GOVTECH
SINGAPORE

Financial Statements

Government Technology Agency and its subsidiary

31 March 2025

Statement By Government Technology Agency

In our opinion,

(a) the accompanying financial statements of Government Technology Agency ("GovTech") and its subsidiary (the "Group"), are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "PSG Act"), the Government Technology Agency Act 2016 (the "GovTech Act") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the state of affairs of the Group and GovTech as at 31 March 2025, and the results and changes in equity of the Group and GovTech, and cash flows of the Group for the financial year ended on that date;

(b) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by GovTech during the financial year have been in accordance with the provisions of the PSG Act, the GovTech Act and the requirements of any other written law applicable to moneys of or managed by GovTech; and

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

On behalf of Government Technology Agency and its subsidiary

LEONG WENG KEONG JOSEPH
Chairman

GOH WEI BOON
Chief Executive

Dated: 14 July 2025

Independent auditor's report to the members of the Board of Government Technology Agency

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Government Technology Agency ("GovTech") and its subsidiary (the "Group") which comprise the consolidated statement of financial position of the Group and the statement of financial position of GovTech as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of comprehensive income and statement of changes in equity of GovTech for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position, statement of comprehensive income and statement of changes in equity of GovTech are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the "PSG Act"), the Government Technology Agency Act 2016 (the "GovTech Act") and Statutory Board Financial Reporting Standards ("SB-FRS"), so as to present fairly, in all material respects, the state of affairs of the Group and GovTech as at 31 March 2025 and results and changes in equity of the Group and GovTech and cash flows of the Group 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Statement by Government Technology Agency, but does not include the financial statements and our auditor's report thereon.

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

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

Report on the Audit of the Financial Statements (Cont'd)

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, the GovTech Act and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Independent auditor's report to the members of the Board of Government Technology Agency (Cont'd)

Report on the Audit of the Financial Statements (Cont'd)

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

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

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

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

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

(b) proper accounting and other records have been kept, including records of all assets of GovTech 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 *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the ACRA Code together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Independent auditor's report to the members of the Board of Government Technology Agency (Cont'd)

Report on Other Legal and Regulatory Requirements (Cont'd)

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

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

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 14 July 2025

Statements of financial position

as at 31 March 2025

		Group		GovTech	
		2025	2024	**2025**	2024
	Note	**$'000**	$'000	**$'000**	$'000
ASSETS					
Current assets					
Cash and cash equivalents	6	**1,388,802**	1,593,446	**1,309,810**	1,535,836
Trade receivables	7	**492,379**	403,859	**491,532**	403,373
Due from subsidiary (non-trade)		**-**	-	**5,259**	4,466
Other receivables	8	**205,113**	72,938	**213,723**	73,739
Grants receivables	9	**-**	33,331	**-**	33,331
Investments held at amortised cost	10	**767,583**	549,329	**767,583**	549,329
Total current assets		**2,853,877**	2,652,903	**2,787,907**	2,600,074
Non-current assets					
Investments held at amortised cost	10	**51,119**	-	**51,119**	-
Property, plant and equipment	11	**154,134**	160,655	**154,132**	160,651
Right-of-use assets	12	**213,317**	295,294	**210,724**	292,515
Intangible assets	13	**50,190**	39,932	**50,190**	39,932
Subsidiary	14	**-**	-	**49,000**	-
Deferred expenditure	15	**8,746**	7,350	**8,746**	7,350
Investments held at fair value through profit or loss	16	**530,139**	606,570	**530,139**	606,570
Total non-current assets		**1,007,645**	1,109,801	**1,054,050**	1,107,018
Total assets		**3,861,522**	3,762,704	**3,841,957**	3,707,092
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	17	**25,911**	82,838	**25,939**	82,828
Other payables	17	**524,124**	422,378	**508,170**	411,204
Contract liabilities	18	**264,514**	262,510	**264,514**	262,510
Lease liabilities	19	**82,659**	82,841	**82,453**	82,368
Provision for restoration	20	**1,649**	-	**1,649**	-
Grants received in advance	9	**43,163**	-	**43,163**	-
Contribution payable to consolidated fund	30	**44,479**	37,795	**44,479**	37,795
Total current liabilities		**986,499**	888,362	**970,367**	876,705
Non-current liabilities					
Contract liabilities	18	**552,101**	646,754	**552,101**	646,754
Lease liabilities	19	**139,577**	220,421	**137,039**	217,986
Provision for restoration	20	**4,528**	5,128	**4,408**	5,008
Deferred capital grants	21	**8,456**	17,646	**8,456**	17,646
Total non-current liabilities		**704,662**	889,949	**702,004**	887,394
Capital and reserves					
Share capital	22	**207,236**	197,807	**207,236**	197,807
Capital account:					
- General funds	22	**413,674**	413,674	**405,095**	405,095
- Restricted funds	22, 23	**-**	-	**-**	-
Accumulated surpluses - general funds		**1,549,451**	1,372,912	**1,557,255**	1,340,091
Accumulated surpluses - restricted funds	23	**-**	-	**-**	-
Total equity		**2,170,361**	1,984,393	**2,169,586**	1,942,993
Total liabilities and equity		**3,861,522**	3,762,704	**3,841,957**	3,707,092
Net liabilities of trust and agency funds	24	**(748)**	(1,020)	**(748)**	(1,020)

See accompanying notes to financial statements.

