

STRENGTHENING CAREER RESILIENCE

ANNUAL REPORT
2019/2020





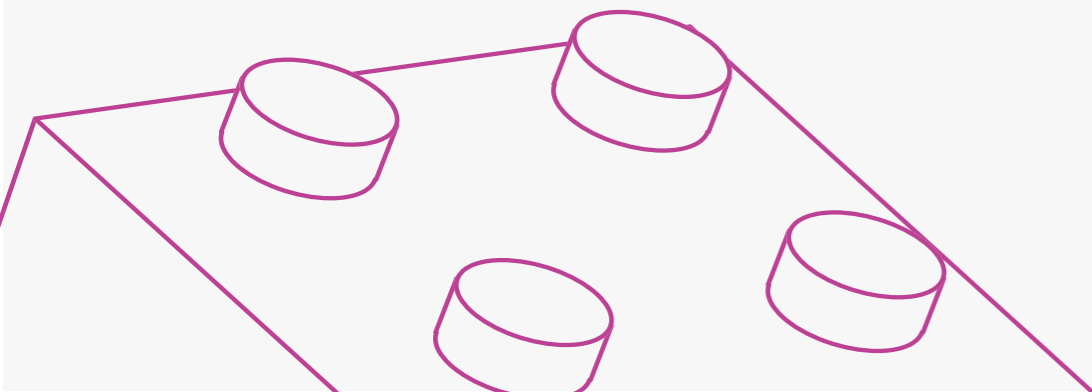
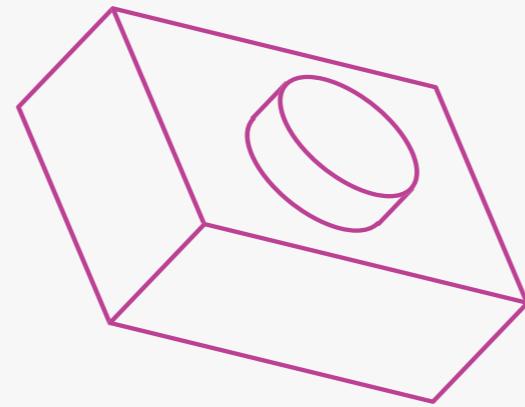
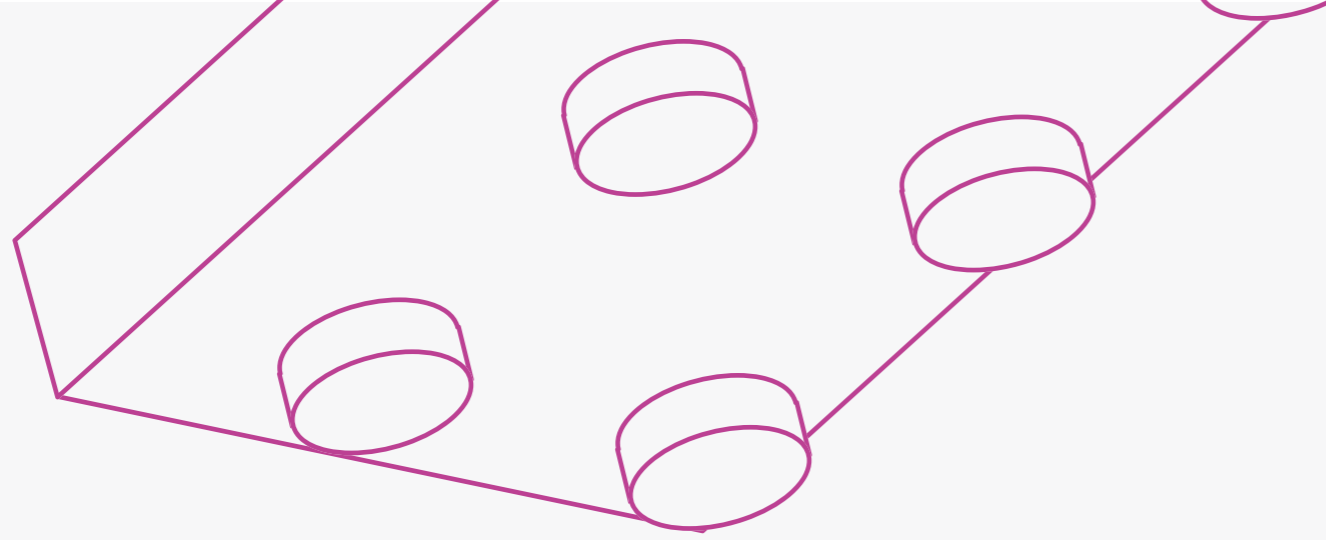
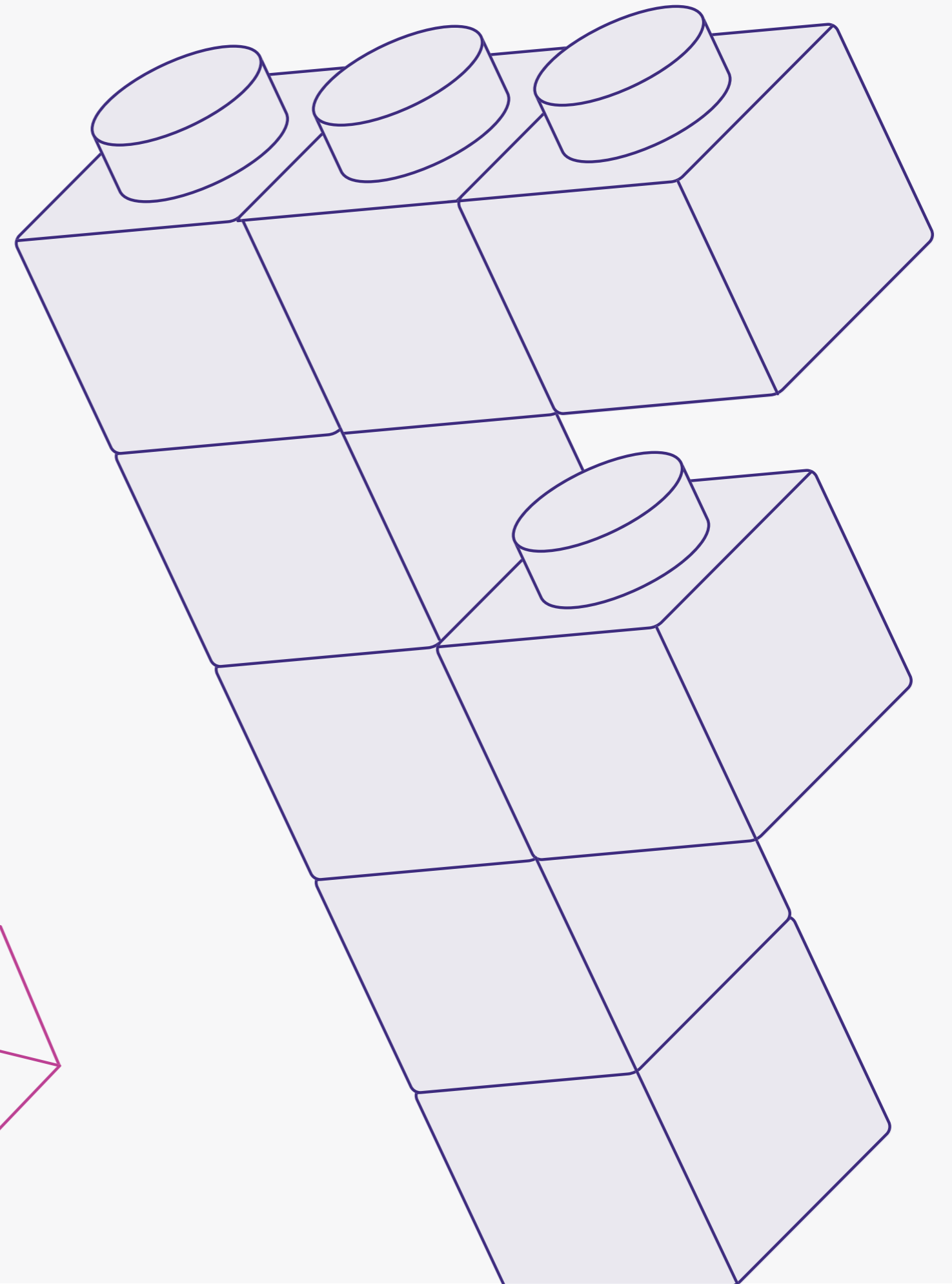
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FOREWORD

BY CHAIRMAN AND
CHIEF EXECUTIVE



FOREWORD BY CHAIRMAN AND CHIEF EXECUTIVE



Mr Lim Ming Yan,
Chairman

In 2019, Workforce Singapore (WSG) redoubled our efforts to walk the journey with both workers and companies in navigating through the economic challenges and uncertainties ahead.

We pushed on with our outreach activities, to ensure that more Singaporeans could benefit from information about and access to the programmes and services under the Adapt and Grow initiative, through targeted events such as sectoral and thematic focused career fairs to help connect them to relevant opportunities.

We extended our reach into the heartlands and increased our engagement efforts through Careers Connect On-the-Go (CCOTG) Pop-Ups, offering career advisory and job search tips to jobseekers in a light and nimble format. Our Adapt and Grow Town roadshows were also enhanced to provide a more engaging and interactive experience to an increased number of visitors.

Leveraging technology, MyCareersFuture introduced machine learning to enhance the overall user experience and provided a smarter and easier job match relevant for jobseekers.

To help ensure greater career mobility, our Professional Conversion Programmes enabled more PMETs to switch sectors or take on new job roles. More importantly, it helped companies retain more workers, by providing redeployment support. The Career Trial programme was also expanded to include part-time roles to provide more job opportunities for Singaporeans, such as those with family commitments.

For enterprises, we worked closely with employers, sector agencies and industry stakeholders to support companies in developing manpower-lever business models. We stepped up support to help companies undergo transformation and drive job redesign efforts in order to improve productivity and equip our workforce with new skills for them to remain relevant and competitive. Programmes such as the Capability Transfer Programme that facilitates the transfer of global capabilities to the local workforce and adopting Ready-To-Go solutions by SMEs to drive digitalisation and overcome manpower constraints.

We are encouraged that our efforts have assisted more than 31,000 Singaporean jobseekers to secure new jobs through Adapt and Grow, and benefitted over 7,500 companies through our programmes.

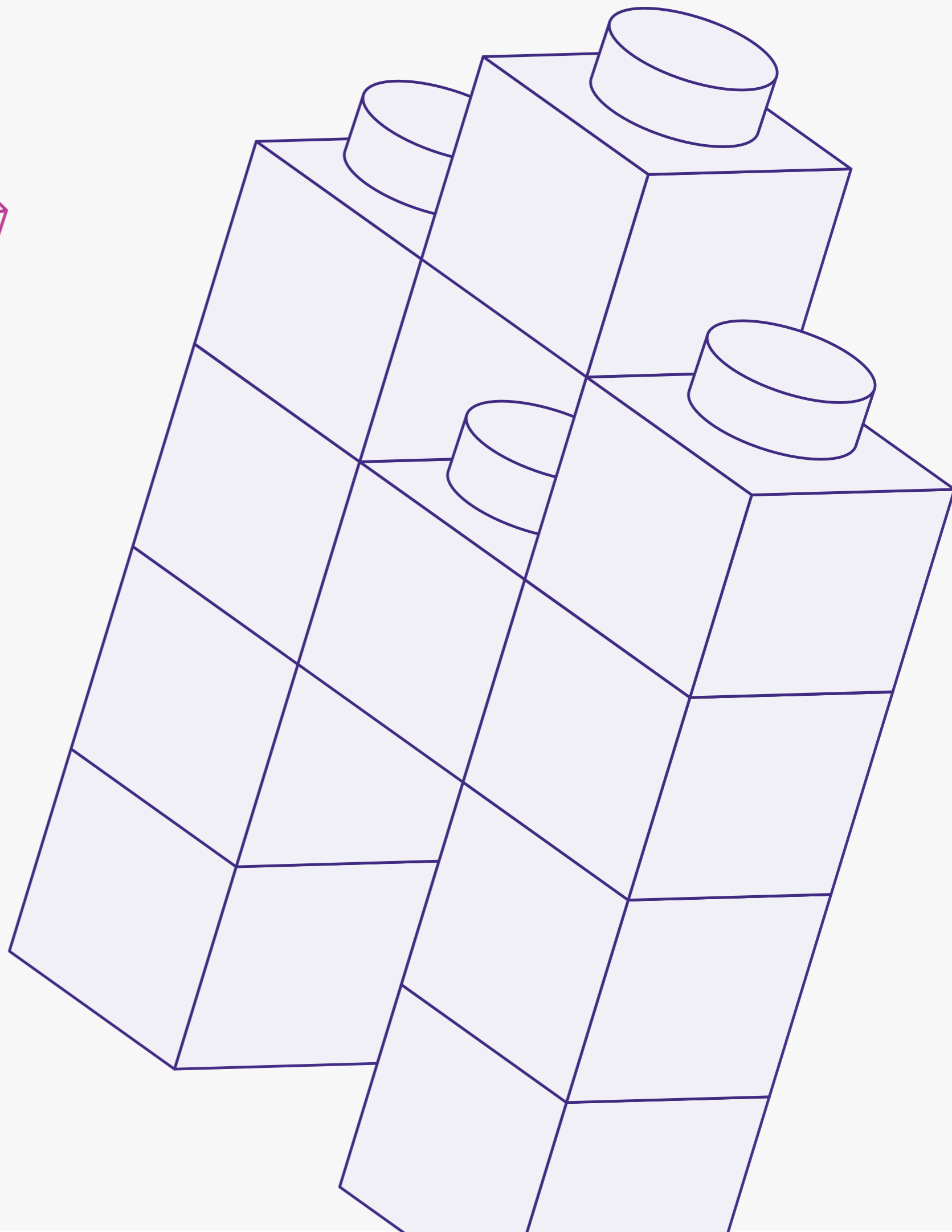
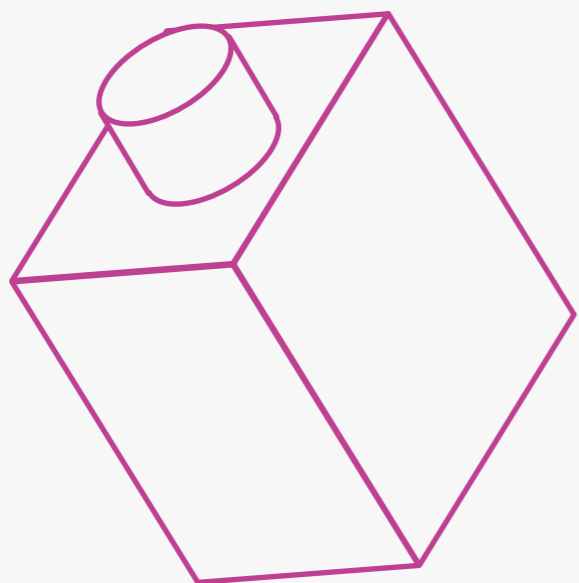
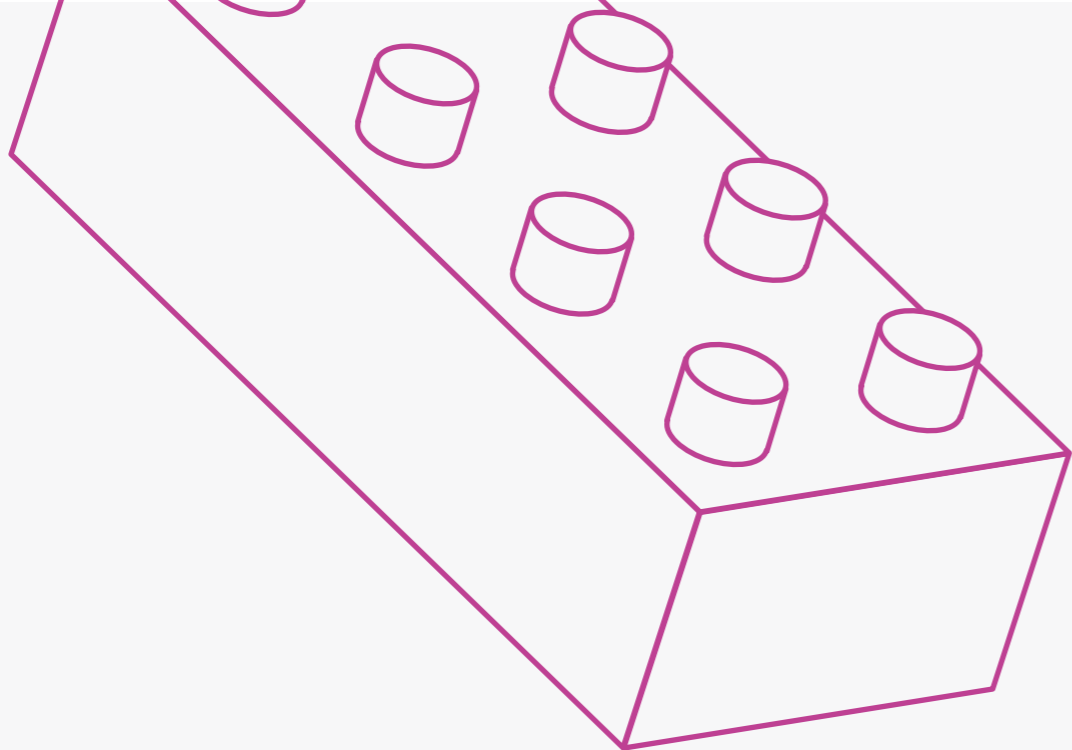
Looking ahead, the ongoing challenges such as the geopolitical and trade tensions will continue to affect industries and the future of work. More importantly, overcoming the largest crisis faced by our nation posed by the COVID-19 pandemic requires our utmost efforts and endurance. With the launch of the SGUnited Jobs and Skills Package, we boosted our efforts and will continue walking the journey together with our workers and employers. Finding our way during these trying times will not be easy but with a strong and resilient workforce, we are ready to seize new opportunities and emerge stronger.



