016	(\$) 1 April 2015 to 31 March 2016
I N C O M E		
Donation income	-	10,000,000
Government grants received	-	10,000,000
Interest income	144,547	84,916
	144,547	20,084,916
Surplus for the year	144,547	20,084,916
Accumulated surplus at the beginning of the year	20,084,916	-
Transfer to SSG on 3 October 2016	(20,229,463)	-
Accumulated surplus at the end of the year	-	20,084,916
Represented by:	(\$) 2017	(\$) 2016
C U R R E N T A S S E T S		
Cash and cash equivalents	-	20,013,865
Interest receivables	-	71,051
	-	20,084,916
Net Assets	-	20,084,916

**NOTES TO
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25 OPERATING INCOME

	G R O U P & W S G	
	(\$) 2017	(\$) 2016
Workers' Assessment Fees	1,267,928	1,585,029
Application Fees	289,850	600,630
Course Fees	2,260,800	4,087,668
	3,818,578	6,273,327

26 OTHER INCOME

	G R O U P		W S G	
	(\$) 2017	(\$) 2016	(\$) 2017	(\$) 2016
Interest income from:				
- Short-term bank deposits	19	36	19	36
- CLM deposits held with AGD	796,634	666,485	796,634	666,485
Rental and service income	6,335,794	11,747,651	-	-
Rental and service income from LG and LLI	-	-	5,714,314	10,188,213
Others	38,618	90,378	172,822	306,111
	7,171,065	12,504,550	6,683,789	11,160,845

**NOTES TO
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31 MARCH 2017

27 OTHER (LOSSES) GAINS

	G R O U P & W S G	
	(\$) 2017	(\$) 2016
Loss on disposal of property, plant and equipment and intangible assets	(1,448,263)	(909)
Reversal of overprovision for reinstatement costs (Note 15)	155,537	633,774
Currency translation (loss) gain	(7,146)	7,435
	(1,299,872)	640,300

28 STAFF COSTS

	G R O U P		W S G	
	(\$) 2017	(\$) 2016	(\$) 2017	(\$) 2016
Wage and salaries	48,658,822	73,064,818	47,714,169	71,571,844
Contributions to defined contribution plans	6,998,600	9,295,245	6,859,828	9,069,524
Staff training and benefits	67,505	2,099,619	67,505	2,062,204
Skills Development Levy	65,764	89,505	64,363	87,636
	55,790,691	84,549,187	54,705,865	82,791,208

**NOTES TO
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29 OPERATING LEASE ARRANGEMENTS

A S L E S S E E

WSG leases office premises and equipment under non-cancellable operating lease arrangements. The leases typically run for 1 to 5 years with an option to renew the lease thereafter and rentals are fixed for an average of 3 years.

The future aggregate minimum lease payments under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as liabilities as at 31 March 2017 are as follows:

	G R O U P		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
Within one year	7,864,033	5,698,441	9,812,750
In the second to fifth year inclusive	12,555,870	8,216,933	13,297,709
	20,419,903	13,915,374	23,110,459

A S L E S S O R

The future aggregate minimum lease receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as at 31 March 2017 are as follows:

	G R O U P		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
Within one year	9,803,334	-	9,803,334
In the second to fifth year inclusive	8,936,138	-	8,936,138
After five years	9,848,400	-	9,848,400
	28,587,872	-	28,587,872

**NOTES TO
FINANCIAL STATEMENTS**

31 MARCH 2017

30 CAPITAL COMMITMENTS

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

	G R O U P		W S G
	(\$) 2016	(\$) 2017	(\$) 2016
Commitments for the acquisition of:			
- property, plant and equipment	3,450	1,176,454	3,450
- Intangible assets	67,998,754	-	67,998,754
	68,002,204	1,176,454	68,002,204

31 REORGANISATION OF WDA

Following the reorganisation as disclosed in Note 1, all the business and undertakings and all rights and obligations associated with assets/liabilities transferred to SSG will reside with SSG. The assets and liabilities associated with the functions of WDA and CPE have been transferred to SSG in accordance with Section 66 of the Skillsfuture Agency Act, No 24. of 2016 (the "SSG Act").

**NOTES TO
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31 MARCH 2017

Details of the assets and liabilities transferred to SSG are as follows:

	G R O U P	W D A
	(\$) 2017	(\$) 2017
A S S E T S		
Cash and cash equivalents	29,955,002	13,738,179
Trade and other receivables	12,540,500	22,576,956
Deposits and prepayments	3,158,452	3,559,495
Property, plant and equipment	233,083,882	233,029,761
Intangible assets	53,887,655	53,887,655
	332,625,491	326,792,046
L I A B I L I T I E S		
Other payables ⁱ	29,680,914	23,497,866
Provision for reinstatement costs	4,262,128	4,262,128
Deferred capital grants	283,955,192	283,955,192
	317,898,234	311,715,186
Net assets transferred to SSGⁱⁱ	14,727,257	15,076,860

ⁱ The accruals allocated to SSG includes provisions for staff bonus and other employee benefits of \$10,289,000 relating to employees of WDA who are employed by SSG with effect from 3 October 2016.

ⁱⁱ The net assets transferred to SSG have been recorded as a reduction in WDA/WSG's accumulated surplus as a deemed distribution to the government.