Statements of comprehensive income

for the financial year ended 31 March 2025

		Group						GovTech					
		General funds		Restricted funds		Total		General funds		Restricted funds		Total	
		2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	Note	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Income													
Service fees	25	**2,013,705**	606,429	**–**	941,130	**2,013,705**	1,547,559	**2,013,820**	606,155	**–**	941,130	**2,013,820**	1,547,285
Interest income	25	**67,498**	57,280	**–**	6,222	**67,498**	63,502	**65,294**	55,570	**–**	6,222	**65,294**	61,792
Other income	26	**13,736**	15,258	**–**	10,053	**13,736**	25,311	**14,136**	15,751	**–**	10,053	**14,136**	25,804
Total income		**2,094,939**	678,967	**–**	957,405	**2,094,939**	1,636,372	**2,093,250**	677,476	**–**	957,405	**2,093,250**	1,634,881
Expenditure													
Salaries, CPF and other contributions	27	**850,379**	821,353	**–**	3,005	**850,379**	824,358	**839,779**	811,902	**–**	3,005	**839,779**	814,907
Professional services		**924,072**	238,744	**–**	405,499	**924,072**	644,243	**942,543**	258,997	**–**	405,499	**942,543**	664,496
Regulatory and promotion expenses		**3,691**	1,821	**–**	89	**3,691**	1,910	**3,588**	1,767	**–**	89	**3,588**	1,856
Standard Information and Communications Technology (ICT) charges		**166,274**	6,151	**–**	158,195	**166,274**	164,346	**166,274**	6,151	**–**	158,195	**166,274**	164,346
Rental expenses		**371**	196	**–**	16	**371**	212	**371**	196	**–**	16	**371**	212
Leases of low value assets		**5,009**	2,504	**–**	1,376	**5,009**	3,880	**5,009**	2,504	**–**	1,376	**5,009**	3,880
Staff welfare and allowance		**12,414**	13,036	**–**	24	**12,414**	13,060	**12,201**	12,729	**–**	24	**12,201**	12,753
Repairs and maintenance		**146,202**	32,500	**–**	86,694	**146,202**	119,194	**146,202**	32,500	**–**	86,694	**146,202**	119,194
Overseas mission and meetings		**2,744**	2,108	**–**	241	**2,744**	2,349	**2,744**	2,117	**–**	241	**2,744**	2,358
Supplies and services		**9,763**	6,778	**–**	1,681	**9,763**	8,459	**9,763**	6,777	**–**	1,681	**9,763**	8,458
Staff training		**9,487**	9,937	**–**	18	**9,487**	9,955	**9,373**	9,810	**–**	18	**9,373**	9,828
Depreciation of property, plant and equipment	11	**89,594**	12,943	**–**	76,880	**89,594**	89,823	**89,592**	12,937	**–**	76,880	**89,592**	89,817
Depreciation of right-of-use assets	12	**83,894**	15,137	**–**	68,874	**83,894**	84,011	**83,708**	14,920	**–**	68,874	**83,708**	83,794
Balance carried forward		**2,303,894**	1,163,208	**–**	802,592	**2,303,894**	1,965,800	**2,311,147**	1,173,307	**–**	802,592	**2,311,147**	1,975,899

See accompanying notes to financial statements.

Statements of comprehensive income (Cont'd)

for the financial year ended 31 March 2025

		Group						GovTech					
		General funds		Restricted funds		Total		General funds		Restricted funds		Total	
		2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	Note	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
Balance brought forward		**2,303,894**	1,163,208	**-**	802,592	**2,303,894**	1,965,800	**2,311,147**	1,173,307	**-**	802,592	**2,311,147**	1,975,899
Amortisation of intangible assets	13	**25,882**	7,817	**-**	30,253	**25,882**	38,070	**25,882**	7,817	**-**	30,253	**25,882**	38,070
Property, plant and equipment expensed off		**2,601**	1,593	**-**	715	**2,601**	2,308	**2,601**	1,593	**-**	715	**2,601**	2,308
Board members' allowance		**396**	428	**-**	-	**396**	428	**281**	283	**-**	-	**281**	283
Other expenses	28	**50,208**	21,229	**-**	20,660	**50,208**	41,889	**49,737**	19,910	**-**	20,660	**49,737**	40,570
Net foreign currency exchange loss/(gain)		**4,841**	200	**-**	(2,263)	**4,841**	(2,063)	**4,841**	200	**-**	(2,263)	**4,841**	(2,063)
Fair value (gain)/loss	16	**(24,492)**	(31,214)	**-**	113	**(24,492)**	(31,101)	**(24,492)**	(31,214)	**-**	113	**(24,492)**	(31,101)
(Reversal)/allowance of impairment on trade receivables		**(10)**	10	**-**	-	**(10)**	10	**(10)**	10	**-**	-	**(10)**	10
Loss on disposal of property, plant and equipment, and intangible assets		**170**	234	**-**	124	**170**	358	**170**	234	**-**	124	**170**	358
Reversal of impairment in subsidiary		**-**	-	**-**	-	**-**	-	**(49,000)**	-	**-**	-	**(49,000)**	-
Interest expense	29	**6,744**	600	**-**	4,342	**6,744**	4,942	**6,763**	630	**-**	4,342	**6,763**	4,972
Total expenditure		**2,370,234**	1,164,105	**-**	856,536	**2,370,234**	2,020,641	**2,327,920**	1,172,770	**-**	856,536	**2,327,920**	2,029,306
(Deficit)/surplus before government grants		**(275,295)**	(485,138)	**-**	100,869	**(275,295)**	(384,269)	**(234,670)**	(495,294)	**-**	100,869	**(234,670)**	(394,425)

See accompanying notes to financial statements.

Statements of comprehensive income (Cont'd)

for the financial year ended 31 March 2025

		Group						GovTech					
		General funds		Restricted funds		Total		General funds		Restricted funds		Total	
		2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	Note	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000	**$'000**	$'000
(Deficit)/surplus before government grants		**(275,295)**	(485,138)	**-**	100,869	**(275,295)**	(384,269)	**(234,670)**	(495,294)	**-**	100,869	**(234,670)**	(394,425)
Government grants													
Operating grants		**410,830**	400,156	**-**	106,887	**410,830**	507,043	**410,830**	400,156	**-**	106,887	**410,830**	507,043
Development grants		**78,550**	79,842	**-**	16,996	**78,550**	96,838	**78,550**	79,842	**-**	16,996	**78,550**	96,838
Government grants amortised	9	**489,380**	479,998	**-**	123,883	**489,380**	603,881	**489,380**	479,998	**-**	123,883	**489,380**	603,881
Deferred capital grants amortised	21	**6,933**	10,042	**-**	2,824	**6,933**	12,866	**6,933**	10,042	**-**	2,824	**6,933**	12,866
		496,313	490,040	**-**	126,707	**496,313**	616,747	**496,313**	490,040	**-**	126,707	**496,313**	616,747
Surplus/(Deficit) before contribution to consolidated fund and income tax		**221,018**	4,902	**-**	227,576	**221,018**	232,478	**261,643**	(5,254)	**-**	227,576	**261,643**	222,322
Contribution to consolidated fund	30	**(44,479)**	(9,432)	**-**	(28,400)	**(44,479)**	(37,832)	**(44,479)**	(9,432)	**-**	(28,400)	**(44,479)**	(37,832)
Income tax expense	31	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
		176,539	(4,530)	**-**	199,176	**176,539**	194,646	**217,164**	(14,686)	**-**	199,176	**217,164**	184,490
Transfers		**-**	60,518	**-**	(60,518)	**-**	-	**-**	60,518	**-**	(60,518)	**-**	-
Net surplus for the year, representing total comprehensive income for the year		**176,539**	55,988	**-**	138,658	**176,539**	194,646	**217,164**	45,832	**-**	138,658	**217,164**	184,490

See accompanying notes to financial statements.