Mr Tan Choon Shian,
Chief Executive

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ABOUT US



BOARD MEMBERS AND COMMITTEES



Mr Lim Ming Yan
Chairman
Workforce Singapore



Mr Tan Choon Shian
Chief Executive
Workforce Singapore



Ms Elaine Yew
Senior Partner and Global Co-Head
of Leadership Advisory
Egon Zehnder International



Mr Wahab Yusoff
Vice President
ForeScout
Technologies, Inc.



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



Mr James Wong
Deputy Secretary
(Land and Corporate)
Ministry of Transport,
Chairman, Finance Committee (FC)
Workforce Singapore



Mr Patrick Tay
Assistant Secretary-General
National Trades
Union Congress



Mr Benjamin Mah
Regional Director
Oracle Digital
Transformation and
Innovation Office (Asia
Pacific & Japan)



Ms Deborah Ong
Partner
PwC Singapore
Chairman, Audit and
Risk Committee (ARC)
Workforce Singapore



Mr Murali Pillai
Partner
Rajah & Tann
Singapore LLP



Mr Douglas Foo
Chairman
Sakae Holdings Ltd
Chairman, Remuneration
Committee (RC)
Workforce Singapore



Mr Andrew Chong
Chairman
Singapore
Semiconductor
Industry Association



Mr Ong Tze Chin
Chief Executive, SkillsFuture
Singapore, Deputy
Secretary (SkillsFuture),
Ministry of Education
SkillsFuture Singapore



Ms Judy Hsu
Regional Chief
Executive Officer,
ASEAN & South Asia
Standard Chartered
Bank (Singapore) Limited

FUNCTIONS OF THE WSG BOARD

The WSG Board shall be responsible for the policy and general administration of the affairs and business of WSG as spelt out in the WSG Act. The basic responsibility and function of the WSG Board is to oversee the work and the performance of WSG Management and assess the health of WSG. It also evaluates, approves and monitors WSG's plans and budgets. 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 WSG Act, the WSG Board shall comprise a Chairman, and not less than 8 but not more than 14 other members as determined by the Minister for Manpower. The Minister for Manpower may also appoint a member to be the Deputy Chairman of the WSG Board.

The WSG Board Committee

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

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, the rigour 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 fulfil WSG's mission. It provides advice on grant policies for WSG-administered funds. The committee also approves finance policies and funding allocation for WSG-administered funds, as well as 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.



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 a risk-based approach as the key audit assurance practice, and the results of audits and recommendations for enhancements are promptly communicated to WSG Management. The Internal Audit Unit reports directly to the Audit and Risk Committee and administratively to 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 secure 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 for 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.

SENIOR MANAGEMENT



Mr Tan Choon Shian
Chief Executive Officer
Workforce Singapore



Mr Foo Kok Jwee
Deputy Chief Executive
Workforce Singapore
(Term started Aug 2019)



Mr Goh Eng Ghee
Chief Corporate Officer
Workforce Singapore
(Term started Aug 2019)
Deputy Chief Executive
Workforce Singapore
(Term ended Aug 2019)



Ms Julia Ng
Group Director
Enterprise Development
Group (EDG)



Ms Lynn Ng
Group Director
Careers Connect Group
(CCG)



Mr Brandon Lee
Group Director
Transformation
Support Group
(TSG)
(Term started Jun 2019)



Mr Richard Lim
Director
Career Services
Division, CCG



Ms Ong Bee Lee
Director
Data Analytics
Division, CCG



Ms Joyce Tan
Director
Data Analytics Division,
Digital Experience,
Career Services, CCG
(Term started Oct 2019)



Ms Gillian Woo
Director
Partners & Operations
Division, CCG
(Term started Oct 2019)
Acting Director
Partners & Operations
Division, CCG
(Term ended Sep 2019)



Mr Aaron Lye
Director
Corporate Marketing &
Communications Division,
Corporate Development Group
(CDG)



Mr Ow Seng Fong
Director
Corporate Services
Division, CDG



Ms Serene Chiang
Director
Human Resource
Division, CDG



Ms Doris Kuek
Director
Strategic & Resource
Planning Division, CDG



Mr Kenneth Wong
Director
Tourism Division, EDG



Ms Sharon Chiew
Acting Director
Creative & Professional
Services Division, EDG
(Term started Jan 2020)



Ms Selena Huynh
Director
Creative & Professional
Services Division, EDG
(Term started Aug 2018)
Term ended Dec 2019)



Ms Janice Foo
Director
Healthcare, Social
& Business Services
Division, EDG



Mr Toh Swee Chien
Director
Enterprise Programmes
Division and Manufacturing
Division, EDG
(Term ended May 2019)



Mr Anderson Ee
Acting Director
Manufacturing Division,
EDG
(Term started Jun 2019)

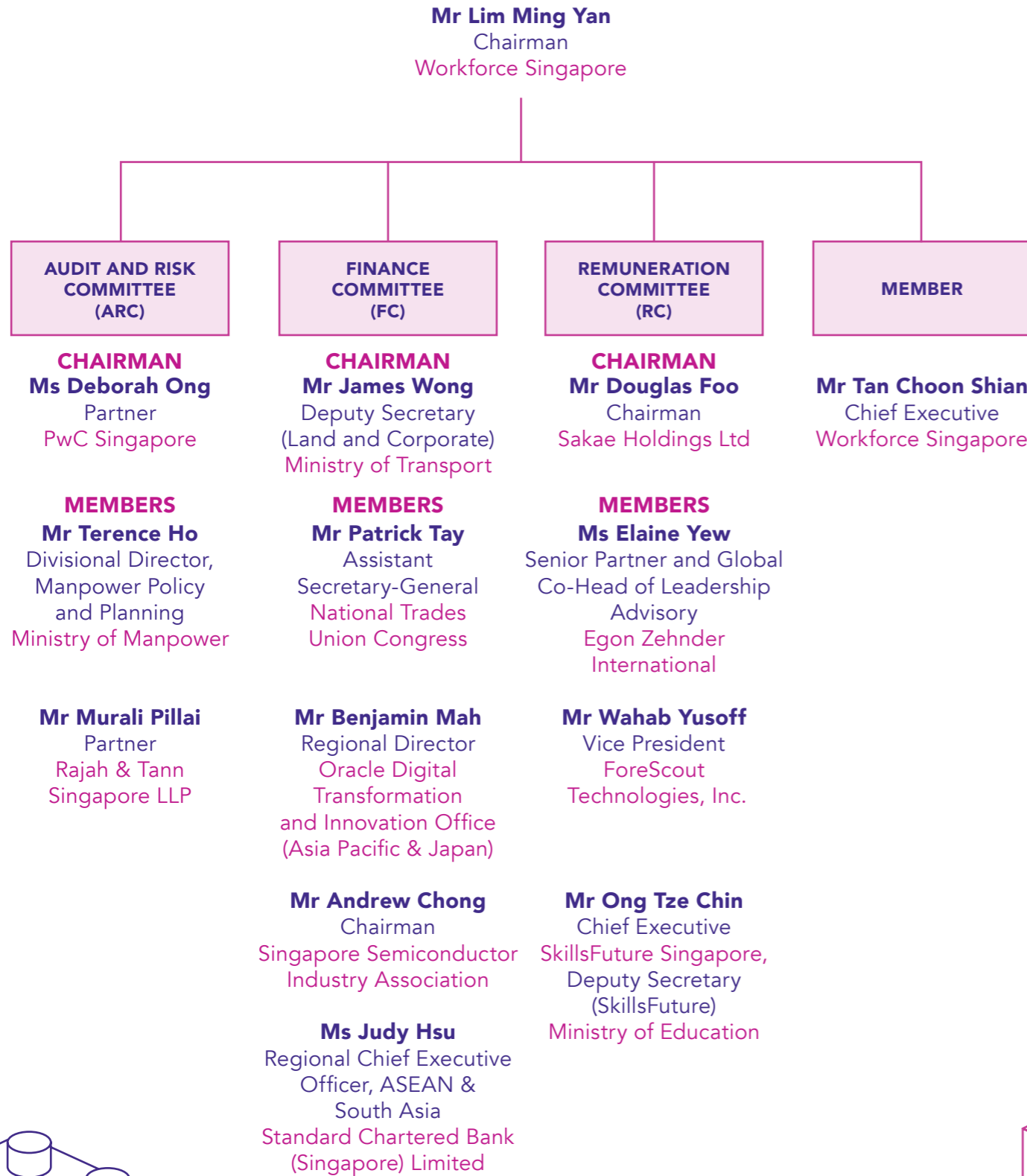


Mr Jason Tay
Acting Director
Enterprise Programme
Division, EDG
(Term started Jun 2019)



Mr Teh Sim Seng
Director, Chief
Information Officer
Digital Technology
Division, TSG
(Term started Apr 2020)

WSG BOARD MEMBERS AND COMMITTEES CHART



WSG ORGANISATION CHART

FY 2019 (until March 2020)



SSG SHARED SERVICES ORGANISATION CHART

Mr Tan Wee Beng
Deputy Chief Executive
(Operations & Regulation)

**BUSINESS SERVICES GROUP
(BSG) - SSG**

Mr Tan Tow Koon
Group Director

Shared Services
Management Division
Ms Ong Ai Ming
Director
(Term ended Sep 2019)

Ms Emily Low
Covering Director
(Term started Oct 2019)

Integrated Business
Services Division
Ms Angelina Soh
Director

**BUSINESS TECHNOLOGY GROUP
(BTG) - SSG**

Ms Pang Poh Cheng
Senior Director

Operations Planning
Division
Mr Koh Kian Wee
Director

Capability Development
Division
Mr Richard Lee
Director

Mr Hor Cheong Wai
2nd Director

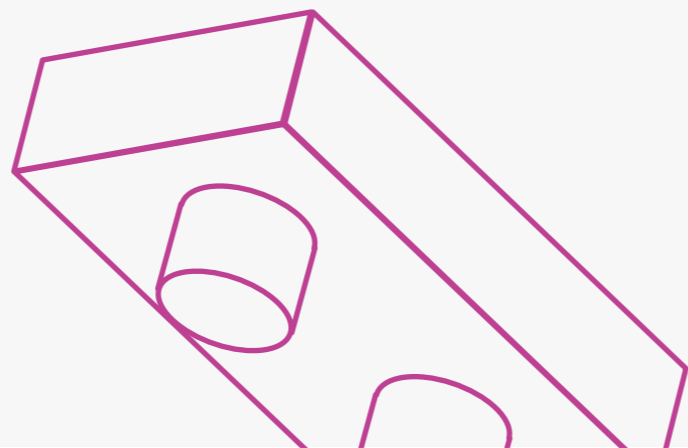
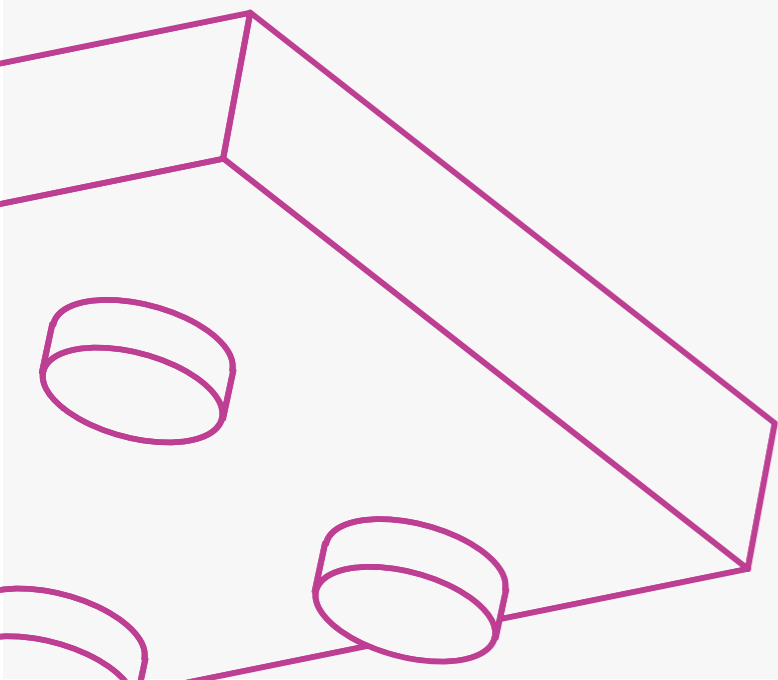
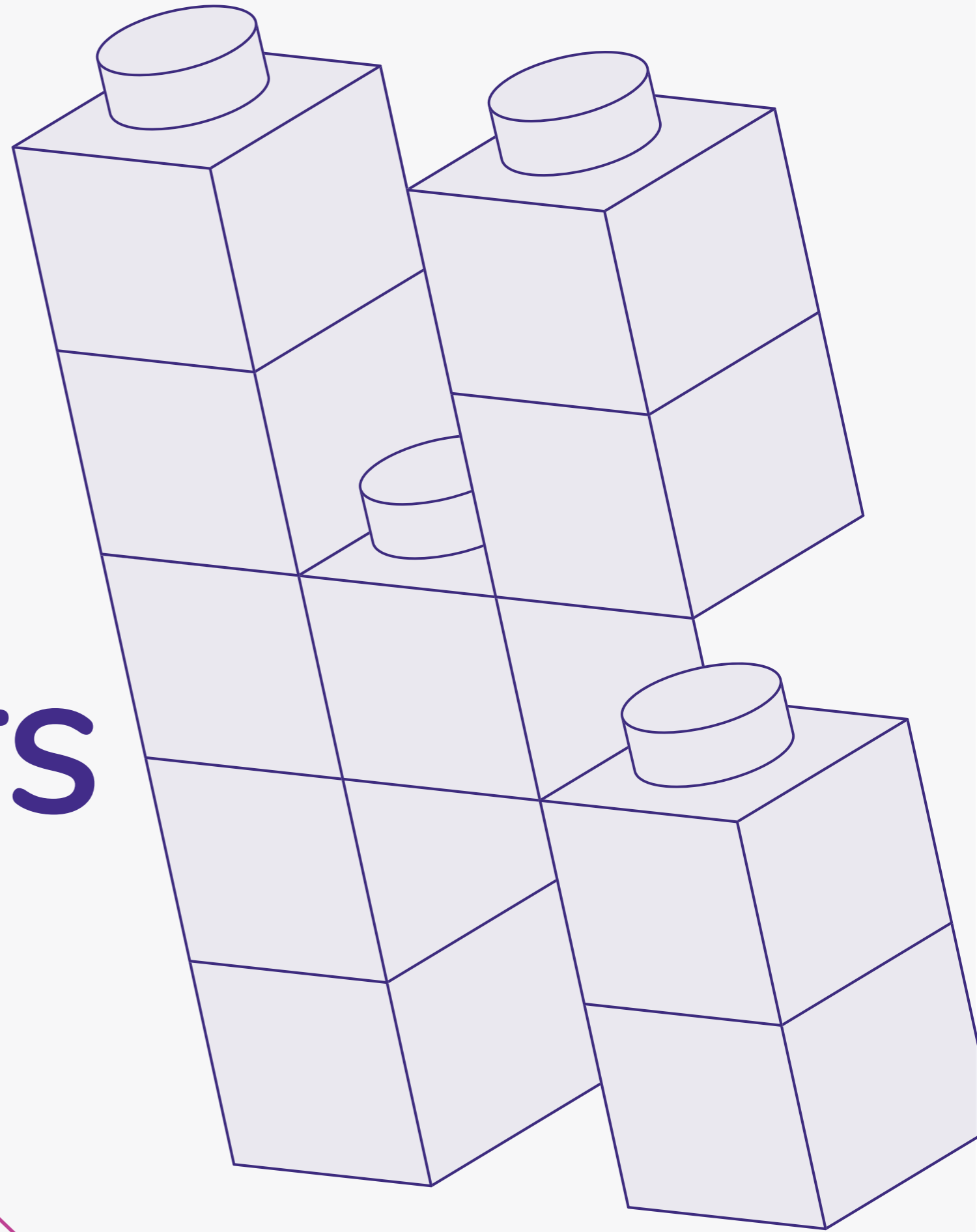
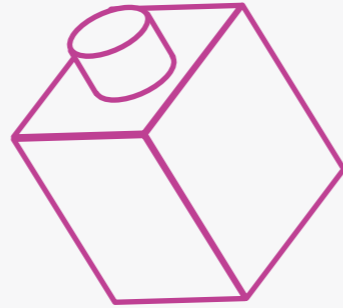
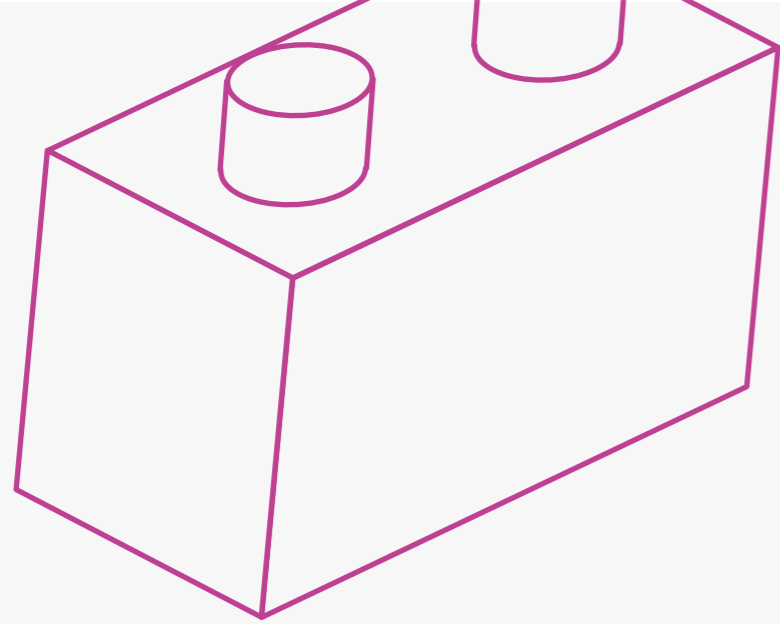
Operations &
Support Division
Security &
Infrastructure Division
Mr Teh Sim Seng
Director
Chief Information Officer
(Term ended Mar 2020)