Statements of changes in equity

for the financial year ended 31 March 2025

	Group						GovTech					
	Share capital $'000	Capital account - general funds $'000	Capital account - restricted funds $'000	Accumulated surplus - general funds $'000	Accumulated surplus - restricted funds $'000	Total $'000	Share capital $'000	Capital account - general funds $'000	Capital account - restricted funds $'000	Accumulated surplus - general funds $'000	Accumulated surplus - restricted funds $'000	Total $'000
Balance on 1 April 2023	179,906	168,808	244,866	416,517	775,759	1,785,856	179,906	160,229	244,866	393,852	775,759	1,754,612
Total comprehensive income for the year	-	-	-	55,988	138,658	194,646	-	-	-	45,832	138,658	184,490
Transfer of reserves	-	244,866	(244,866)	900,407	(900,407)	-	-	244,866	(244,866)	900,407	(900,407)	-
Transactions with owners recognised directly in equity												
Issuance of share capital (Note 22)	17,901	-	-	-	-	17,901	17,901	-	-	-	-	17,901
Repayment to Ministry of Finance	-	-	-	-	(14,010)	(14,010)	-	-	-	-	(14,010)	(14,010)
	17,901	244,866	(244,866)	956,395	(775,759)	198,537	17,901	244,866	(244,866)	946,239	(775,759)	188,381
Balance as at 31 March 2024	197,807	413,674	-	1,372,912	-	1,984,393	197,807	405,095	-	1,340,091	-	1,942,993
Total comprehensive income for the year	**-**	**-**	**-**	**176,539**	**-**	**176,539**	**-**	**-**	**-**	**217,164**	**-**	**217,164**
Transactions with owners recognised directly in equity												
Issuance of share capital (Note 22)	**9,429**	**-**	**-**	**-**	**-**	**9,429**	**9,429**	**-**	**-**	**-**	**-**	**9,429**
	9,429	**-**	**-**	**176,539**	**-**	**185,968**	**9,429**	**-**	**-**	**217,164**	**-**	**226,593**
Balance as at 31 March 2025	**207,236**	**413,674**	**-**	**1,549,451**	**-**	**2,170,361**	**207,236**	**405,095**	**-**	**1,557,255**	**-**	**2,169,586**

See accompanying notes to financial statements.

Consolidated statement of cash flows

for the financial year ended 31 March 2025

Group	Note	2025 $'000	2024 $'000
Operating activities			
Deficit before government grants		**(275,295)**	(384,269)
Adjustments for:			
Depreciation of property, plant and equipment	11	**89,594**	89,823
Depreciation expense of right-of-use assets	12	**83,894**	84,011
Amortisation of intangible assets	13	**25,882**	38,070
Amortisation of deferred expenditure	15	**1,250**	1,189
Interest income	25	**(67,498)**	(63,502)
Interest expense	29	**6,744**	4,942
Fair value gain on investments held at fair value through profit or loss (net)	16	**(24,492)**	(31,101)
Loss on disposal of property, plant and equipment		**170**	124
Loss on disposal of intangible asset		**-**	234
Amortisation of contract liabilities in the income and expenditure		**(262,510)**	(196,172)
Operating cash outflows before movements in working capital		**(422,261)**	(456,651)
Changes in working capital:			
Trade and other receivables		**(223,697)**	41,793
Trade and other payables		**15,044**	(21,386)
Provision for restoration		**(11)**	-
Contract liabilities		**169,861**	269,016
Cash used in operations		**(461,064)**	(167,228)
Deferred expenditure paid	15	**(2,646)**	(2,634)
Interest paid		**(4)**	(2)
Contribution to consolidated fund	30	**(37,795)**	(38,709)
Net cash used in operating activities		**(501,509)**	(208,573)
Investing activities			
Interest income received	8	**71,169**	49,909
Proceeds from divestment of investments held at fair value through profit or loss	16	**100,923**	-
Proceeds from maturity of investments held at amortised cost	10	**1,830,588**	-
Purchase of intangible assets	13	**(36,140)**	(11,692)
Purchase of property plant and equipment (Note A)		**(53,468)**	(61,989)
Purchase of investments held at amortised cost	10	**(2,100,630)**	(539,380)
Net cash used in investing activities		**(187,558)**	(563,152)

See accompanying notes to financial statements.

Consolidated statement of cash flows (Cont'd)

for the financial year ended 31 March 2025

Group	Note	2025 $'000	2024 $'000
Financing activities			
Repayment of lease liabilities	19	**(82,118)**	(79,413)
Interest paid	19	**(6,505)**	(4,785)
Operating and development grants received	9	**573,046**	620,159
Changes in cash set aside for restricted funds		**-**	1,241,177
Repayment to Ministry of Finance	30	**-**	(14,010)
Net cash generated from financing activities		**484,423**	1,763,128
Net (decrease)/increase in cash and cash equivalents		**(204,644)**	991,403
Cash and cash equivalents at beginning of year		**1,593,446**	602,043
Cash and cash equivalents at end of year	6	**1,388,802**	1,593,446

Note A

A reconciliation between the additions to plant and equipment and investing cash flows as follows:

	Note	2025 $'000	2024 $'000
Additions during the year	11	**83,243**	79,480
Accrual for purchase of fixed assets	17	**(54,562)**	(24,787)
Payment of prior year's accrual for purchase of fixed assets	17	**24,787**	7,296
Cash outflows in the statement of cash flows		**53,468**	61,989

See accompanying notes to financial statements.

Notes to the financial statements

for the financial year ended 31 March 2025

1 GENERAL

Government Technology Agency ("GovTech") is established on 1 October 2016 under the Government Technology Agency Act 2016 (the "GovTech Act") with its registered office at 10 Pasir Panjang Road, #10-01, Mapletree Business City, Singapore 117438.

As a Statutory Board, GovTech is subjected to the control of its supervisory ministry, Ministry of Digital Development and Information ("MDDI"), and is required to follow the policies and instructions issued from time to time by MDDI and other government ministries and departments such as the Ministry of Finance ("MOF").

The objectives of GovTech are:

(a) harness and deploy info-communications technology and related engineering for services that benefit Singapore; and

(b) develop the necessary capabilities to support the delivery of such services.