Security & Infrastructure
Division
Ms Jasmine Lim
Director (Designate)
(Term started Jan 2020)

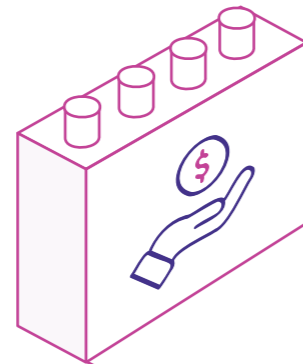
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KEY

ACHIEVEMENTS



ACHIEVEMENTS FOR YEAR 2019



**MORE THAN
1,300**

RnF workers benefited from the Place-and-Train programme.

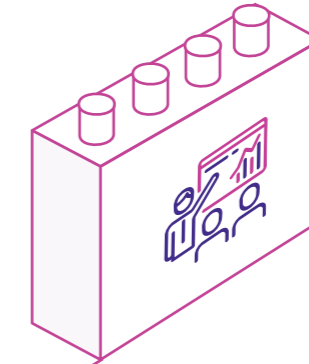
**CLOSE TO
10,000**

aged 50 and above received help;



>10%

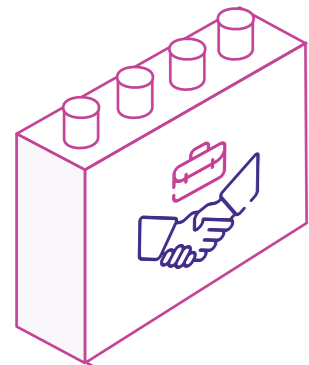
increase compared to 2018.



**MORE THAN
1,250**

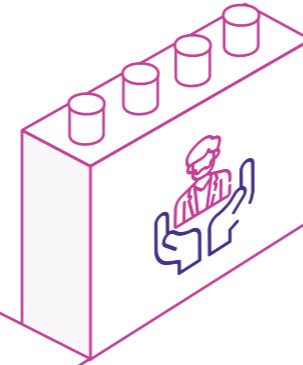
jobseekers were placed with the help of the Career Support Programme.

Nearly 90% had been unemployed for more than 6 months.



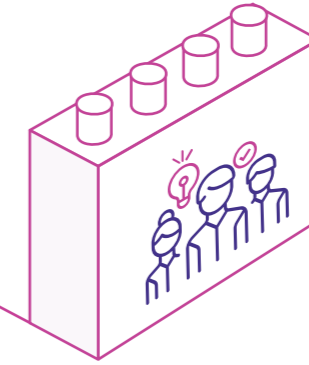
**MORE THAN
1,800**

PWDs and ex-offenders were placed through WSG's partnerships with SGenable and Yellow Ribbon Singapore.



w Adapt & Grow

A YEAR IN REVIEW

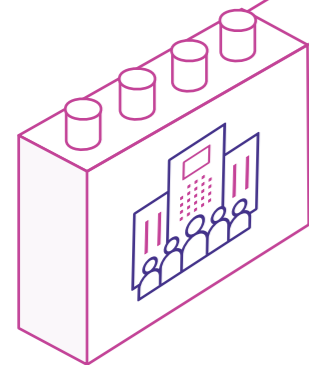
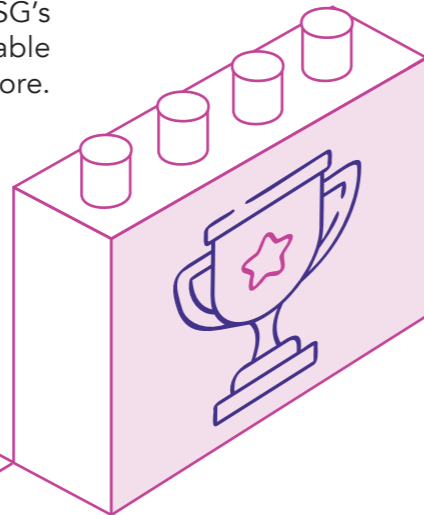


**CLOSE TO
4,500**

people were re-skilled and employed through PCPs.

About 9 in 10 remained in employment 12 to 18 months after being placed.

About two-thirds were recognised for their newly acquired skills, and received higher wages than before.

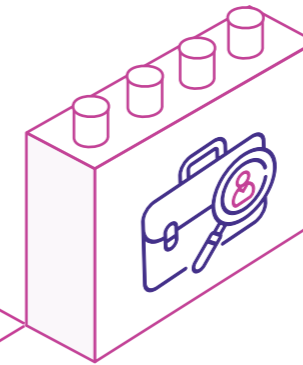


**MORE THAN
7,500**

companies participated in Adapt & Grow and Transform & Grow programmes in 2019.

**MORE THAN
1,300**

businesses of all sizes across various sectors benefitted from Lean Enterprise Development Scheme (LEDS) in their job redesign and human capital transformation needs under Transform and Grow initiatives.



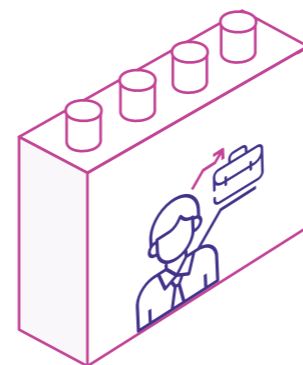
**OVER
31,000**

jobseekers placed through Adapt and Grow initiative (about 3.5% increase from 2018)

More than half are PMETs (55%)

More than half received customised job search support and career services through career matching services provided by touchpoints.

60% of jobseekers placed were unemployed. Among them, more than 30% were unemployed for more than 6 months.



**OVER
550**

jobseekers obtained jobs through Career Trial.

WORKFORCE SINGAPORE'S RESPONSE TO COVID-19 CRISIS

COVID-19 has brought about unprecedented challenges for Singapore and the Singaporean workforce. Workforce Singapore's immediate response was to provide more support to businesses most severely impacted by the pandemic to help them retain, reskill and redeploy their workers by redesigning jobs where possible. We ensured our services remain accessible to jobseekers without compromising their health and safety by offering more virtual and digital options for career coaching, career fairs and workshops. Careers Connect, our physical centres offering career matching services, remained open with strict adherence to safe management measures for those who need it.

The SGUnited Jobs and Skills Package is a key pillar of the Government's response to save jobs, preserve our business capabilities and human capital. The package comprises three key initiatives; SGUnited Jobs, SGUnited Traineeships/Pathways (Company Attachment) and SGUnited Skills, and seeks to create at least 100,000 jobs and training opportunities. Workforce Singapore was charged with implementing SGUnited Traineeships/Pathways (Company Attachment) and to also work closely with other public agencies and relevant stakeholders to help jobseekers access SGUnited Jobs. Supporting the Government's response to the COVID-19 crisis will remain a key immediate priority for Workforce Singapore.

SGUnited Jobs Virtual Career Fairs

Deputy Prime Minister and Finance Minister Heng Swee Keat announced the creation of SGUnited Jobs initiative as part of his Resilience Budget. To support this, Workforce Singapore launched a series of SGUnited Jobs Virtual Career Fairs (VCFs) soon after this announcement to publicise these job opportunities and to ensure their accessibility to Singaporean jobseekers and workers. VCFs allow jobseekers to interact with employers virtually for interviews, and access career-related resources to assist them in their job search. Jobseekers may also visit MyCareersFuture to access a wide range of job opportunities.

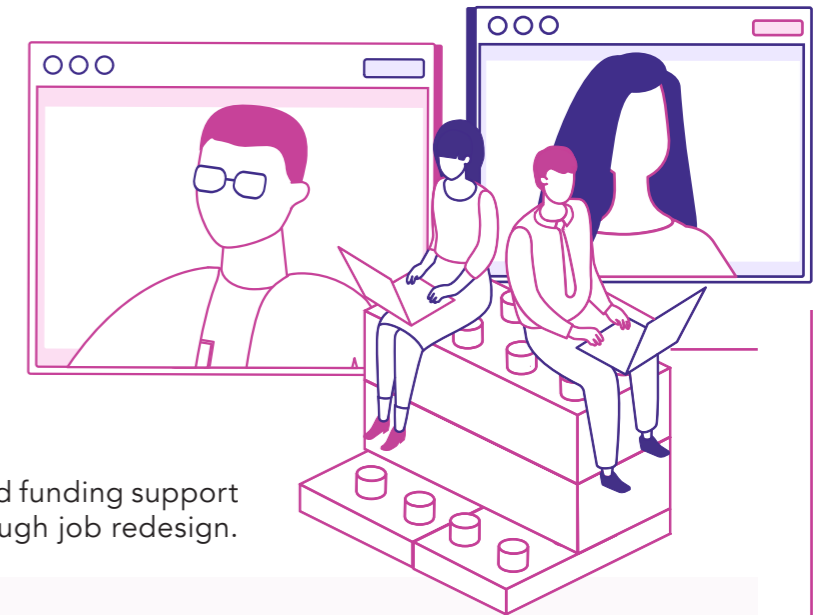
SGUnited Jobs and Skills Centres and Career Matching Services

To continue serving jobseekers during this trying period, virtual/phone career coaching has also been progressively rolled out, providing access for jobseekers to receive virtual one-to-one career advisory services from any location at their convenience. Our Careers Connect remained open with safe management measures in place to serve jobseekers, in particular those who faced challenges using our digital services.

Workforce Singapore will continue to work closely with various partner agencies such as NTUC's e2i and People's Association to increase awareness of the SGUnited Jobs and Skills Package and its employment support activities through our SGUnited Jobs and Skills Centres (SGUJSC) in 24 Housing Development Board towns. Workforce Singapore will also intensify our engagement of jobseekers in the community through more deployments of Careers Connect On The Go (CCOTG), SGUnited Jobs and Skills Info Kiosks and new outreach initiatives.

SGUnited Traineeships and Mid-Career Pathways Programmes

WSG launched the SGUnited Traineeships and Mid-Career Pathways Programmes to provide fresh graduates and mid-career jobseekers company attachment opportunities if they face challenges securing permanent jobs. Such company attachments allow them to gain valuable industry experience that could improve their employment prospects when the economy recovers. The SGUnited Traineeships and Mid-Career Pathways Programmes seek to create up to 25,000 company attachment opportunities.



Leveraging Redeployment Professional Conversion Programmes (PCPs)

To support sectors and workers directly affected by the COVID-19 outbreak, Workforce Singapore introduced more redeployment programmes with enhanced funding support in sectors such as accommodation, tourism, air transport, food services and retail to help affected companies retain, reskill and redeploy their workers through job redesign.

Although hotels are severely impacted by the COVID-19 situation, Capella Singapore is one of the hotels that have seized the down time to participate in Workforce Singapore's Job Redesign Reskilling Programme to prepare for the upturn. They embarked on job redesign of their Call Centre and Reservations teams and merged them into one department to allow greater synergy in addressing public and guest enquiries, as well as greater employee satisfaction in delighting guests. The hotel had used the down time to bring forward their organisation restructuring and started reskilling all the staff in the reservations team and call centre team during the Circuit Breaker period. With this, Capella Singapore could now bring forward their business transformation plans and can expect to complete the merger much earlier, with a pool of readily skilled staff that can provide a seamless customer experience.

Capella Singapore
Job Redesign Reskilling Programme

EXPANDING OUTREACH EFFORTS TO ENGAGE OUR WORKFORCE

Through renewed engagement and publicity efforts, Workforce Singapore was able to increase its outreach to over 201,000 individuals and employers in 2019. We leveraged technology to augment the engagement experience of Singaporeans and reinforce their understanding of our programmes. Through these activities, Workforce Singapore hopes to inculcate a stronger sense of career resilience and strengthen career mobility in the workforce. Our social media presence also grew by 10,000, with over 200,000 followers across our active social media platforms.

Interactive Adapt and Grow Town roadshow series raised awareness and attracted more visitors

Workforce Singapore enhanced its Adapt and Grow Town roadshow series to provide a more fun and interactive experience. The roadshows aimed to help Singaporeans more easily understand the various programmes under Adapt and Grow, with information presented in a more digestible format.

In 2019, a total of nine roadshows were held in various locations, which attracted over 137,000 visitors, an increase of 315% as compared to the 2018 roadshows. The increased popularity of the roadshows can be attributed in part to the newly introduced technology showcases, which helped visitors understand how technology can be used to augment their jobs and assist them in the workplace.



Visitors exploring the various exhibits at the Adapt and Grow roadshow.



Adapt and Grow Career Fairs continue to connect more jobseekers to opportunities

Workforce Singapore collaborated with various partners to provide better employment facilitation support for jobseekers. by organising about 110 physical and virtual career events, which attracted over 14,800 jobseekers. Over 200 jobseekers attended the Career Fair for Public Transport on 30 January 2020 where over 400 vacancies in 60 job positions such as bus drivers, security officers, cleaners, and assistant engineers were featured. The fair helped to raise awareness of shift work requirements in this sector and facilitated better job matching.

Workforce Singapore also organised thematic career fairs to meet the employment needs of the different groups of jobseekers. The Career Fair for Older Workers, organised on 2 November 2019, welcomed more than 400 jobseekers and showcased jobs in the Early Childhood Care and Education, Food & Beverage, Healthcare, Hotel, Logistics, Retail & Security, and Transport sectors.

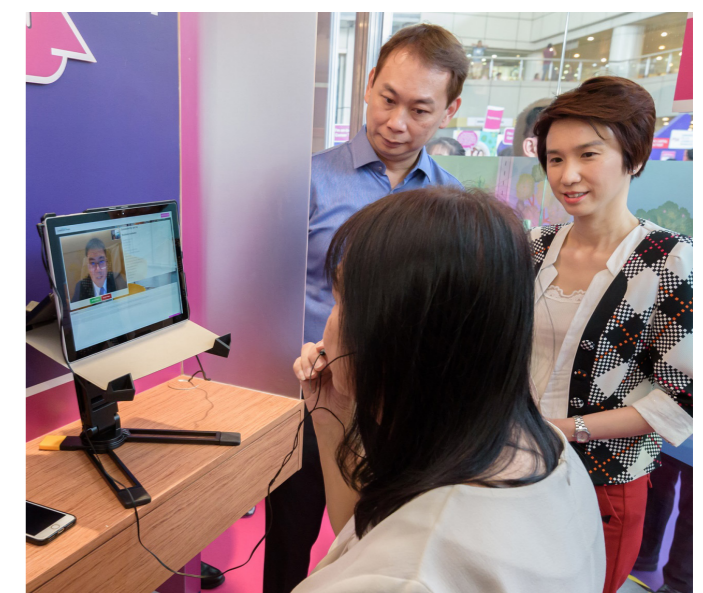
Over 40 employers participated in the Workforce Singapore Career Fair Supporting Flexible Work Arrangements from 2 to 3 July 2019 and Virtual Career Fair from 2 to 14 July 2019. The two events provided jobseekers with more than 1,500 job opportunities in both full-time and part-time positions across various sectors islandwide. Over 1,100 jobseekers attended the event, which was held in conjunction with the enhancement of Workforce Singapore's Career Trial programme.