The principal activities of GovTech are:

(a) to advise and make recommendations to the Government on national needs and policies in respect of info-communications technology and related engineering matters;

(b) to provide, develop, implement or operate, or direct or facilitate the provision, development, implementation or operation, of info-communications technology and related engineering systems and services in the public sector;

(c) to ensure the security and reliability of info-communications technology and related engineering systems services in the public sector;

(d) to provide to the public sector consultancy, project management and other services, manpower and facilities for info-communications technology and related engineering systems and services;

(e) to undertake the procurement of info-communications technology and related engineering goods (including equipment and systems) and services for:

  (i) the public sector; and

  (ii) such other organisation as the Minister may, by written notice to the Agency and with the agreement of the organisation, designates; and

(f) to promote and develop competencies and professional standards in the public sector in relation to info-communications technology and related engineering matters.

There have been no significant changes in the nature of these activities during the financial year.

The principal activity of the subsidiary is set out in Note 14.

NOTES TO FINANCIAL STATEMENTS

31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Public Sector (Governance) Act, the Act and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

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

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

Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SB-FRS 2 *Inventories* or value in use in SB-FRS 36 *Impairment of Assets*.

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

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

The financial statements are presented in Singapore Dollars ($) and all values in the tables are rounded to the nearest thousand ("$'000"), except when otherwise indicated.

2.2 Adoption of new and revised standards

On 1 April 2024, the Group and GovTech adopted all the new and revised SB-FRSs and interpretations of SB-FRS ("INT SB-FRS") that are effective from that date and are relevant to its operations. The adoption of these new/revised SB-FRSs, INT SB-FRSs and SB-FRS Guidance Notes does not result in changes to the Group and GovTech's accounting policies and has no material effect on the amounts reported for the current or prior year.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.3 Standards issued but not yet effective

Management has considered and is of the view that adoption of the new/revised SB-FRSs that are issued as at the date of these financial statements but effective only in future periods will not have a material impact on the financial statements of the Group and GovTech in the period of their initial adoption.

2.4 Basis of consolidation

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

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

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

When GovTech has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. GovTech considers all relevant facts and circumstances in assessing whether or not GovTech's voting rights in an investee are sufficient to give it power, including:

- The size of GovTech's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by GovTech, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that GovTech has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

Income or expenditure and each component of other comprehensive income are attributed to the owners of GovTech and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of GovTech and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Basis of consolidation (Cont'd)

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Group's accounting policies.

Changes in the Group's ownership interests in existing subsidiary

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of GovTech.

When the Group loses control of a subsidiary, a gain or loss is recognised in income or expenditure and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to income or expenditure or transferred to another category of equity as specified/permitted by applicable SB-FRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SB-FRS 109, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In GovTech's financial statements, investments in subsidiary are carried at cost less any impairment in net recoverable value that has been recognised in income or expenditure.

2.5 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value and subsequently measured at either amortised cost or fair value, depending on the classification of the financial assets and financial liabilities. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in income or expenditure.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5 Financial instruments (Cont'd)

Financial assets (Cont'd)

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL. Specifically,

- Investments in equity instruments are classified as at FVTPL; and
- Debt instruments that do not meet the amortised cost criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Changes in fair value of the derivatives are recognised in profit or loss.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5 Financial instruments (Cont'd)

Financial assets at FVTPL (Cont'd)

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in income and expenditure to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in income or expenditure includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments on trade and other receivables and debt instruments that are measured at amortised cost or at FVTPL. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group applied the simplified approach permitted by SB-FRS 109 and recognise lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group considers a financial asset in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

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

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in income and expenditure.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.5 Financial instruments (Cont'd)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Injection of capital is part of the Capital Management Framework for Statutory Boards under Finance Circular Minute M2/2024 (superseding Finance Circular Minute M26/2008 as of 1 April 2024). Under this framework, the Government may provide funding as capital injections (recognised as share capital in equity) and/or capital grants (recognised as deferred capital grants), taking into consideration the cost recoverability of the asset. 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.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in income and expenditure.

2.6 Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.7 Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.7 Leases (Cont'd)

The Group as a lessee (Cont'd)

For these leases, the Group recognises the lease payments as an operating expenditure on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.7 Leases (Cont'd)

The Group as a lessee (Cont'd)

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SB-FRS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Office spaces	-	2 to 8 years
Data centre	-	4 to 15 years
Equipment	-	4 years
Warehouse	-	6 years

The right-of-use assets are presented as a separate line in the statement of financial position. The Group applies SB-FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expenditure in the period in which the event or condition that triggers those payments occurs and are included in the line in the statement of comprehensive income.

As a practical expedient, SB-FRS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

2.8 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.8 Property, plant and equipment (Cont'd)

The Group adopts the component approach to depreciation whereby the amount initially recognised in respect of an item of property, plant and equipment is allocated to its significant parts. Each significant part is depreciated separately if those parts have different useful lives.

Capital work-in-progress are not depreciated. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Leasehold improvements, furniture and fittings	-	over the remaining lease term ranging from 5 to 8 years
Equipment	-	1 to 5 years
Plant and machinery	-	4 to 10 years
Buildings	-	50 years

The residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate. The effects of any revision of the residual values and useful lives are included in income or expenditure when the changes arise.

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

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

Assets below $6,000 are expensed off in the period of purchase.

2.9 Intangible assets

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

Software-as-a-Service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such, the Group does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software does not, at the contract commencement date give the Group the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits. Fees for the use of the application software and recognised on costs are recognised as operating expenses over the term of the service contract while configuration costs, data conversion and migration costs, testing costs and training costs are recognised as operating expenses as the services are received.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.9 Intangible assets (Cont'd)

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

Application software - 3 years

Software under development included in intangible assets comprise of software implementation that are not depreciated as these assets are not available for use.

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

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

Application software below $6,000 is expensed off in the period of purchase.

2.10 Impairment of tangible and intangible assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

2.11 Deferred expenditure

Expenditure incurred in providing scholarships is capitalised and stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to write off the cost over the period of the scholarship bond from 1 to 6 years commencing from the period that the scholars commence employment with the Group.

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.12 Government grants and contribution received

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

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

2.13 Provisions

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

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

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

2.14 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.14 Revenue recognition (Cont'd)

The Group recognises revenue from the following major sources:

(a) Rendering of services

Professional services

Professional consultancy services are provided to government agencies by assisting them with the necessary information and communication technology, knowledge and advisory services.

The performance obligation of certain professional services is satisfied over time because the customer simultaneously receives and consumes the benefits. Revenue is recognised over time, based on the actual hours incurred to date.