Jobseekers at the Career Fair for Transport waiting for their turn for the on-site job interview.



A jobseeker speaking to the Career Fair's Guest-of-Honour, Mr Zaqy Mohamed, then-Minister of State, Ministry of Manpower and Ministry of National Development, Grassroots Adviser to Marsiling-Yew Tee GRC.



Guest of Honour, Ms Low Yen Ling, then-Senior Parliamentary Secretary, Ministry of Manpower and Ministry of Education, Grassroots Adviser to Chua Chu Kang GRC, and Mr Douglas Foo, WSG's Board Member, observing how a virtual interview is conducted at the Career Fair (Supporting Flexible Work Arrangements).

Careers Connect On-the-Go to reach out to jobseekers in the heartlands

We made Careers Connect On-the-Go (CCOTG), which helps to expand and extend the reach of Careers Connect, even more mobile through our CCOTG Pop-Ups, bringing career services to the heartlands starting in November 2019. Designed to be light and nimble, the Pop-Ups have been able to provide career advisory and job search tips to more than 12,000 jobseekers in the heartlands through 57 deployments.



CCOTG bringing career services to the heartlands.



A jobseeker receiving career advice at a CCOTG Pop-Up.



I was connected to Workforce Singapore via CCOTG outreach. I was initially referred to and offered a role by a hiring company but was subsequently informed that hiring had been frozen due to the COVID-19 situation. Workforce Singapore continued to assist me in my job search, and I was eventually offered a temporary role as an Estates Inspector with HDB. I am glad to be given an opportunity during such times where jobs are scarce.

Ms Azmeera Banu Binte Mohammad Akbar



I was retrenched in September 2019 after working as an Admin Support officer for nearly 10 years. Thereafter, I found an ad-hoc customer service role. I was interested to make a career switch to do social work but still wanted to consider finding admin work first. However, I did not get any positive replies after sending out my job applications and thus decided to approach Workforce Singapore's Careers Connect in November 2019. With encouragement and guidance from my career coach, Noralizah, I eventually found a job as a Part-Time Customer Service Officer with NTUC and started work in April 2020.

Ms Mow Wei Ling



I left the Singapore Armed Forces in 2013 to join the private sector as an Operations Manager. After my contract ended in September 2018, I struggled to secure job interviews and faced multiple rejections in my job applications despite having the relevant experience. Therefore, I decided to seek employment assistance from Workforce Singapore's Careers Connect. With the guidance and support from my career coach, Joey Kang, I was able to secure multiple interviews and was offered a role with MOE as an Operations Manager in November 2019.

Mr Christopher Noel

Digital career coaching made available to bring greater convenience to jobseekers

In 2019, Workforce Singapore also digitalised our career services to complement our current face-to-face services and to serve our jobseekers better. Video career coaching was progressively rolled out, providing an option for jobseekers to receive one-to-one career advisory services from any location at their convenience. This jobseeker-centric service enabled Workforce Singapore to serve more jobseekers on a scalable and sustainable basis. As of March 2020, over 800 video career coaching sessions have been conducted, enabling jobseekers to not only save valuable time and be able to focus on their job seeking efforts more effectively.



Career coaches serving jobseekers through video coaching sessions.

Acquiring practical job search knowledge through Adapt and Grow Series @ NLB

Workforce Singapore continued our collaboration with the National Library Board, holding monthly career-related workshops in public libraries islandwide. These workshops provided participants with useful job search knowledge and techniques ranging from career exploration to personal branding that will help them increase their employability.

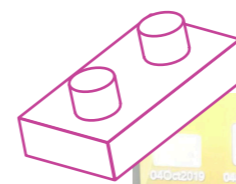
Sharing new career opportunities on growth sectors

To help Singaporeans learn about new opportunities in different industries, Workforce Singapore collaborated with JobStreet on a series of professional sharing sessions.



This platform allowed jobseekers interested in growth sectors such as Early Childhood Care and Education, Services, Built Environment, Wholesale Trade, Infocomm Tech and Healthcare to understand these industries better and learn how PCPs can help pave their entry into these sectors.

The series included a sharing session for jobseekers seeking career opportunities in the Early Childhood Care and Education sector on 17 September 2019. Preschool operator Preschool by the Park gave jobseekers occupational insights into the work nature of a preschool teacher. The event attracted a higher than expected turnout of jobseekers, who gave positive feedback about the session.



A speaker sharing useful career-related advice during a Headhunt Brown Bag session.

Headhunt Brown Bag Series to reach out to PMETs in business districts

This Brown Bag Series helped Workforce Singapore engage PMETs in the business districts and provide them with career-related skills and knowledge to improve their work productivity, career resilience and business competitiveness. These sessions were delivered by lecturers from the Institutions of Higher Learning and subject matter experts comprising topics such as Design Thinking and Resilience at the Workplace.

DEVELOPING FULFILLING CAREERS FOR WORKERS THROUGH INDUSTRY TRANSFORMATION

Collaborating with various partners such as unions, employers, sector agencies and industry stakeholders, Workforce Singapore continued to render support to companies in developing manpower-lean business models. As companies transform and adopt new business formats to improve productivity, they must couple their transformation efforts with progressive human capital development to ensure our workforce is equipped with new skills to adopt new business processes and embrace technology.

Pursuing enterprise transformation through Job Redesign

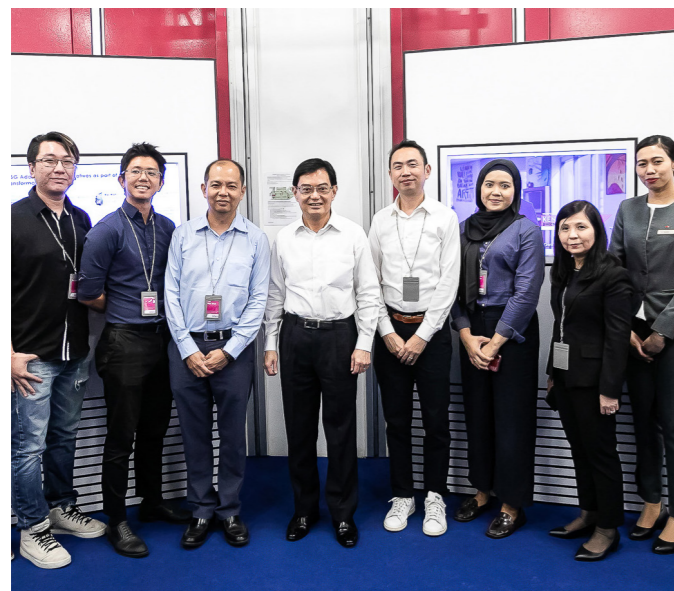
Workforce Singapore continues to work closely with key partners such as Sector Agencies and Trade Associations and Chambers to drive and promote Job Redesign (JR) efforts, to ensure that our workforce remain relevant and competitive in an increasingly automated workplace.

As of March 2020, Workforce Singapore has undertaken JR efforts for eight industry sectors, including Food Services, Environmental Services (Cleaning), Food Manufacturing, Hotel, Accommodation Services and Security amongst others. The JR efforts have benefited more than 650 companies and 8,000 workers. The Service Industry Transformation Programme is one such effort, and seeks to support companies in the service industry in their business transformation journey, through a workshop and company-specific project guidance relating to service design or digitalisation, and with JR outcomes.

To encourage more hotels to carry out JR, Workforce Singapore worked with its tripartite partners such as the Singapore Tourism Board, the Singapore Hotel Association and NTUC affiliates to develop the Hotel JR Initiative. The programme, under the LEDES, will enable hoteliers to review, optimise and value-add to existing jobs within the sector in order to create higher quality jobs and a heightened sense of job satisfaction amongst the employees.

Workforce Singapore also partnered the Singapore Accountancy Commission to develop the Pilot Job Redesign Programme for Accounting and Bookkeeping Clerks to encourage job redesign through technology adoption. The programme enables accounting firms to be more productive and sustainable as they are able to scale their business in tandem and provide higher value careers to employees.

In appreciation of our partners and the companies that Workforce Singapore has collaborated with for the JR frameworks for Food Services, Retail and Hotel, the inaugural Lifestyle Sector Appreciation Night in April 2019 hosted over 100 industry players and Trade Association partners to recognise their efforts and show our appreciation for embarking on the JR journey.



DPM Heng's visit to WSG's Job Redesign Showcase in 2019.



A representative from the hotel industry sharing how the implementation of technology has improved his job.



Minister for Manpower, Mrs Josephine Teo, presented Certificates of Appreciation to Trade Associations and Chambers and companies at the Lifestyle Sector Appreciation Night in 2019.



Lean Enterprise Development Scheme increases transformation drive and broadens support for manpower-lean businesses

Workforce Singapore continued to work closely with Lean Enterprise Development agencies to drive lean transformation within local companies and extend additional support to companies affected by cuts in the Dependency Ratio Ceiling (DRC) for the services sector.

Key priorities included driving the mass adoption of RTG solutions under the Productivity Solutions Grant, expanding our efforts to help SMEs digitalise (e.g. Digital at Birth Programme), and encouraging enterprises to participate in job redesign initiatives through the sectoral roadshows that were organised for the services sector.

At the Service Industry Transformation Conference held in September 2019, the event showcased how companies in the Retail, Hotel and F&B sectors were transforming their operations to grow their business in a manpower-lean landscape through innovative systems and processes. In 2019, more than 1,300 businesses of all sizes across various sectors benefitted from the initiative.



Cleaning Ambassadors from Fei Siong Group showing Minister for Manpower, Mrs Josephine Teo, the Eco-Digester that uses bacteria to digest food waste.



An attendee getting a bowl of laksa made by Sophie, Neo Group's Automated Laksa Live Station.



Ten Trade Associations and Chambers from the service industry pledging their commitment to drive transformation in their sectors.

Capability Transfer Programme to reinforce workforce capabilities and step up industry transformation efforts

Workforce Singapore's Capability Transfer Programme (CTP) aims to improve local-foreign workforce complementarity by facilitating the transfer of global capabilities that are new to Singapore, to the local workforce. The CTP also supports ongoing industry transformation efforts. Since its launch in October 2017, over 40 CTP projects have been secured, which are expected to benefit more than 130 companies. The CTP has been extended until 30 September 2021.

One example of the CTP in action is how Singapore Power (SP) Group rolled out the Advanced Metering Infrastructure (AMI), also known as Smart Metering, as a pilot for selected Commercial and Industrial customers. Smart Meters allow electricity consumption to be read remotely and are being progressively rolled out to cover residential customers. To support this development, SP Group tapped on the CTP to send 12 local employees to overseas to acquire new capabilities. Subsequently, the employees helped trained another 13 local employees and developed its in-house local capability, which enabled SP Group's local employees to take on higher value-added responsibilities.

Supporting the transformation of SMEs through the 99% SME Movement

To enable SMEs to transform and adopt more manpower-lean and productive solutions through the use of technology, Workforce Singapore collaborated with 99% SME to introduce a series of workshops on the importance of digitalisation and how SMEs can tap on the various programmes to support their transformation needs. The workshop topics include human capital agility in business transformation, tips on social media marketing and your business continuity plan and leadership during crisis.

Signing of JTC MOU to engage companies in talent attraction and upgrade of workforce skills

Workforce Singapore together with industry partners, signed a Memorandum of Understanding (MOU) with JTC on 15 January 2020 to launch the JTC Industry Connect Talent Development Programme. The programme aims to jointly engage companies in JTC's estates and properties on a series of industry talent development initiatives to scale more estate-level collaborations in talent attraction and workforce skills upgrading such as project challenges for students, introduction of new training programmes and engagement events to increase awareness on how the programmes can support businesses in their transformation needs.

ENHANCEMENTS TO INITIATIVES CONTINUE TO LESSEN JOBS AND SKILLS MISMATCHES AND MINIMISE MISSED MATCHES

Workforce Singapore continued its efforts to address jobs and skills mismatches, and connect jobseekers to jobs through programmes such as the Professional Conversion Programmes, or through the enhanced Career Trial. These efforts, with support from the unions, the trade associations, government bodies and industry stakeholders, supported over 31,000 jobseekers to transit to new jobs through the Adapt and Grow initiative in 2019.

Career Trial expanded to cover more job opportunities and more worker segments

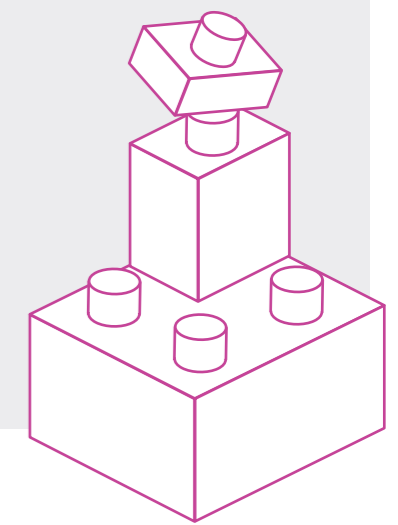
The programme aims to strengthen employment outcomes for jobseekers through short-term trials with host employers before formal full-time employment. As of May 2019, it was expanded to include part-time jobs so that more opportunities can be provided to Singaporeans who are only able to take up part-time roles, such as those with caregiving responsibilities.

Workforce Singapore is also collaborating with Yellow Ribbon Singapore and Centre for Seniors, as an extension of their employment facilitation services, to reach out to ex-offenders and senior citizens who may benefit from the programme. Over 1,000 jobseekers have participated in Career Trial and half of them have since achieved full-time or part-time employment.



Due to health reasons, I left the construction industry that I was in for over 30 years. I took up my Career Coach's advice to take up Career Trial and applied for the kitchen cook and stewarding role at Hotel Re! The training during the trial allowed me to try my fit in the new role and I found the transition relatively smooth. I enjoy the new working environment and am very happy to be employed at Hotel Re!

Mr Toong Ngai Jiunn
Cook and Steward
Hotel Re!



Career Starter Programme provides ITE and Polytechnic graduands who require more assistance with customised support for job search

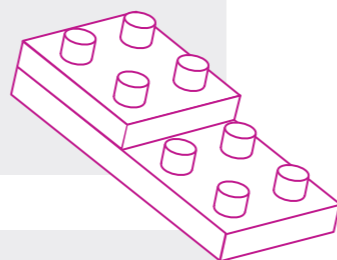
Workforce Singapore adopted a more targeted and customised approach to help graduating students and fresh graduates from the Institute of Technical Education (ITE) and Polytechnics. The Career Starter Programme consists of a Career Starter Pack which provides resources and information on job search; interactive Career Booster workshops to strengthen young graduates' job search strategies and skills; and individualised CARE360 which consists of personalised career coaching. Since its introduction in January 2019, over 28,000 graduating students have received the Career Starter Pack, and more than 200 students have attended the Career Booster workshops.



During the Career Booster Workshop, I learnt about the different techniques in resume writing to make my resume stand out. For example, I customised my resume for different positions that I applied for and prepared a summary statement that showcases my strengths and how I can value add to the organisation.

Ms Pamella Lim

Associate Engineer
VDL Engaging Technologies Group



The Career Booster Workshop was useful in providing tips in resume writing and interview skills. I tried to apply what I learnt from the workshop such as the Dos and Don'ts for interviews.

Ms Noorulain Saleem

Production Planner
Coway Engineering & Marketing Pte Ltd

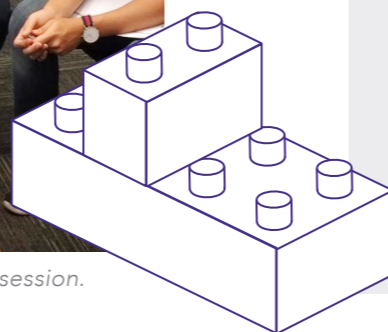
CARE360 provides jobseekers with enhanced assistance with its customised suite of career matching services

The CARE360 suite of services provide jobseekers with the opportunity to engage with employers directly. Career 360, a three-part programme under CARE360, consists of a series of hands-on workshops, industry-related talks and networking sessions with employers where Workforce Singapore arranges an opportunity for PMET jobseekers and employers to get together via an informal setting.

As part of CARE360, the Career Activator programme allows jobseekers to view the actual working environment and better understand the job requirements through learning journeys with participating companies.



Jobseekers engaging with employers during a session.



More career development professionals attended certified training and obtained professional credentialing

Workforce Singapore's Career Development Framework continued to gain strong momentum with over 250 career professionals trained under the Career Advisory Programme and Career Facilitation Programme, with almost 70 credentials awarded as compared to 45 in 2018. The training and certification initiatives will continue to raise the competencies of career professionals offering career facilitation to our workforce.