The performance obligation of certain professional services is recognised based on the stage of completion of the service contract. Management has assessed that the stage of completion determined as the proportion of the total contracted period that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of the performance obligation under SB-FRS 115.

A contract asset is recognised when the Group has unconditional rights to the consideration for those works performed under the contract but has yet to bill the customer.

A contract liability is recognised when the Group has yet to perform its performance obligations under the contract but have received advance payments from the customer.

Subscription services

Provision of information technology and network subscription and maintenance services.

The performance obligation is satisfied over time as the customer simultaneously receives and consumes the benefits.

The performance obligation of subscription services is satisfied over time because the customer simultaneously receives and consumes the benefits. Revenue is recognised over time, based on the actual costs incurred to date as a proportion to the total expected costs.

(b) Interest income

Interest income generated from loans and deposits is recognised as it accrues in the statement of comprehensive income, using the effective interest method.

2.15 Retirement benefit obligations

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

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
31 March 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.16 Employee leave entitlements

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

2.17 Trust and agency funds

Trust and agency funds are set up to account for funds held in trust where GovTech is not the owner and beneficiary of the funds received from the Government and other organisations. The receipts and expenditure in respect of agency funds are taken directly to the funds accounts and the net assets relating to the funds are shown as a separate line item in the statement of financial position. Trust funds are accounted for on an accrual basis.

2.18 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 GovTech 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 accrual basis.

They are accounted for separately in the Statements of Comprehensive Income.

2.19 Contribution to Consolidated Fund

GovTech is required to make contributions to the Consolidation Fund in accordance with the Statutory Corporation (Contributions to Consolidated Fund) Act 1989 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 GovTech (before donations) for the financial period. Contribution to consolidated fund is provided for on an accrual basis.

2.20 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax of the subsidiary of the Group.

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

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

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D)

2.20 Income tax (Cont'd)

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

Current and deferred tax are recognised as an expenditure or income in the income or expenditure, except when they relate to items credited or debited outside income or expenditure (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside income or expenditure (either in other comprehensive income or directly in equity respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.21 Cash and cash equivalents

Cash and cash equivalents comprise cash maintained centrally with the Accountant-General's Department ("AGD") as a consolidated pool and cash balances that are subject to an insignificant risk of changes in their fair value. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies which are described in Note 2, management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
31 March 2025

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Estimation of lease term

When estimating the lease term of the respective lease arrangement, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The carrying amounts of the right-of-use assets and lease liabilities are disclosed in Notes 12 and 19 to the financial statements.

Potential future cash outflows of $102.3 million (2024 - $109.1 million) have not been included in the lease liabilities because it is not reasonably certain that the leases will be extended.

If a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee, the above assessment will be reviewed further. During the financial year ended 31 March 2025, the effect of exercising extension options was an increase in recognised lease liabilities and right-of-use assets of $0.08 million (2024 - $69.7 million).

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

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

		Group		GovTech	
		2025	2024	**2025**	2024
		$'000	$'000	**$'000**	$'000
Financial assets	Note				
At amortised cost:					
Cash and cash equivalents	6	**1,388,802**	1,593,446	**1,309,810**	1,535,836
Trade receivables	7	**492,379**	403,859	**491,532**	403,373
Other receivables	8	**33,313**	33,446	**30,286**	30,591
Grants receivables	9	**-**	33,331	**-**	33,331
Investments held at amortised cost	10	**818,702**	549,329	**818,702**	549,329
Due from subsidiary (non-trade)		**-**	-	**5,259**	4,466
		2,733,196	2,613,411	**2,655,589**	2,556,926
At FVTPL:					
Investments held at fair value through profit or loss	16	**530,139**	606,570	**530,139**	606,570
		3,263,335	3,219,981	**3,185,728**	3,163,496
Financial liabilities					
At amortised cost:					
Trade payables and other payables	17	**491,658**	434,455	476,863	424,953
Lease liabilities	19	**222,236**	303,262	219,492	300,354
		713,894	737,717	696,355	725,307

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives

The Group is exposed to financial risk arising from its operations which include market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Group's overall financial risk management seeks to minimise potential adverse effects on its financial performance. In addition, the Finance and Investment Committee of the Group is also involved in formulating investment policies and guidelines, reviewing investment strategy and performance of the fund managers and monitoring the results of the investments. The Board provides written principles for overall financial risk management, which covers specifically on foreign exchange risk, interest rate risk, credit risk and liquidity risk.

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

(i) Foreign exchange risk management

The Group's operations are exposed to certain degree of foreign currency risk arising from payments made to a supplier which are denominated in United State Dollar. Other than the above, the Group's transactions, monetary assets and liabilities are predominantly denominated in Singapore dollars. The exchange loss recorded for the current financial year is not significant.

Foreign currency sensitivity analysis has not been presented as management does not expect any reasonable possible changes in foreign currency exchange rates to have a significant impact on the Group's operations and cash flows.

(ii) Interest rate risk management

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

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

The Group's major classes of financial assets are cash and cash equivalents, trade receivables, other receivables, grant receivables, investments held at amortised cost and investments held at fair value through profit or loss. 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.

GovTech has financial assets invested through AGD Demand Aggregation Scheme which consists of funds placements with two (2024 - three) fund managers under the AGD panel of approved fund managers.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives (Cont'd)

(iii) Credit risk management (Cont'd)

The underlying financial assets are of these funds include fixed income instruments, equities and commodities which are of high credit ratings as determined by recognised rating agencies.

The Group mitigates its credit risk exposure through regular monitoring of the recoverability of the financial assets.

(iv) Liquidity risk management

The Group maintains sufficient cash and cash equivalents, and internally generated cash flows to finance its activities.

Liquidity risk is managed by matching the payment and receipt cycle. The Group has sufficient cash from operations and government grants to fund its capital investments and working capital requirements.

All financial assets and liabilities as at 31 March 2025 and 2024 are repayable on demand or due within 1 year from the end of the reporting period, except for lease liabilities as disclosed in Note 19.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities as reported in the statement of financial position approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes.

The Group classifies fair value measurements using a fair value hierarchy as detailed in Note 2.1 which reflects the significance of the inputs used in making the measurements.

(c) Capital risk management policies and objectives

The Group and GovTech manage its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a Statutory Board.

The capital structure of the Group and GovTech consist of accumulated surplus and share capital. The Group and GovTech are not subject to regulatory capital requirement.