Group Career Counselling Masterclass by Dr Richard Pyle.



Group Career Counselling Masterclass by Dr Richard Pyle.

New user-friendly features introduced in MyCareersFuture to recommend suitable talents to employers to hire

MyCareersFuture taps on the latest machine learning technology and user experience design to make every job search experience more convenient, easy and relevant for jobseekers. In 2019, the portal garnered over 6.28 million unique visitors and facilitated more than 2.77 million job applications.

With overall efforts to continuously enhance the portal, new features were progressively launched to facilitate employers' search for suitable and potential candidates. These features include the Suggested Talents that recommends suitable candidates who are open to career opportunities for which they have not applied, and Applicant Listing that sorts applicants based on their skills match and experience. MyCareersFuture functionalities will continue to be enhanced.

Testimonial from one of the jobseekers who found job through the portal



By using my SingPass, I can log in to the portal securely and with no hassle.

Ms Wong Sau Yan

Freelancer

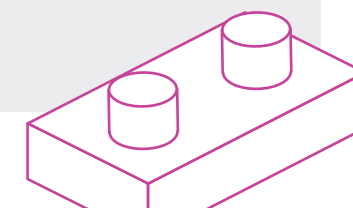
Testimonial from one of the employers who hired a jobseeker through the portal



Someone recommended us to use MyCareersFuture and we decided to try. With the Suggested Talent Feature, we know who are looking for jobs and are able to call them to explore opportunities. In addition, with the Candidates Preview function, I no longer have to download every resume. It used to take me at least half an hour to download all resumes. Now, I take half that time. The new interface also makes it easier to access and toggle around.

Ms Tan Pei Yi

Human Resource
WHS Global Logistics



Six Growth Sectors – sustaining PMET job creation through pre-emptive efforts

Since its expansion to include the Built Environment sector in August 2018, the number of PMET placements in the six sectors (Built Environment, Healthcare, Finance and Insurance, Infocomm and Media, Wholesale Trade and EDB sectors) have been encouraging. As of December 2019, the sector agencies and Workforce Singapore have placed more than 7,700 PMETs across the six growth sectors.

As part of phase 3 of the initiative, Workforce Singapore and sector agencies will further strengthen upstream efforts to pre-emptively redeploy workers at-risk, and downstream efforts to help displaced and LTU PMETs secure nearer job switches.

Minister for Manpower, Mrs Josephine Teo, visited TranZplus on 27 November 2019 to understand the company's business transformation and human capital development efforts.

TranZplus Engineering (Singapore) Pte Ltd
27 November 2019



TranZplus Engineering (Singapore) employee demonstrating to Minister for Manpower, Mrs Josephine Teo, on how the processes have changed since the company had undergone job redesign.



TranZplus Engineering (Singapore) representative explaining to Minister for Manpower, Mrs Josephine Teo, on how the company had embarked on transformation and job redesign.

Achieving career mobility and encouraging redeployment through Professional Conversion Programmes

The Professional Conversion Programme (PCP) continued to gain strong momentum in 2019 and enabled about 4,500 PMETs to switch sectors or take on new job roles. PCPs are also an important lever to avert retrenchments by offering redeployment support or to provide capacity in Attach-and-Train (AnT) mode for employers cautious in hiring.

Workforce Singapore has helped to redeploy more than 1,000 PMETs across sectors such as Electronics, Precision Engineering and Wholesale Trade. There are close to 10 AnT Programmes available in sectors such as ICT, Financial Services and Precision Engineering. To date, more than 80 companies and more than 450 mid-careerists have participated in the AnT Programmes. The implementation of PCPs significantly grew the programme placements by more than three times since 2016 and have achieved good employment outcomes such as wage increase and high retention rates for participants.

A new AnT PCP, the Technology in Finance Immersion Programme (TFIP) for the Financial Services sector was developed by Workforce Singapore and IBF in partnership with IMDA, MAS and industry stakeholders. TFIP complemented existing PCPs in helping individuals acquire skills that are in demand, through training and attachment opportunities, which benefitted 70 PMETs in its inaugural run. The programme was expanded to include an additional track in Artificial Intelligence and training places more than doubled to 200. A total of 16 Financial Institutions have pledged their commitment to this year's programme from 10 in 2019.



Minister for Manpower, Mrs Josephine Teo, at the launch of the new AnT PCP, the Technology in Finance Immersion Programme (TFIP) for the Financial Services sector.

The Infocomm Technology (ICT) sector continues to offer good conversion opportunities for local PMET mid-career switchers. Since the launch of ICT PCPs in 2016, more than 900 individuals had successfully taken on new roles in technology-related jobs. Workforce Singapore worked closely with industry partners to expand the range of ICT PCPs to meet the growth in hiring demand for ICT professionals. This included the development of new PCPs for Cisco Network Professionals, SAP Consultants, Digital Sales Executive, and the ramp-up of PCP for Salesforce Platform Professionals.



PCP for Technical Sales Engineer/Manager

After 24 years of working experience in the shipping and transport industry, Serene decided to explore other industries. In February 2019, she switched to the manufacturing industry and took up the Finance Manager role with TranZplus Engineering (S) Pte Ltd. Serene's job scope was enhanced and she was given the opportunity to contribute in other areas where she had no experience in such as technical sales and customer management. To help support her transition and understanding of the business and product technicalities, the company enrolled her in the PCP for Technical Sales Engineer/Manager where she picked up selling skills, sales strategies and business model roadmapping which helped her gain a good understanding of the company's business nature, products, functions and customers thus enabling quicker integration. With her previous work experiences and new skills, Serene has also contributed to process improvements within the Sales, HR and Finance departments through digitalisation with implementation of IT systems as part of the company's business transformation efforts.

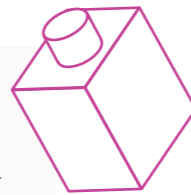
Ms Serene Tan Guat Keow

Finance Manager
TranZplus Engineering (Singapore) Pte Ltd

PCP for Auxiliary Police Officers (APOs)

A former associate engineer from the electronics industry, 33-year-old Hidayah Binte Abu Bakar left after the contract ended in 2018. Taking it as a chance to try out new sectors and job roles, she embarked on a four-month-long search for a more permanent role that would not only provide stability but also allow her to gain new skills. That's when she came across AETOS Holdings who hired her as an Auxiliary Police Officer (APO) through the Adapt and Grow Professional Conversion Programme (PCP). The PCP helped Hidayah better understand the ins-and-outs of the security industry and prepared her by reskilling her for the new role. Although she found the physical training tough, Hidayah persevered as she believed her new role would allow her to make a difference in other people's lives. One year on, Hidayah is happy in her job as a frontline personnel. She's enjoying a higher salary and she is grateful to have colleagues who would readily share with her best work practices. AETOS also has in place a structured training and career pathway that recognises Hidayah's efforts and keeps her competencies updated. For instance, she recently underwent training in fire safety which would complement her role as an APO.

Ms Nur Hidayah Binte Abu Bakar, Auxiliary Police Officer (Armed)
AETOS Security Management Pte Ltd



Partnerships renewed with Ingeus and MAXIMUS Asia as WSG's Career Matching Providers

Ingeus and MAXIMUS Asia were appointed Career Matching Providers (CMP) in 2017 under a pilot to complement the career matching services offered by Workforce Singapore and NTUC's e2i. The CMPs focused on assisting unemployed PMET jobseekers who have been actively searching for jobs for at least three months or have been made redundant. Workforce Singapore has extended our partnership with both CMPs and will continue capitalising on their expertise to augment our career matching services for jobseekers.



After I was retrenched, I took a course to pursue my interest to work with children with special needs but I needed help to switch career to specialise in special needs education for early childhood. My Career Consultant from MAXIMUS advised me on improving my resume and interview techniques. He constantly encouraged me and linked me with employers, and eventually helped me to land this job within 6 months.

Ms Hazliza Binte Hazlan
Teacher Assistant
One World International School

P-Max Enhancements provide additional support to SMEs

To provide SMEs more support and proliferate the adoption of progressive HR practices within SMEs, Workforce Singapore provided funding support for non-hiring SMEs to send their supervisors and staff to P-Max HR Workshops to level up their HR capabilities. Further support was also provided to SMEs that hire older PMETs aged 50 and above. Supervisors of the newly hired older PMETs were required to attend an age management workshop and subsequently implement age management practices within their organisation to better attract, manage and retain their older worker talent. Since the introduction of P-Max of Older Workers in July 2019, more than 30% of PMETs who were onboarded onto the programme are Older Workers in FY19, vs 17% for previous financial year FY18.

To celebrate the fifth year of P-Max, Minister for Manpower, Mrs Josephine Teo, hosted a P-Max Lohei Lunch on 6th February 2020 with the P-Max Programme Managers to show appreciation for their collective efforts. Through P-Max, more than 6,000 SMEs have been able to find, hire and retain workers; helping more than 6,700 workers find new jobs and careers.



Ingeus helped me to improve my CV, updated me on job search tips, and provided emotional support during the job search process. It was also through Ingeus that I was referred to my current employer. Now that I am back in a job, I feel very fulfilled that I can use my skill set, refine it, and help the company and our clients.

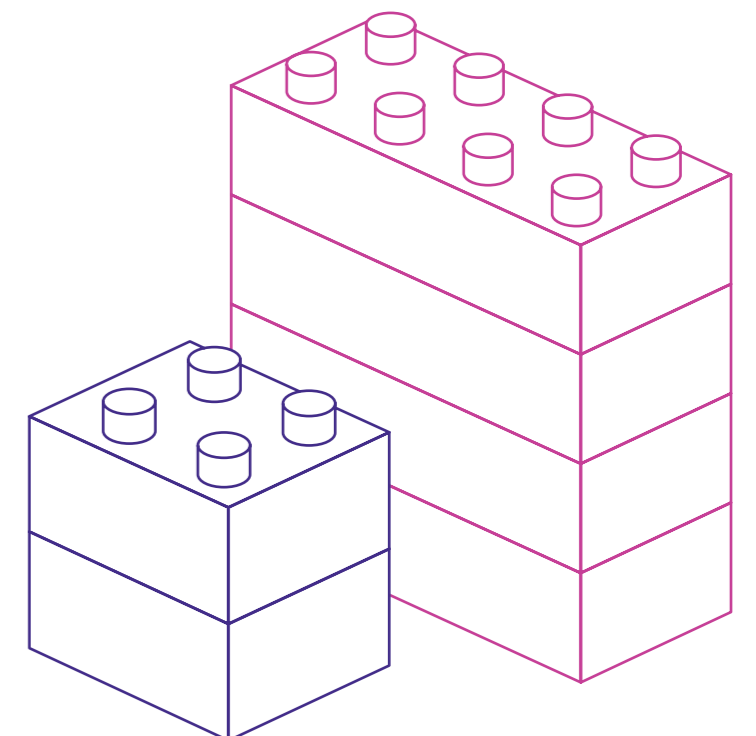
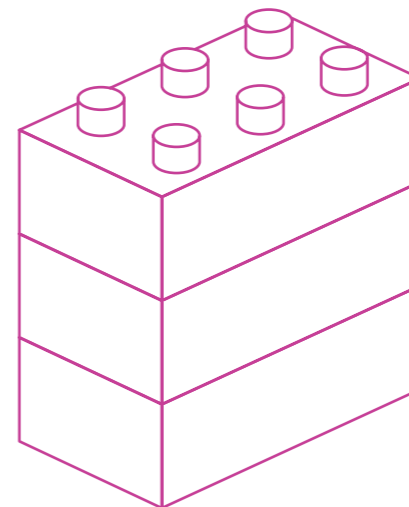
Mr Chew Tai Heng
Project Manager
Janison Asia Pte Ltd



Minister for Manpower, Mrs Josephine Teo, delivering the welcome address at the P-Max Lohei Luncheon held in February 2020.

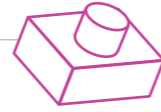


Minister for Manpower, Mrs Josephine Teo, engaging in the traditional Chinese New Year Lohei with the P-Max Programme Partners.



ENCOURAGING PRODUCTIVE WORKPLACES THROUGH CONSTANT ENGAGEMENT WITH EMPLOYERS

Workforce Singapore also doubled up on efforts to raise employers' awareness to tap on relevant programmes that would lead to an engaged and productive workforce. This includes partnering with more employers to build progressive work environments and ensuring that their hiring needs can be achieved through relevant initiatives.

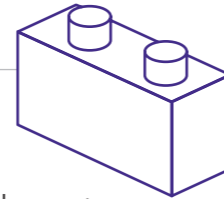


Raising employers' awareness through Employers Connect sessions

Workforce Singapore reached out to over 550 companies through Employers Connect sessions to raise awareness of our initiatives. These monthly sessions were organised for employers to gain greater awareness of relevant programmes that they can tap on for their hiring needs, which also enable them to network and discuss trending human resource topics such as company branding, talent recruitment and retention.

A new initiative for 2019, Employers Connect On-the-Go (ECOTG), was launched in partnership with the Building Management Councils of commercial buildings to reach out to more employers by bringing such sessions to their commercial estates.

Employers gathered to learn and share good HR practices, as well as to understand how they can benefit from Workforce Singapore's initiatives for their manpower needs.



WLG 2.0 to further encourage implementation of employee beneficial initiatives

The Work-Life Grant (WLG) was enhanced in July 2018 to incentivise employers to sustain and implement flexible work arrangements (FWAs) for their local employees through the FWA Incentive, and implement job sharing for PMET-level employees through the Job-Sharing Incentive.

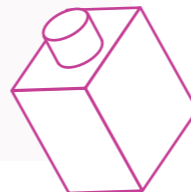
In 2019, more than 1,000 companies have tapped on the WLG, which is expected to benefit about 48,000 employees as regular users of FWAs and 1,700 employees as regular users of job-sharing arrangements over a two-year period.

PARKROYAL on Kitchener Road had plans to adopt Flexible Work Arrangements (FWAs) to cater to the needs of their diverse workforce and to cultivate a stronger family-friendly culture amidst a tight manpower landscape. When COVID-19 happened and the hotel industry took a hit, PARKROYAL on Kitchener Road turned crisis into opportunity and capitalised on the business lull to trial FWAs.

This greatly boosted employees' morale – the staggered working hours and WFH arrangements not only allowed them to have more time and flexibility to meet family and personal needs, it also safeguarded employees' health and safety by reducing commuting time during peak periods whilst adhering to Circuit Breaker measures.

With the reduction in business revenue during this time, the hotel tapped on the enhanced Work-Life Grant (COVID-19) to defray the costs involved in adopting the FWAs, allowing the hotel and its employees to adapt to the new ways of working smoothly. Having tasted the early fruits of FWAs (i.e. higher staff productivity, lower turnover, increased recruitment and retention of talent), PARKROYAL on Kitchener Road now has plans to continue working with e2i to implement FWAs for the long-term, and to be ready for new ways of working when the economy recovers post-COVID.

PARKROYAL on Kitchener Road



SUSTAINING A HIGH-PERFORMING AND DEVELOPING A FUTURE-READY WORKFORCE SINGAPORE

To build a sustainable Workforce Singapore, staff are empowered to actively take ownership of their career growth and development. This ensures a strong sense of career ownership amongst our staff and enables them to be trained in other jobs functions. To forge ahead, it is important for Workforce Singapore to digitalise and leverage technology to serve the needs of Singaporeans and our stakeholders.

Own My Career initiative to empower staff to chart their own careers

Workforce Singapore will continue to drive a pervasive culture where staff are empowered to actively take ownership of their career growth and development. With building career resilience as one of Workforce Singapore's corporate thrusts, it is important to be able to walk the talk and build a strong sense of career ownership amongst our staff. The OMC initiative includes career profiling and advisory, career workshops, and the Job Sneak Peak (JSP) to allow staff to be exposed to other jobs functions. In 2019, Workforce Singapore piloted a "Shaping Your Future" workshop for 36 staff as well as JSP for four staff. HR Business Partners, who have been equipped with career advisory skills, will support staff in their career journey.

Increased efficiency by leveraging technology

To ensure that Workforce Singapore keeps pace in a digital economy, it is important to leverage technology when serving our customers and stakeholders. Workforce Singapore started utilising RPA in 2018 to automate administrative tasks such as tracking the payment of invoices which enabled us to achieve 100% prompt invoice payment for the first time.

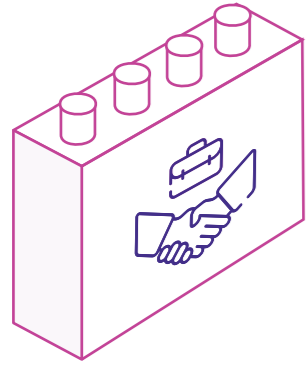
In line with our WSG2025 Strategic Plan, Workforce Singapore rolled out RPA programmes for officers to learn the step-by-step of automating business processes. In 2019, about 150 staff attended RPA training, 92 of whom acquired the skills to implement RPA projects. 27 processes have since been 'RPA-ed', which are expected to yield an estimated time savings of 5,537 hours annually, equivalent to 692 man-days.

Transformation Support Group (TSG)

To support the realisation of the WSG2025 Strategic Plan, the Transformation Support Group (TSG) was officially formed in April 2020 to drive Workforce Singapore's digitalisation and transformation efforts. TSG will support the conceptualisation and implementation of Workforce Singapore's data and digitalisation strategy, as well as innovation efforts throughout Workforce Singapore. In addition, TSG will continuously explore ways to improve and simplify existing initiatives such as PCPs and CC4.0, while driving new ones.

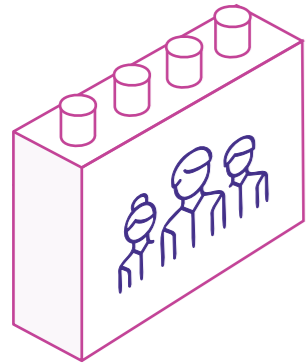


LOOKING AHEAD TO 2020



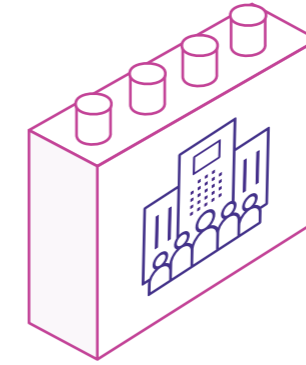
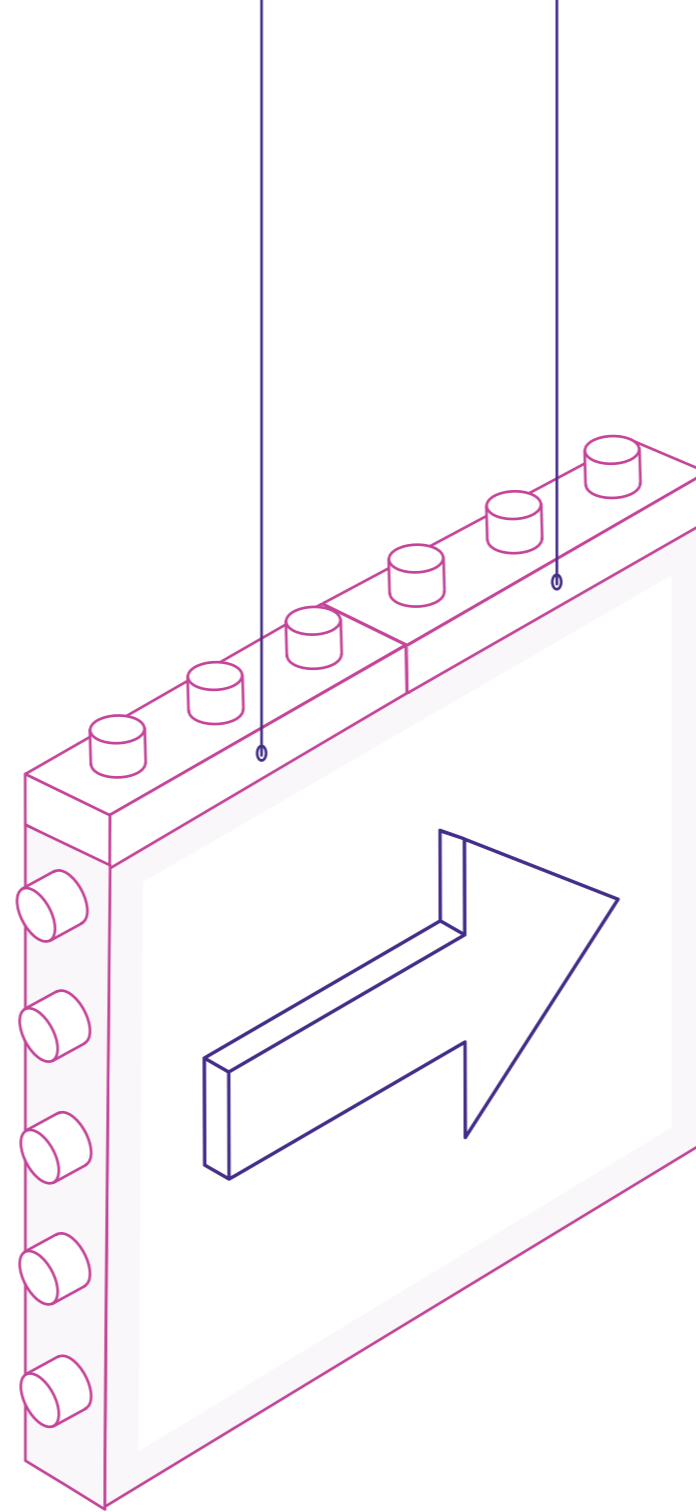
Industry 4.0 Human Capital Initiative

To strengthen human capital practices amidst industry transformation efforts by leveraging i4.0 solutions, Workforce Singapore will be rolling out the IHCI in Q2 2020 for the manufacturing sector. IHCI seeks to scale and augment the adoption of strategic human capital capability to support companies' adoption of technology solutions. The initiative comprises two interventions; IHCI self-help portal and IHCI Enabler Programme. Over the next three years, up to 1,000 companies are expected to leverage the self-help portal and 300 companies will go through the Enabler Programme.



HR Tech Transformation Programme

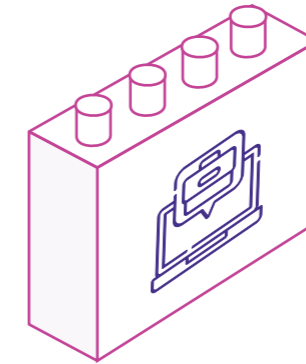
A pilot programme aimed at driving HR tech adoption and job redesign amongst enterprises, automating manual HR transactional functions and freeing up HR professionals' time to perform higher value-added work such as strategic workforce planning and HR analytics, and building a good employee value proposition to attract and retain talent.



Support for Job Redesign under Productivity Solutions Grant (PSG-JR)

PSG-JR provides companies access to a panel of pre-approved Job Redesign (JR) consultants to support companies' JR efforts which leads to business growth and transformation. Through the implementation of customised JR solutions supported by the pre-approved consultants, companies can expect enhancement of job quality, and more attractive jobs for employees. Companies will find it easier to hire and retain workers to support their businesses and optimise their manpower.

In addition to the Job Redesign Framework and Workshops to guide companies, the PSG-JR provides Workforce Singapore with another opportunity to further the job redesign efforts in sectors such as Environmental Services and Security. Workforce Singapore will continue to work closely with sectoral agencies and stakeholders on holistic solutions to advocate and embark on workforce transformation.



Integrated Tech Career Services

To enhance the employability and facilitate employment opportunities for jobseekers in search of Infocomm jobs, SG Tech will provide career advisory services as part of the Integrated Tech Career Services initiative. During the pilot phase, jobseekers will be able to access a suite of services such as career preparatory workshops, career support groups, networking and speed interview events via a tech portal.

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FINANCIAL STATEMENTS





Workforce Singapore Agency

Registration Number: T08GB0060H

Financial Statements and the Statement by the Board of Workforce Singapore Agency

Year ended 31 March 2020

Statement by the Board of Workforce Singapore Agency

In our opinion:

- (a) the accompanying financial statements of Workforce Singapore Agency ("WSG") as set out on pages FS1 to FS39 are properly drawn up in accordance with the provisions of the Workforce Singapore Agency Act, Cap. 305D (the "Act"), the Public Sector (Governance) Act, Act 5 of 2018 (the "Public Sector (Governance) Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of WSG as at 31 March 2020, and the results, changes in equity and cash flows of WSG for the year ended on that date.
- (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 and the Public Sector (Governance) Act.
- (c) 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 the Public Sector (Governance) Act.

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

On behalf of the Board of Workforce Singapore Agency



Lim Ming Yan
Chairman



Tan Choon Shian
Chief Executive

28 July 2020



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Independent auditors' report

Members of WSG
Workforce Singapore 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 of WSG as at 31 March 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS39.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Workforce Singapore Agency Act, Cap. 305D (the "Act"), the Public Sector (Governance) Act, Act 5 of 2018 (the "Public Sector (Governance) Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of WSG as at 31 March 2020, and the results, changes in equity and cash flows of WSG for the year ended on that date.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

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

We have obtained the Statement by the Board of Workforce Singapore Agency prior to the date of this auditors' report.

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.

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, the Public Sector (Governance) Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing 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.

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WSG's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause WSG to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 the Public Sector (Governance) Act; and
- (b) proper accounting and other records have been kept, including records of all assets of WSG whether purchased, donated or otherwise.

Basis for opinion

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

Responsibilities of management for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act and the Public Sector (Governance) Act. This responsibility includes monitoring related compliance requirements relevant to the Board, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditors' 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 and the Public Sector (Governance) 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 Board's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.



KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

28 July 2020

Statement of financial position
As at 31 March 2020

	Note	2020 \$	2019 \$
ASSETS			
Non-current assets			
Deposits and prepayments	4	2,231,467	112,839
Property, plant and equipment	5	13,822,448	2,203,858
Intangible assets	6	10,532,168	2,476,815
		<u>26,586,083</u>	<u>4,793,512</u>
Current assets			
Deposits and prepayments	4	2,023,894	2,742,221
Cash and cash equivalents	7	71,094,369	76,337,486
Other receivables	8	43,354,403	3,210,962
		<u>116,472,666</u>	<u>82,290,669</u>
Total assets		<u>143,058,749</u>	<u>87,084,181</u>
EQUITY AND LIABILITIES			
Equity			
Capital account	9	7,872,073	7,872,073
Share capital	10	1,000	1,000
Accumulated surplus			
- General Fund		29,568,345	19,989,674
- Restricted Funds	11	(5,703)	1,132,448
Total equity		<u>37,435,715</u>	<u>28,995,195</u>
Non-current liabilities			
Provision for reinstatement costs	12	236,210	112,710
Deferred capital grants	13	3,734,783	2,466,345
Lease liabilities	16	10,354,958	-
		<u>14,325,951</u>	<u>2,579,055</u>
Current liabilities			
Provision for reinstatement costs	12	241,237	369,245
Deferred capital grants	13	8,417,598	2,109,775
Other payables	14	62,521,057	47,016,806
Provision for contribution to consolidated fund	15	2,079,877	1,003,019
Lease liabilities	16	3,021,027	-
Government grants received in advance	17	15,016,287	5,011,086
		<u>91,297,083</u>	<u>55,509,931</u>
Total liabilities		<u>105,623,034</u>	<u>58,088,986</u>
Total equity and liabilities		<u>143,058,749</u>	<u>87,084,181</u>
Net assets of trust funds			
Skills Development Fund	26	-	-
Lifelong Learning Endowment Fund	27	118,324	2,198,956

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

Statement of comprehensive income
Year ended 31 March 2020

Note	2020			2019			
	General funds	Restricted funds	Total	General funds	Restricted funds	Total	
	\$	\$	\$	\$	\$	\$	
Income							
Operating income	18	211,303	–	211,303	183,077	–	183,077
Interest and other income	19	449,414	347,498	796,912	613,458	78,184	691,642
Total income		660,717	347,498	1,008,215	796,535	78,184	874,719
Expenditure							
Depreciation of property, plant and equipment	5	(2,031,480)	(1,248,459)	(3,279,939)	(248,257)	(340,285)	(588,542)
Amortisation of intangible assets	6	(304,257)	(3,978,079)	(4,282,336)	(20,045)	(2,043,935)	(2,063,980)
Staff costs	21	(40,120,456)	(8,401,108)	(48,521,564)	(42,791,981)	(4,422,414)	(47,214,395)
Grant disbursements		(40,952,250)	(221,037,865)	(261,990,115)	–	(149,984,600)	(149,984,600)
Lease expenses		(131)	(11,368)	(11,499)	(743,949)	(650,484)	(1,394,433)
Interest expense on lease liabilities		(126,046)	(77,290)	(203,336)	–	–	–
Professional services		(29,983,309)	(261,448)	(30,244,757)	(9,460,227)	(15,858,548)	(25,318,775)
Maintenance expenses		(17,626,711)	(7,925,017)	(25,551,728)	(9,157,188)	(10,727,175)	(19,884,363)
Supplies and materials		(358,183)	(50,258)	(408,441)	(462,251)	(60,081)	(522,332)
Public relations		(17,733,851)	623,900	(17,109,951)	(950,081)	(635,868)	(1,585,949)
Travel expenses		(385,867)	(11,881)	(397,748)	(384,072)	(5,839)	(389,911)
GST expenses		(5,064,800)	(1,143,289)	(6,208,089)	(1,780,957)	(1,717,163)	(3,498,120)
Temporary staff costs		(2,005,865)	(222,286)	(2,228,151)	(1,934,121)	(225,236)	(2,159,357)
Course-related trainers' fees		(159,600)	–	(159,600)	(125,960)	–	(125,960)
Others		(3,500,033)	(274,884)	(3,774,917)	(3,426,235)	(259,680)	(3,685,915)
Total expenditure		(160,352,839)	(244,019,332)	(404,372,171)	(71,485,324)	(186,931,308)	(258,416,632)
Deficit for the year before grants and contribution to consolidated fund	20	(159,692,122)	(243,671,834)	(403,363,956)	(70,688,789)	(186,853,124)	(257,541,913)

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

Statement of comprehensive income (continued)
 Year ended 31 March 2020

	Note	----- 2020 -----			----- 2019 -----		
		General funds	Restricted funds	Total	General funds	Restricted funds	Total
		\$	\$	\$	\$	\$	\$
Grants							
Grants from government	17	171,235,336	239,339,909	410,575,245	76,422,116	184,514,674	260,936,790
Deferred capital grants amortised	13	691,334	4,331,925	5,023,259	166,788	2,338,450	2,505,238
		<u>171,926,670</u>	<u>243,671,834</u>	<u>415,598,504</u>	<u>76,588,904</u>	<u>186,853,124</u>	<u>263,442,028</u>
Surplus for the year before contribution to consolidated fund		12,234,548	–	12,234,548	5,900,115	–	5,900,115
Contribution to consolidated fund	15	(2,079,877)	–	(2,079,877)	(1,003,019)	–	(1,003,019)
Net surplus for the year, representing total comprehensive income for the year		<u>10,154,671</u>	<u>–</u>	<u>10,154,671</u>	<u>4,897,096</u>	<u>–</u>	<u>4,897,096</u>

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

Statement of changes in equity
 Year ended 31 March 2020

	Capital account \$	Share capital \$	Accumulated surplus		Total \$
			General fund \$	Restricted fund \$	
At 1 April 2018	7,872,073	1,000	15,092,578	1,132,448	24,098,099
Net surplus for the year, representing total comprehensive income for the year	–	–	4,897,096	–	4,897,096
Balance at 31 March 2019	7,872,073	1,000	19,989,674	1,132,448	28,995,195
Net surplus for the year, representing total comprehensive income for the year	–	–	10,154,671	–	10,154,671
Transactions with owners, recognised directly in equity					
Return of unutilised accumulated surplus on restricted funds to government	–	–	–	(1,138,151)	(1,138,151)
Dividend paid*	–	–	(576,000)	–	(576,000)
Balance at 31 March 2020	7,872,073	1,000	29,568,345	(5,703)	37,435,715

* The dividend paid of \$576,000 (2019: \$nil) was made in accordance with the Capital Management Framework for Statutory Boards outlined in Finance Circular Minute No. M26/2008.

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

Statement of cash flows
Year ended 31 March 2020

	Note	2020 \$	2019 \$
Cash flows from operating activities			
Deficit for the year before grants and contribution to consolidated fund		(403,363,956)	(257,541,913)
Adjustments for:			
Depreciation of property, plant and equipment	5	3,279,939	588,542
Amortisation of intangible assets	6	4,282,336	2,063,980
Interest income	19	(794,702)	(689,412)
Allowance for impairment loss reversed on other receivables	20	–	(234)
Interest expense on lease liabilities	23	203,336	–
Reversal of overprovision for reinstatement costs		(13,645)	(154,113)
		<u>(396,406,692)</u>	<u>(255,733,150)</u>
Changes in working capital:			
Deposits and prepayments		(1,400,301)	(1,299,170)
Other receivables		1,768,824	984,478
Other payables		15,504,251	(15,041,364)
Cash used in operations		<u>(380,533,918)</u>	<u>(271,089,206)</u>
Contribution to consolidated fund		(1,003,019)	(767,500)
Net cash used in operating activities		<u>(381,536,937)</u>	<u>(271,856,706)</u>
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(12,599,520)	(481,457)
Interest received		633,007	478,892
Net cash used in investing activities		<u>(11,966,513)</u>	<u>(2,565)</u>
Cash flows from financing activities			
Payment of lease liabilities		(1,251,576)	–
Interest paid		(203,336)	–
Return of unutilised accumulated surplus on restricted funds to government		(1,138,151)	–
Dividend paid		(576,000)	–
Grants received from government		391,429,396	260,765,125
Net cash from financing activities		<u>388,260,333</u>	<u>260,765,125</u>
Net decrease in cash and cash equivalents		(5,243,117)	(11,094,146)
Cash and cash equivalents at beginning of year		<u>76,337,486</u>	<u>87,431,632</u>
Cash and cash equivalents at end of year	7	<u>71,094,369</u>	<u>76,337,486</u>

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

Notes to financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 July 2020.