The Group and GovTech reviews its capital structure periodically. The overall strategy of the Group remains unchanged from the previous financial year.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

5 RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. These balances are unsecured and non-interest bearing.

The following significant transactions took place between the Group and related parties during the financial year:

(a) Transactions with a subsidiary

	GovTech	
	2025	2024
	$'000	$'000
Subscription service fees	**733**	42
Other income	**603**	526
	1,336	568
Professional service	**(42,035)**	(30,393)
Other expenses	**-**	(9)
Rental expenses	**(306)**	(292)
	(42,341)	(30,694)

(b) Transactions with Ministries and Statutory Boards

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Professional services rendered	**721,077**	604,816	**721,077**	604,816
Subscription services rendered	**1,292,010**	942,427	**1,292,010**	942,427
Grants received	**573,046**	620,159	**573,046**	620,159

No loss allowance has been recognised in the year in respect of the amounts due from related parties.

(c) Compensation of key management personnel

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

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Short term benefits	**16,107**	13,736	**15,477**	12,974
CPF contributions	**567**	487	**552**	469
	16,674	14,223	**16,029**	13,443

The Group adopts guidelines set by Public Service Division ("PSD") and takes into consideration the reporting officers' assessment of individual officers in determining the remuneration of key management.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

6 CASH AND CASH EQUIVALENTS

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Cash with the AGD	**1,368,977**	1,586,700	**1,292,998**	1,532,096
Bank and cash balances	**19,825**	6,746	**16,812**	3,740
	1,388,802	1,593,446	**1,309,810**	1,535,836

Cash with the Accountant-General's Department ("AGD") refers to cash that are managed by AGD under the Centralised Liquidity Management Scheme ("CLM") as set out in the Accountant-General's Circular No.4/2009. AGD pays interest on the Group's cash balances participating in AGD's CLM with an effective rate of 3.08% (2024 - 3.38%).

7 TRADE RECEIVABLES

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Third parties	**11,069**	62,752	**10,222**	62,266
Ministries and Statutory Boards	**481,310**	341,107	**481,310**	341,107
	492,379	403,859	**491,532**	403,373

The table below is an analysis of trade receivables as at 31 March:

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Not past due and not impaired	**491,013**	401,747	**490,942**	401,266
Past due but not impaired	**1,366**	2,112	**590**	2,107
	492,379	403,859	**491,532**	403,373

The average credit period on sale of services is 81 days (2024 - 83 days). Loss allowance has been measured at an amount equal to expected credit losses. The ECL on trade receivables are estimated using a provisional matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors which are specific to the debtor and the general economic conditions of the industry in which the debtor operates.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for trade receivables.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

There is a concentration risk at both the Group and GovTech levels for receivables due from Ministries and Statutory Boards. However, management determines the receivables due from Ministries and Statutory Boards are subject to immaterial credit loss.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

8 OTHER RECEIVABLES

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Deposits	**4,156**	4,415	**3,998**	4,253
Interest receivable	**21,172**	24,174	**20,075**	23,287
Other debtors	**7,985**	4,857	**6,213**	3,051
Financial assets at amortised cost	**33,313**	33,446	**30,286**	30,591
Prepayments	**171,800**	39,492	**183,437**	43,148
	205,113	72,938	**213,723**	73,739

For purpose of impairment assessment, the other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, the loss allowance is measured at an amount equal to 12-month expected credit losses. The Group has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate.

Interest received in the statement of cash flows as follows:

	2025	2024
Group	**$'000**	$'000
Interest receivable:		
- At the beginning of year	**24,174**	20,530
- At the end of year	**(21,172)**	(24,174)
Interest income from cash and cash equivalents and receivables (Note 25)	**46,700**	53,553
Interest received from cash and cash equivalents and receivables	**49,702**	49,909
Interest received on investments held at amortised cost (Note 10)	**21,467**	-
Interest received in the statement of cash flows	**71,169**	49,909

9 GRANTS (RECEIVED IN ADVANCE)/GRANTS RECEIVABLES

	2025	2024
Group and GovTech	**$'000**	$'000
Balance at beginning of year	**33,331**	27,679
Operating grants - Government	**(479,418)**	(472,322)
Development grants - Government	**(93,628)**	(147,837)
Net grants received during the year	**(573,046)**	(620,159)
Transferred (from)/to deferred capital grants (Note 21)	**(2,257)**	4,029
Transferred to share capital account (Note 22)	**9,429**	17,901
Grants amortised recognised in income and expenditure	**489,380**	603,881
Balance at end of year	**(43,163)**	33,331

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
31 March 2025

10 INVESTMENTS HELD AT AMORTISED COST

	2025	2024
Group and GovTech	**$'000**	$'000
Singapore Government Treasury Bills	**717,209**	299,329
Special Singapore Government Securities	**-**	250,000
Singapore Government MAS Bills	**50,374**	-
Singapore Government Securities	**51,119**	-
	818,702	549,329
Presented as:		
Current	**767,583**	549,329
Non-current	**51,119**	-
	818,702	549,329
Balance at beginning of year	**549,329**	-
Additions	**2,100,630**	539,380
Proceeds on maturity	**(1,830,588)**	-
Interest income (Note 25)	**20,798**	9,949
Interest received (Note 10)	**(21,467)**	-
Balance at end of year	**818,702**	549,329

As at 31 March 2025, the investments at amortised cost earn interest ranging from 2.71% to 3.50% (2024: 3.58% to 3.62%) per annum. The non-current investment will mature on 1 March 2027; and the current investments will mature between April and October 2025.

11 PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold, improvement, furniture and fittings	Equipment	Plant and machinery	Building	Capital work-in - progress (Note)	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost:						
At 1 April 2023	32,869	402,196	5,135	34	-	440,234
Additions	131	61,829	151	-	17,369	79,480
Disposals	(21)	(24,865)	(10)	-	-	(24,896)
At 31 March 2024	32,979	439,160	5,276	34	17,369	494,818
Additions	**365**	**40,641**	**56**	**13**	**42,168**	**83,243**
Disposals	**(48)**	**(5,693)**	**-**	**-**	**-**	**(5,741)**
Reclassification	**-**	**32,279**	**-**	**-**	**(32,279)**	**-**
At 31 March 2025	**33,296**	**506,387**	**5,332**	**47**	**27,258**	**572,320**
Accumulated depreciation and impairment losses:						
At 1 April 2023	28,416	238,266	2,396	34	-	269,112
Depreciation for the year	2,006	86,953	864	-	-	89,823
Disposals	(21)	(24,741)	(10)	-	-	(24,772)
At 31 March 2024	30,401	300,478	3,250	34	-	334,163
Depreciation for the year	**981**	**87,732**	**878**	**3**	**-**	**89,594**
Disposals	**(47)**	**(5,524)**	**-**	**-**	**-**	**(5,571)**
At 31 March 2025	**31,335**	**382,686**	**4,128**	**37**	**-**	**418,186**
Carrying amounts:						
At 31 March 2025	**1,961**	**123,701**	**1,204**	**10**	**27,258**	**154,134**
At 31 March 2024	2,578	138,682	2,026	-	17,369	160,655