1 Domicile and activities

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 job 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.

WSG has renamed from WDA with effect from 4 October 2016 under Singapore Workforce Development Agency (Amendment) Act 2016, approved by Parliament on 16 August 2016 and assented by the President of the Republic of Singapore on 22 September 2016.

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;
- (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.

2 Basis of preparation

2.1 Statement of compliance

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

This is the first set of WSG's annual financial statements in which SB-FRS 116 *Leases* has been applied. The related changes to significant accounting policies are described in note 2.5.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the functional currency of WSG. All financial information presented in Singapore dollars have been rounded to the nearest dollar, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SB-FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements made in applying WSG's accounting policies and no assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Measurement of fair values

A number of WSG's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, WSG uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

2.5 Changes in accounting policies

New standards and amendments

WSG has applied the following SB-FRSs, amendments to and interpretations of SB-FRSs for the first time for the annual period beginning on 1 April 2019:

- SB-FRS 116 *Leases*
- INT SB-FRS 123 *Uncertainty over Income Tax Treatments*
- *Long-term Interests in Associates and Joint Ventures* (Amendments to SB-FRS 28)
- *Prepayment Features with Negative Compensation* (Amendments to SB-FRS 109)
- *Previously Held Interest in a Joint Operation* (Amendments to SB-FRS 103 and 111)
- *Income Tax Consequences of Payments on Financial Instruments Classified as Equity* (Amendments to SB-FRS 12)
- *Borrowing Costs Eligible for Capitalisation* (Amendments to SB-FRS 23)
- *Plan Amendment, Curtailment or Settlement* (Amendments to SB-FRS 19)

Other than SB-FRS 116, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

SB-FRS 116 Leases

WSG applied SB-FRS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in accumulated surplus at 1 April 2019. Accordingly, the comparative information presented for 2018 is not restated – i.e. it is presented, as previously reported, under SB-FRS 17 and related interpretations. The details of the changes in accounting policies are disclosed below. Additionally, the disclosure requirements in SB-FRS 116 have not generally been applied to comparative information.

Definition of a lease

Previously, WSG determined at contract inception whether an arrangement was or contained a lease under INT SB-FRS 104 *Determining whether an Arrangement contains a Lease*. WSG now assesses whether a contract is or contains a lease based on the definition of a lease, as explained in SB-FRS 116.

On transition to SB-FRS 116, WSG elected to apply the practical expedient to grandfather the assessment of which transactions are leases. WSG applied SB-FRS 116 only to contracts that were previously identified as leases. Contracts that were not identified as leases under SB-FRS 17 and INT SB-FRS 104 were not reassessed for whether there is a lease under SB-FRS 116. Therefore, the definition of a lease under SB-FRS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

As a lessee

As a lessee, WSG leases office premises and office equipment. WSG previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to WSG. Under SB-FRS 116, WSG recognises right-of-use assets and lease liabilities for most of these leases – i.e. these leases are on-balance sheet.

At commencement or on modification of a contract that contains a lease component, WSG allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of property WSG has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

Leases classified as operating leases under SB-FRS 17

Previously, WSG classified leases of office premises and office equipment as operating leases under SB-FRS 17. On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the respective lessee entities incremental borrowing rates applicable to the leases as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. WSG applied this approach to all other leases.

WSG has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

WSG used a number of practical expedients when applying SB-FRS 116 to leases previously classified as operating leases under SB-FRS 17. In particular, WSG excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application and used hindsight when determining the lease term.

Impact on financial statements

On transition to SB-FRS 116, WSG recognised additional right-of-use assets, and additional lease liabilities. The impact on transition is summarised below.

	1 April 2019 \$
Right-of-use assets – property, plant and equipment	2,322,884
Lease liabilities	<u><u>(2,322,884)</u></u>

When measuring lease liabilities for leases that were classified as operating leases, WSG discounted lease payments using its incremental borrowing rate at 1 April 2019. The weighted-average rate applied is 3.2%.

	1 April 2019 \$
Operating lease commitments at 31 March 2019 as disclosed under SB-FRS 17 in WSG’s financial statements	<u><u>2,353,539</u></u>
Discounted using the incremental borrowing rate at 1 April 2019	<u>2,322,884</u>
Lease liabilities recognised at 1 April 2019	<u><u>2,322,884</u></u>

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addressed changes in accounting policies.

3.1 Property, plant and equipment

Recognition and measurement

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes: the cost of materials and direct labour; any other costs directly attributable to bringing the assets to a working condition for their intended use; when WSG has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and capitalised borrowing costs.

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

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

Subsequent costs

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

Depreciation

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

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

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

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

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

Furniture and fittings	8 years
Office equipment	5 years
Computer equipment	3 to 5 years
Mechanical and electrical equipment	10 years
Office premises	Based on the lease terms

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

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

3.2 Intangible assets

Intangible assets that are acquired by WSG and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in income or expenditure as incurred.

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

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

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

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

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 income or expenditure in the year the asset is derecognised.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when WSG becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless WSG changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

WSG makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the respective financial assets and the operation of those policies in practice;
- how the performance of the respective financial assets is evaluated and reported to WSG's management;
- the risks that affect the performance of the business model and how those risks are managed; and
- the frequency, volume and timing of disposals of financial assets in prior periods, the reasons for such disposals and its expectations about future activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with WSG's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, WSG considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, WSG considers:

- contingent events that would change the amount or timing of cash flows;
- prepayment and extension features; and
- terms that limit WSG's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in income or expenditure. Any gain or loss on derecognition is recognised in income or expenditure.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

WSG classifies non-derivative financial liabilities into the other financial liabilities category.

Other financial liabilities are initially measured at fair value less any directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in income or expenditure.

(iii) Derecognition

Financial assets

WSG derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or it neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that is created or retained by WSG is recognised as a separate asset or liability.

WSG enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

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

(iv) **Offsetting**

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

(v) **Cash and cash equivalents**

Cash and cash equivalents comprise cash maintained centrally with the Accountant-General's Department ("AGD") as a consolidated pool, cash balances and short-term deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by WSG in the management of its short-term commitments.

(vi) **Share capital**

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

3.4 **Impairment**

(i) **Non-derivative financial assets**

WSG recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs.

Loss allowances of WSG are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

WSG applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

WSG applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, WSG assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, WSG considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on WSG's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

WSG assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

WSG considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to WSG in full, without recourse by WSG to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

WSG considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to WSG in full, without recourse by WSG to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which WSG is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that WSG expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, WSG assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- advance by WSG on terms that WSG would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when WSG determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with WSG's procedures for recovery of amounts due.

(ii) Non-financial assets

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

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

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

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

3.5 Provisions

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

Reinstatement costs

In accordance with the applicable terms and conditions in the lease agreements governing WSG's use of assets under operating leases a provision for reinstatement costs in respect of the leased premises, and the related expense, was recognised at the date of inception of the lease.

The provision is reviewed annually based on external quotations and any changes are reflected in the present value of the provision at the end of the reporting period.

3.6 Employee benefits

Defined contribution plans

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

Short-term employee benefits

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

Employee leave entitlements

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

3.7 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.

Capital grants

Government grants whose primary condition is that WSG should purchase, construct or otherwise acquire non-current assets are recognised as deferred capital grants 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.

Operating grants

Operating 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 expenditure in the period in which they become receivable.

3.8 Trust funds

Trust 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 trust 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"). Trust funds are accounted for on an accruals basis.

3.9 Restricted funds

These are funds earmarked for specific purposes and for which separate disclosure is necessary as these funds are material. There are legal and other restrictions on the ability of WSG to distribute or otherwise apply its funds. The treatment is in accordance with Guidance Note 1 issued by the Accountant General Department ("AGD"). Restricted funds are accounted for on an accruals basis.

3.10 Income

Income from services rendered in the ordinary course of WSG's operations is recognised when WSG satisfies a performance obligation ("PO") to the customer.

Workers' assessment fees

Income from workers' assessment fees are recognised at a point in time when the assessment tests are undertaken.

Application fees

Income from application fees are recognised when the application for WSG Career Development Framework ("CDF") credential have been approved.

Course fees

Income from course fees are recognised upon attendance of the courses by the participants.

3.11 Interest income and interest expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.12 Leases

WSG has applied SB-FRS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under SB-FRS 17 and INT SB-FRS 104. The details of accounting policies under SB-FRS 17 and INT SB-FRS 104 are disclosed separately.

Policy applicable from 1 April 2019

At inception of a contract, WSG assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, WSG uses the definition of a lease in SB-FRS 116.

This policy is applied to contracts entered into, on or after 1 April 2019.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, WSG allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property WSG has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

WSG recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to WSG by the end of the lease term or the cost of the right-of-use asset reflects that WSG will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, WSG's incremental borrowing rate. Generally, WSG uses its incremental borrowing rate as the discount rate.

WSG determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that WSG is reasonably certain to exercise, lease payments in an optional renewal period if WSG is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless WSG is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in WSG's estimate of the amount expected to be payable under a residual value guarantee, if WSG changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in income or expenditure if the carrying amount of the right-of-use asset has been reduced to zero.

WSG presents right-of-use assets in 'property, plant and equipment' in the statement of financial position.

Short-term leases and leases of low-value assets

WSG has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including computer equipment. WSG recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessee

In the comparative period, assets classified as operating leases and were not recognised in WSG's statement of financial position. Payments made under operating leases were recognised in income or expenditure on a straight-line basis over the term of the lease. Lease incentives received were recognised as an integral part of the total lease expense, over the term of the lease.

3.13 Contribution to consolidated fund

In lieu of income tax, WSG is required to make contributions to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act (Cap 319A, 2004 Revised Edition) and in accordance with the Finance Circular Minute No. M5/2005 with effect from 2004/2005. The contribution is based on a percentage, as decided by Ministry of Finance, of the net surplus of WSG for the financial period. Contribution is provided for on an accruals basis.

3.14 New standards and interpretations not adopted

A number of new standards, interpretations and amendments to standards are effective for annual periods beginning after 1 April 2019 and earlier application is permitted; however, WSG has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SB-FRSs, interpretations and amendments to SB-FRSs are not expected to have a significant impact on WSG's financial statements.

- *Amendments to References to Conceptual Framework in FRS Standards*
- *Definition of a Business* (Amendments to SB-FRS 103)
- *Definition of Material* (Amendments to SB-FRS 1 and SB-FRS 8)
- SB-FRS 117 *Insurance Contracts*

4 Deposits and prepayments

	2020 \$	2019 \$
Deposits	2,396,708	956,615
Prepayments	1,858,653	1,898,445
	<u>4,255,361</u>	<u>2,855,060</u>
Represented by:		
Non-current portion	2,231,467	112,839
Current portion	2,023,894	2,742,221
	<u>4,255,361</u>	<u>2,855,060</u>

5 Property, plant and equipment

	Furniture and fittings \$	Office equipment \$	Computer equipment \$	Mechanical and electrical equipment \$	Office premises \$	Work-in-progress \$	Total \$
Cost							
At 1 April 2018	2,013,893	608,516	41,771	106,062	–	352,223	3,122,465
Additions	237,456	67,714	98,973	99,880	–	–	504,023
Transfer	250,490	29,494	72,239	–	–	(352,223)	–
Written off	(161,220)	–	–	–	–	–	(161,220)
At 31 March 2019 and 1 April 2019	2,340,619	705,724	212,983	205,942	–	–	3,465,268
Recognition of right-of-use asset on initial application of SB-FRS 116	–	–	–	–	2,322,884	–	2,322,884
Adjusted balance at 1 April 2019	2,340,619	705,724	212,983	205,942	2,322,884	–	5,788,152
Additions	9,137	29,415	–	–	12,304,677	232,416	12,575,645
Written off	(46,709)	(145,018)	(26,570)	–	–	–	(218,297)
At 31 March 2020	2,303,047	590,121	186,413	205,942	14,627,561	232,416	18,145,500
Accumulated depreciation							
At 1 April 2018	605,804	186,570	32,875	8,839	–	–	834,088
Depreciation for the year	372,900	138,710	56,338	20,594	–	–	588,542
Written off	(161,220)	–	–	–	–	–	(161,220)
At 31 March 2019 and 1 April 2019	817,484	325,280	89,213	29,433	–	–	1,261,410
Depreciation for the year	505,974	208,889	65,692	74,059	2,425,325	–	3,279,939
Written off	(46,709)	(145,018)	(26,570)	–	–	–	(218,297)
At 31 March 2020	1,276,749	389,151	128,335	103,492	2,425,325	–	4,323,052
Carrying amounts							
At 1 April 2018	1,408,089	421,946	8,896	97,223	–	352,223	2,288,377
At 31 March 2019	1,523,135	380,444	123,770	176,509	–	–	2,203,858
At 31 March 2020	1,026,298	200,970	58,078	102,450	12,202,236	232,416	13,822,448

As at 31 March 2020, property, plant and equipment includes right-of-use assets of \$12,202,236 related to leased office premises.

6 Intangible assets

	Computer software \$	Assets under development \$	Total \$
Cost			
At 1 April 2018	11,016,779	–	11,016,779
Additions	144,574	–	144,574
At 31 March 2019	11,161,353	–	11,161,353
Additions	10,432,036	1,905,653	12,337,689
Written off	(76,194)	–	(76,194)
At 31 March 2020	21,517,195	1,905,653	23,422,848
Accumulated amortisation			
At 1 April 2018	6,620,558	–	6,620,558
Amortisation for the year	2,063,980	–	2,063,980
At 31 March 2019	8,684,538	–	8,684,538
Amortisation for the year	4,282,336	–	4,282,336
Written off	(76,194)	–	(76,194)
At 31 March 2020	12,890,680	–	12,890,680
Carrying amounts			
At 1 April 2018	4,396,221	–	4,396,221
At 31 March 2019	2,476,815	–	2,476,815
At 31 March 2020	8,626,515	1,905,653	10,532,168

7 Cash and cash equivalents

	2020 \$	2019 \$
Centralised Liquidity Management (“CLM”) deposits held with AGD ⁽ⁱ⁾	71,094,369	76,337,486

⁽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 1.93% (2019: 1.76%) per annum.

8 Other receivables

	Note	2020 \$	2019 \$
Other receivables		1,055,851	870,796
Less: Allowance for impairment loss		(96)	(96)
Net other receivables		1,055,755	870,700
Amount due from MOM - RF	17	29,216,979	640,594
Amount due from SSG		536,768	661,918
Amount due from NPF	17	176,122	–
Amount due from SDF	17	68,100	–
Amount due from MOM - ATB	17	12,129,739	–
Amount due from LLEF	27	170,940	1,037,750
		<u>43,354,403</u>	<u>3,210,962</u>

The amount due from SSG is unsecured, interest free and repayable within a credit period of 30 days.

9 Capital account

Capital account represents the Government's capital contribution for the establishment of Singapore Workforce Development Agency on 1 September 2003.

10 Share capital

	2020 Number of shares	2019 Number of shares	2020 \$	2019 \$
Issued and fully paid with no par value				
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.

Capital management

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.