11 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

GovTech	Leasehold, improvement, furniture and fittings	Equipment	Plant and machinery	Building	Capital work-in - progress (Note)	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost:						
At 1 April 2023	32,750	402,201	5,135	34	-	440,120
Additions	131	61,827	151	-	17,369	79,478
Disposals	(21)	(24,865)	(10)	-	-	(24,896)
At 31 March 2024	32,860	439,163	5,276	34	17,369	494,702
Additions	**365**	**40,641**	**56**	**13**	**42,168**	**83,243**
Disposals	**(48)**	**(5,693)**	**-**	**-**	**-**	**(5,741)**
Reclassification	**-**	**32,279**	**-**	**-**	**(32,279)**	**-**
At 31 March 2025	**33,177**	**506,390**	**5,332**	**47**	**27,258**	**572,204**
Accumulated depreciation and impairment losses:						
At 1 April 2023	28,305	238,271	2,396	34	-	269,006
Depreciation for the year	2,003	86,950	864	-	-	89,817
Disposals	(21)	(24,741)	(10)	-	-	(24,772)
At 31 March 2024	30,287	300,480	3,250	34	-	334,051
Depreciation for the year	**981**	**87,730**	**878**	**3**	**-**	**89,592**
Disposals	**(47)**	**(5,524)**	**-**	**-**	**-**	**(5,571)**
At 31 March 2025	**31,221**	**382,686**	**4,128**	**37**	**-**	**418,072**
Carrying amounts:						
At 31 March 2025	**1,956**	**123,704**	**1,204**	**10**	**27,258**	**154,132**
At 31 March 2024	2,573	138,683	2,026	-	17,369	160,651

Note: Capital work-in-progress represents installation of equipment, furniture and fittings in progress, which upon completion, will be reclassified to the relevant asset categories.

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12 RIGHT-OF-USE ASSETS

The Group and GovTech lease several assets including office and warehouse spaces, data centres and equipment.

Group	Office and warehouse spaces $'000	Data centres $'000	Equipment $'000	Total $'000
Cost:				
At 1 April 2023	104,077	479,561	4,101	587,739
Additions	5,249	72,520	80	77,849
Disposals	–	–	(212)	(212)
At 31 March 2024	**109,326**	**552,081**	**3,969**	**665,376**
Additions	**818**	**(6)**	**1,105**	**1,917**
Disposals	**(1,939)**	**–**	**–**	**(1,939)**
At 31 March 2025	**108,205**	**552,075**	**5,074**	**665,354**
Accumulated depreciation:				
At 1 April 2023	49,409	236,070	804	286,283
Depreciation for the year	17,156	65,473	1,382	84,011
Disposals	–	–	(212)	(212)
At 31 March 2024	**66,565**	**301,543**	**1,974**	**370,082**
Depreciation for the year	**17,918**	**64,550**	**1,426**	**83,894**
Disposals	**(1,939)**	**–**	**–**	**(1,939)**
At 31 March 2025	**82,544**	**366,093**	**3,400**	**452,037**
Carrying amount:				
At 31 March 2025	**25,661**	**185,982**	**1,674**	**213,317**
At 31 March 2024	42,761	250,538	1,995	295,294

GovTech	Office and warehouse spaces $'000	Data centres $'000	Equipment $'000	Total $'000
Cost:				
At 1 April 2023	99,890	479,561	4,081	583,532
Additions	5,287	72,520	80	77,887
Disposals	–	–	(212)	(212)
At 31 March 2024	**105,177**	**552,081**	**3,949**	**661,207**
Additions	**818**	**(6)**	**1,105**	**1,917**
Disposals	**(1,939)**	**–**	**–**	**(1,939)**
At 31 March 2025	**104,056**	**552,075**	**5,054**	**661,185**
Accumulated depreciation:				
At 1 April 2023	48,248	236,070	792	285,110
Depreciation for the year	16,942	65,473	1,379	83,794
Disposals	–	–	(212)	(212)
At 31 March 2024	**65,190**	**301,543**	**1,959**	**368,692**
Depreciation for the year	**17,735**	**64,550**	**1,423**	**83,708**
Disposals	**(1,939)**	**–**	**–**	**(1,939)**
At 31 March 2025	**80,986**	**366,093**	**3,382**	**450,461**
Carrying amount:				
At 31 March 2025	**23,070**	**185,982**	**1,672**	**210,724**
At 31 March 2024	39,987	250,538	1,990	292,515

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
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13 INTANGIBLE ASSETS

Group and GovTech	Software $'000	Software under development $'000	Total $'000
Cost:			
At 1 April 2023	236,224	3,311	239,535
Additions	7,664	4,028	11,692
Disposals	(16,411)	–	(16,411)
Reclassifications	586	(586)	–
At 31 March 2024	**228,063**	**6,753**	**234,816**
Additions	**6,196**	**29,944**	**36,140**
Disposals	**(12,972)**	**–**	**(12,972)**
Reclassifications	**30,462**	**(30,462)**	**–**
At 31 March 2025	**251,749**	**6,235**	**257,984**
Accumulated depreciation:			
At 1 April 2023	172,991	–	172,991
Amortisation for the year	38,070	–	38,070
Disposals	(16,177)	–	(16,177)
At 31 March 2024	**194,884**	**–**	**194,884**
Amortisation for the year	**25,882**	**–**	**25,882**
Disposals	**(12,972)**	**–**	**(12,972)**
At 31 March 2025	**207,794**	**–**	**207,794**
Carrying amount:			
At 31 March 2025	**43,955**	**6,235**	**50,190**
At 31 March 2024	33,179	6,753	39,932

14 SUBSIDIARY

GovTech	**2025 $'000**	2024 $'000
Unquoted shares, at cost	**70,140**	70,140
Accumulated Impairment		
Balance at beginning of the year	**(70,140)**	(70,140)
Reversal during the year	**49,000**	–
Balance at end of the year	**(21,140)**	(70,140)
Net investment in subsidiary	**49,000**	**–**

Details of GovTech's subsidiary as at the end of the reporting period are as follows:

Name of subsidiary	Principal activity	Proportion of ownership interest and voting power held		Cost of investment	
		2025 %	2024 %	**2025 $'000**	2024 $'000
Held by GovTech					
Assurity Trusted Solutions Pte Ltd	Provide information security services	**100**	100	**70,140**	70,140

NOTES TO FINANCIAL STATEMENTS
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14 SUBSIDIARY (CONT'D)

As at 31 March 2025, GovTech assessed the carrying amount of its subsidiary for indicators of impairment; or indicators that impairment loss previously recognised may no longer exist of may have decreased, respectively.