11 Statement of comprehensive income – Restricted funds

	CES		MOM - RF		MOM - ATB		Operations funded by SDF		Operations funded by LLEF		NPF		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Income														
Operating income	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other income	–	–	34	(2)	122	9	23	11	144	60	24	–	347	78
Expenditure														
Depreciation of property, plant and equipment	–	–	(911)	(47)	–	–	–	–	(338)	(293)	–	–	(1,249)	(340)
Amortisation of intangible assets	–	–	(2,299)	(68)	–	(34)	–	–	(1,679)	(1,941)	–	–	(3,978)	(2,043)
Staff costs	–	–	(8,401)	(2,275)	–	–	–	219	–	15	–	(2,382)	(8,401)	(4,423)
Grant disbursements	–	–	(4,892)	(7,815)	(214,890)	(141,170)	–	–	–	–	(1,256)	(1,000)	(221,038)	(149,985)
Lease expenses	–	–	(11)	(362)	–	–	–	–	–	–	–	(288)	(11)	(650)
Interest expense on lease liabilities	–	–	(77)	–	–	–	–	–	–	–	–	–	(77)	–
Professional services	–	–	(468)	(1,804)	(14)	(2,518)	107	(2,692)	113	(8,845)	–	–	(262)	(15,859)
Maintenance expenses	–	–	(7,233)	(3,597)	(859)	(798)	–	(4,462)	167	(1,724)	–	(146)	(7,925)	(10,727)
Suppliers and materials	–	–	(50)	(53)	–	(2)	–	–	–	–	–	(5)	(50)	(60)
Public relations	–	–	631	(631)	(7)	(5)	–	–	–	–	–	–	624	(636)
Travel expenses	–	–	(12)	(5)	–	–	–	–	–	–	–	(1)	(12)	(6)
GST expenses	–	–	(649)	(410)	(180)	(152)	(85)	(525)	(230)	(596)	1	(35)	(1,143)	(1,718)
Temporary staff costs	–	–	(190)	(147)	(32)	(23)	–	–	–	–	–	(55)	(222)	(225)
Others	–	–	(21)	(14)	(254)	(245)	–	–	–	–	–	–	(275)	(259)
Total expenditure	–	–	(24,583)	(17,228)	(216,236)	(144,947)	22	(7,460)	(1,967)	(13,384)	(1,255)	(3,912)	(244,019)	(186,931)
Deficit for the year before grants and contribution to consolidated fund	–	–	(24,549)	(17,230)	(216,114)	(144,938)	45	(7,449)	(1,823)	(13,324)	(1,231)	(3,912)	(243,672)	(186,853)
Grants from government	–	–	22,234	17,160	216,114	144,904	(45)	7,449	(194)	11,090	1,231	3,912	239,340	184,515
Deferred capital grants amortised	–	–	2,315	70	–	34	–	–	2,017	2,234	–	–	4,332	2,338
	–	–	24,549	17,230	216,114	144,938	(45)	7,449	1,823	13,324	1,231	3,912	243,672	186,853
Net deficit for the year	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Accumulated surplus/(deficit) at the beginning of the year	1,138	1,138	25	25	–	–	(31)	(31)	–	–	–	–	1,132	1,132
Return of unutilised accumulated surplus	(1,138)	–	–	–	–	–	–	–	–	–	–	–	(1,138)	–
Accumulated surplus/(deficit) at the end of the year	–	1,138	25	25	–	–	(31)	(31)	–	–	–	–	(6)	1,132

12 Provision for reinstatement costs

	2020 \$	2019 \$
At beginning of the year	481,955	468,928
Provision made during the year	9,137	167,140
Reversal of overprovision for reinstatement costs	(13,645)	(154,113)
At end of the year	<u>477,447</u>	<u>481,955</u>
Represented by:		
Non-current portion	236,210	112,710
Current portion	241,237	369,245
	<u>477,447</u>	<u>481,955</u>

Provision for reinstatement costs is the estimated costs to restore any or all parts of WSG's leased premises to their state and condition as at the commencement of the lease terms. The provision is expected to be utilised upon return of WSG's leased premises.

13 Deferred capital grants

	Note	2020 \$	2019 \$
At beginning of the year		4,576,120	6,599,900
Amounts transferred from government grants received in advance	17	12,599,520	481,458
		<u>17,175,640</u>	<u>7,081,358</u>
Amortisation of deferred capital grants		(5,023,259)	(2,505,238)
At end of the year		<u>12,152,381</u>	<u>4,576,120</u>
Represented by:			
Non-current portion		3,734,783	2,466,345
Current portion		8,417,598	2,109,775
		<u>12,152,381</u>	<u>4,576,120</u>

14 Other payables

	Note	2020 \$	2019 \$
Other payables			
- Related parties		6,620,324	3,016,940
- Third parties		3,205,744	1,177,914
Accrued operating expenses		12,206,591	10,210,142
Advance receipts		723	40
Amount due to SSG		19,192,180	32,580,027
Amount due to SDF	26	21,295,495	-
Amount due to LLEF	27	-	31,743
		<u>62,521,057</u>	<u>47,016,806</u>

The amount due to SSG is unsecured, interest-free and repayable within a credit period of 30 days.

15 Contribution to consolidated fund

	2020 \$	2019 \$
Surplus for the year before contribution to consolidated fund	12,234,548	5,900,115
Contribution to consolidated fund at 17% (2019: 17%) as presented in the statement of financial position and statement of comprehensive income	2,079,877	1,003,019

16 Lease liabilities

	2020 \$	2019 \$
Non-current	10,354,958	–
Current	3,021,027	–
	13,375,985	–

The incremental borrowing rate of WSG's lease liabilities is 3.2% (2018: Nil) per annum during the year.

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

	Lease liabilities 2020 \$
Adjusted balance as at 1 April 2019	2,322,884
Changes from financing cash flows	
Payment of lease liabilities	(1,251,576)
Interest paid	(203,336)
Total changes from financing cash flows	(1,454,912)
Other changes	
New leases	12,304,677
Interest expense on lease liabilities	203,336
Total liability-related other changes	12,508,013
Balance as at 31 March 2020	13,375,985

17 Government grants received in advance

	Note	CES ⁽ⁱ⁾ \$	MOM - RF ⁽ⁱⁱ⁾ \$	MOM - ATB ⁽ⁱⁱⁱ⁾ \$	NPF ^(iv) \$	Operations funded by SDF ^(v) \$	Operations funded by LLEF ^(vi) \$	Operating grants \$	Total \$
At 1 April 2018		2,462,888	222,796	–	–	710,293	589,888	–	3,985,865
Grants received during the financial year		–	16,305,204	145,000,000	3,912,000	6,843,207	11,943,662	76,761,052	260,765,125
		2,462,888	16,528,000	145,000,000	3,912,000	7,553,500	12,533,550	76,761,052	264,750,990
Grants receivable in the next financial year	8	–	640,594	–	–	–	1,037,750	–	1,678,344
Transfer to income or expenditure		–	(17,159,209)	(144,904,186)	(3,912,000)	(7,449,439)	(11,089,840)	(76,422,116)	(260,936,790)
Transfer to deferred capital grants	13	–	(9,385)	–	–	–	(133,137)	(338,936)	(481,458)
At 31 March 2019 and 1 April 2019		2,462,888	–	95,814	–	104,061	2,348,323	–	5,011,086
Grants (returned)/received during the financial year		(2,462,888)	16,336,272	203,889,332	1,080,000	1,000	1,000	172,584,680	391,429,396
		–	16,336,272	203,985,146	1,080,000	105,061	2,349,323	172,584,680	396,440,482
Grants receivable in the next financial year	8	–	29,216,979	12,129,739	176,122	68,100	159,630	–	41,750,570
Transfer to income or expenditure		–	(22,233,532)	(216,114,885)	(1,231,559)	44,325	195,742	(171,235,336)	(410,575,245)
Transfer to deferred capital grants	13	–	(11,039,608)	–	–	–	(210,568)	(1,349,344)	(12,599,520)
At 31 March 2020		–	12,280,111	–	24,563	217,486	2,494,127	–	15,016,287

(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 the financial years ended 31 March 2005 and 2006. In 2007, 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) **Reinvestment Funds**

Reinvestment Funds ("RF") are provided by Ministry of Finance ("MOF") through Ministry of Manpower ("MOM") 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.

(iii) **Above-The-Block**

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

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

(iv) **National Productivity Fund**

National Productivity Fund ("NPF") is a Government fund administered by the Productivity Fund Administration Board ("PFAB") to fund initiatives related to productivity enhancement and continuing education. There are various types of NPF allocated on multiple years' basis.

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

Starting from the financial year ended 31 March 2011, 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.

18 Operating income

	2020	2019
	\$	\$
Workers' assessment fees	–	6,908
Application fees	7,540	4,680
Course fees	203,763	171,489
	<u>211,303</u>	<u>183,077</u>

19 Interest and other income

	2020	2019
	\$	\$
Interest income from:		
- Short-term bank deposits	3	3
- CLM deposits held with AGD	794,699	689,409
Others	2,210	2,230
	<u>796,912</u>	<u>691,642</u>

20 Deficit for the year before grants and contribution to consolidated fund

The following items have been included in arriving at deficit for the year before grants and contribution to consolidated fund:

	2020	2019
	\$	\$
Allowance for impairment loss reversed on other receivables	–	234
Loss on property, plant and equipment and intangible assets written off	(600)	–
Net foreign exchange loss	<u>(11,837)</u>	<u>(3,020)</u>

21 Staff costs

	2020	2019
	\$	\$
Wages and salaries	40,312,782	39,469,272
Contributions to defined contribution plans	5,750,891	4,919,810
Staff training and benefits	2,409,415	2,779,126
Skills development levy	48,476	46,187
	<u>48,521,564</u>	<u>47,214,395</u>

22 Financial instruments

Overview

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

- credit risk
- liquidity risk
- market risk

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

Risk management framework

WSG has documented financial risk management policies. These policies set out WSG's overall business strategies and its risk management philosophy. WSG's overall financial risk management objective seeks to minimise potential adverse effects on its financial performance. It is WSG's policy not to hold derivative financial instruments for speculative purposes although such instruments may be used for hedging exposure.

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

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

WSG has established a governance, risk and compliance framework which sets out, amongst other things, the governance oversight, risk measurement and monitoring processes, to enhance its overall risk management. As part of the risk management process, the management of WSG also conducts ongoing review of its financial assets held in the investment portfolio.

Credit risk

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

At the reporting date, WSG's credit risk is limited as the major classes of financial assets are cash and deposits with AGD 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.

Expected credit loss assessment

Other receivables

The ageing of other receivables at the reporting date was as follows:

	Gross 2020 \$	Loss allowance 2020 \$	Gross 2019 \$	Impairment loss 2019 \$
Not past due	43,351,863	–	3,168,176	–
Past due 1 – 90 days	2,540	–	42,786	–
Past due more than 90 days	96	96	96	96
	<u>43,354,499</u>	<u>96</u>	<u>3,211,058</u>	<u>96</u>

The credit period on rendering of services is 30 days (2019: 30 days). No interest is charged on the other receivables and no collateral is held by WSG over the other receivables.

The movement in the allowance for impairment loss was as follows:

	2020 \$	2019 \$
Balance at beginning of the year	96	330
Reversal to income or expenditure	–	(234)
Balance at end of the year	<u>96</u>	<u>96</u>

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 other receivables are within their expected cash collection cycle.

WSG does not require collateral in respect of other receivables. WSG does not have receivables for which no loss allowance is recognised because of collateral.

Based on WSG's monitoring of customer credit risk, WSG believes that, apart from the above, no loss allowance is necessary in respect of other receivables.

Cash and cash equivalents

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. WSG considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The amount of the allowance on cash and cash equivalents is negligible.

Liquidity risk

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

WSG manages liquidity risk by maintaining sufficient funding from the Government to finance its operations and to mitigate the effects of fluctuations in cash flows.

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

	Carrying amount \$	Cash flows		
		Contractual cash flows \$	Within 1 year \$	Between 2 to 5 years \$
31 March 2020				
Non-derivative financial liabilities				
Other payables	62,521,057	(62,521,057)	(62,521,057)	–
Lease liabilities	13,375,985	(14,143,808)	(3,420,484)	(10,723,324)
	<u>75,897,042</u>	<u>(76,664,865)</u>	<u>(65,941,541)</u>	<u>(10,723,324)</u>
31 March 2019				
Non-derivative financial liability				
Other payables	<u>47,016,806</u>	<u>(47,016,806)</u>	<u>(47,016,806)</u>	–

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

Market risk

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

Interest rate risk

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

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 7).

Determination of fair values

Other financial assets and liabilities

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

Accounting classification and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, for the current year the fair value disclosure of lease liabilities is also not required.

	Amortised cost \$	Other financial liabilities \$	Total carrying amount \$	Fair value \$
31 March 2020				
Financial assets not measured at fair value				
Deposits	2,396,708	–	2,396,708	2,396,708
Other receivables	43,354,403	–	43,354,403	43,354,403
Cash and cash equivalents	71,094,369	–	71,094,369	71,094,369
	<u>116,845,480</u>	<u>–</u>	<u>116,845,480</u>	<u>116,845,480</u>
Financial liability not measured at fair value				
Other payables	–	(62,521,057)	(62,521,057)	(62,521,057)
31 March 2019				
Financial assets not measured at fair value				
Deposits	956,615	–	956,615	956,615
Other receivables	3,210,962	–	3,210,962	3,210,962
Cash and cash equivalents	76,337,486	–	76,337,486	76,337,486
	<u>80,505,063</u>	<u>–</u>	<u>80,505,063</u>	<u>80,505,063</u>
Financial liability not measured at fair value				
Other payables	–	(47,016,806)	(47,016,806)	(47,016,806)

23 Leases

Leases as lessee (SB-FRS 116)

WSG has entered into lease agreements for leases of office premises. The leases typically run for a period of 2 to 3 years, with an option to renew the lease after that date. Lease payments are renegotiated every 2 to 3 years to reflect market rentals. For certain leases, WSG is restricted from entering into any sub-lease arrangements.

Information about leases for which WSG is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see Note 5).

	Office premises 2020 \$
Balance at 1 April	2,322,884
Depreciation charge for the year	(2,425,325)
Additions to right-of-use assets	<u>12,304,677</u>
Balance at 31 March	<u>12,202,236</u>
Amounts recognised in income or expenditure	
	\$
2020 – Leases under SB-FRS 116	
Interest on lease liabilities	203,336
Expenses relating to short-term leases	<u>11,499</u>
2019 – Operating leases under SB-FRS 17	
Lease expenses	<u>1,394,433</u>
Amounts recognised in statement of cash flows	
	2020 \$
Total cash outflow for leases	<u>1,466,411</u>

24 Related parties

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

Key management personnel compensation

Key management personnel of WSG are those persons having the authority and responsibility for planning, directing and controlling the activities of WSG. The Board of Directors, Chief Executive, Deputy Chief Executive, Group Directors and Directors are considered key management personnel of WSG.

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

	2020	2019
	\$	\$
Board of Directors fees	119,080	118,125
Wages and salaries	5,663,582	5,225,546
Employer's contribution to Central Provident Fund	283,491	322,213
	6,066,153	5,665,884

Other related party transactions

During the financial year, other than as disclosed elsewhere in the financial statements, there were the following related party transactions carried out on terms agreed between the parties:

	Parent Ministry	Other Ministries	Statutory boards (i)
	\$	\$	\$
2020			
Operating income	(2,400)	(4,540)	(36,237)
Grant disbursements	10,355,200	585,393	8,600,492
Professional services	–	38,085	28,134,503
Maintenance expenses	–	41,670	25,446,649
Other expenditure	21,308	8,391	8,963,565
	21,308	8,391	8,963,565
2019			
Operating income	(4,000)	(42,648)	(43,897)
Grant disbursements	14,355,800	1,713	2,250,544
Professional services	–	33,017	23,962,334
Maintenance expenses	–	4,430	18,842,156
Other expenditure	3,632	3,534	7,711,798
	3,632	3,534	7,711,798

- (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 during the year amounting to \$53,705,094 (2019: \$43,244,570) (as included above).

25 Commitments

Capital commitments

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

	2020	2019
	\$	\$
Commitments for the acquisition of:		
Intangible assets	15,525,429	4,619,008
Property, plant and equipment	3,967,174	–
	19,492,603	4,619,008

26 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.

The financial information of SDF is as follows:

	Note	2020 \$	2019 \$
Income			
Other income		232,015	136,732
Others		2,238	10,416
		234,253	147,148
Expenditure			
Net disbursements		(26,340,447)	(72,908,829)
Grants received			
		26,106,194	72,761,681
Surplus for the year		-	-
Represented by:			
Current assets			
Cash and cash equivalents		389,366	2,320,058
Other receivables		177,404	116,545
Amount due from WSG	14	21,295,495	-
Grants disbursed in advance		927,778	814,353
		22,790,043	3,250,956
Current liabilities			
Payables		(358,160)	(920,927)
Grants received in advance		(22,431,883)	(2,330,029)
		(22,790,043)	(3,250,956)
Net assets		-	-

27 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.

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.

The financial information of LLEF is as follows:

	Note	2020 \$	2019 \$
Receipts			
Refund of unused grant from programme manager		368,826	183,896
Interest income		330,382	243,325
		699,208	427,221
Expenditure			
Grants disbursed		(108,782,462)	(125,103,730)
Marketing and promotion expenses		(182,042)	(12,444,654)
		(108,964,504)	(137,548,384)
Grants received		106,184,664	135,267,179
Deficit for the year		(2,080,632)	(1,853,984)
Accumulated surplus at the beginning of the year		2,198,956	4,052,940
Accumulated surplus at the end of the year		118,324	2,198,956
Represented by:			
Current assets			
Cash and cash equivalents		283,660	3,302,308
Grants disbursed in advance		2,348,323	–
Other assets		2,000	2,000
Amount due from WSG	14	–	31,743
		2,633,983	3,336,051
Current liabilities			
Other payables		(2,344,719)	(99,345)
Amount due to WSG	8	(170,940)	(1,037,750)
		(2,515,659)	(1,137,095)
Net assets		118,324	2,198,956