Based on this assessment, GovTech recorded a reversal of impairment loss of $49.0 million (2024: $nil) in the profit or loss of GovTech. The recoverable amount is determined based on the residual net asset value of the subsidiary as at the reporting date. The fair value is within Level 3 of the fair value hierarchy.

15 DEFERRED EXPENDITURE

	2025	2024
Group and GovTech	**$'000**	$'000
Balance at beginning of the year	**7,350**	5,905
Additions	**2,646**	2,634
Amortisation for the year (Note 28)	**(1,250)**	(1,189)
Balance at end of the year	**8,746**	7,350

Expenditure incurred in providing scholarships is capitalised and stated at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis to write off the cost over the period of the scholarship bond from 1 to 6 years commencing from the year that the scholars commence employment with the Group.

16 INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

Movement in investments held at fair value through profit or loss:

	2025	2024
Group and GovTech	**$'000**	$'000
Balance at beginning of the year	**606,570**	575,469
Fair value gain recognised during the year	**24,492**	31,101
Divestment during the year	**(100,923)**	-
Balance at end of the year	**530,139**	606,570

The investments offer the Group the opportunity for returns through fair value gains. The fair value of the funds is based on closing quoted market prices on the last market day of the financial year provided by the fund managers. The investments are measured based on Level 2 of the fair value hierarchy.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

17 TRADE AND OTHER PAYABLES

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Trade payables	**198**	43,483	**225**	43,472
Accrual for payroll related expenses	**213,333**	206,507	**204,148**	200,701
Accrual for operating and other expenses	**221,521**	157,907	**216,869**	154,770
Accrual for purchase of fixed assets	**54,562**	24,787	**54,562**	24,787
Advances and deposits	**2,044**	1,771	**1,059**	1,223
Financial liabilities at amortised cost	**491,658**	434,455	**476,863**	424,953
GST payable	**25,714**	39,355	**25,714**	39,355
Provision for unutilised leave	**32,663**	31,406	**31,532**	29,724
	550,035	505,216	**534,109**	494,032
Represented by:				
Trade payables	**25,911**	82,838	**25,939**	82,828
Other payables	**524,124**	422,378	**508,170**	411,204
	550,035	505,216	**534,109**	494,032

18 CONTRACT LIABILITIES

	2025	2024
Group and GovTech	**$'000**	$'000
Current	**264,514**	262,510
Non-current	**552,101**	646,754
	816,615	909,264

This relates to consideration received to render infrastructure future technology refresh, enhancement and related services in future periods. These services are paid upfront as part of the initial transaction whereas revenue is recognised over the period when services are provided to the customers. A contract liability is recognised for revenue relating to these services at the time of the initial sales transaction and is released over the service period.

There were no significant changes in the contract liability balances during the reporting period. The amount of revenue recognised in the current reporting period which relates to brought-forward contract liabilities is $262.5 million (2024 - $196.1 million).

19 LEASE LIABILITIES

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Maturity analysis:				
Not later than 1 year	**87,446**	89,641	**87,178**	89,125
Later than 1 year and not later than 5 years	**141,266**	225,963	**139,412**	224,720
Later than 5 years	**2,128**	2,979	**1,443**	1,763
	230,840	318,583	**228,033**	315,608
Less: Unearned interest	**(8,604)**	(15,321)	**(8,541)**	(15,254)
	222,236	303,262	**219,492**	300,354

NOTES TO FINANCIAL STATEMENTS
31 March 2025

19 LEASE LIABILITIES (CONT'D)

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Analysed as:				
Current	**82,659**	82,841	**82,453**	82,368
Non-current	**139,577**	220,421	**137,039**	217,986
	222,236	303,262	**219,492**	300,354

The Group does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's accounting function.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Group	**2025**	2024
	$'000	$'000
At beginning of year	**303,262**	304,831
Financing cash flows:		
Payment of lease liabilities	**(82,118)**	(79,413)
Interest paid	**(6,505)**	(4,785)
	(88,623)	(84,198)
Interest expense (Note 29)	**6,505**	4,785
New leases	**1,092**	77,844
At end of year	**222,236**	303,262

20 PROVISION FOR RESTORATION

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Balance at beginning of the year	**5,128**	4,967	**5,008**	4,847
Provisions made	**824**	5	**824**	5
Reversals made	**(10)**	-	**(10)**	-
Unwinding of discount on restoration costs (Note 29)	**235**	156	**235**	156
Balance at end of the year	**6,177**	5,128	**6,057**	5,008
Provision due:				
Within 1 year	**1,649**	-	**1,649**	-
After 1 year but within 5 years	**4,395**	5,059	**4,275**	4,939
After 5 years	**133**	69	**133**	69
	4,528	5,128	**4,408**	5,008
	6,177	5,128	**6,057**	5,008

Provision or restoration relate to the expected cost of dismantling and removing assets and restoring the premises to its original condition as stipulated in the operating lease agreements, upon termination of the leases.

NOTES TO FINANCIAL STATEMENTS
31 March 2025

21 DEFERRED CAPITAL GRANTS

Group and GovTech	**2025**	2024
	$'000	$'000
Balance at beginning of year	**17,646**	26,483
Amounts transferred (to)/ from government grants (Note 9)	**(2,257)**	4,029
Amortisation of deferred capital grants	**(6,933)**	(12,866)
Balance at end of year	**8,456**	17,646

22 SHARE CAPITAL

Group and GovTech	**2025**	2024	**2025**	2024
	Number of ordinary shares		**$'000**	$'000
Issued and fully paid up:				
At beginning of the year	**197,806,495**	179,905,608	**197,807**	179,906
Issued during the year (Note 9)	**9,428,806**	17,900,887	**9,429**	17,901
At the end of the year	**207,235,301**	197,806,495	**207,236**	197,807

Injection of capital is part of the Capital Management Framework for Statutory Boards under Finance Circular Minute M2/2024 (superseding Finance Circular Minute M26/2008 as of 1 April 2024). Under this framework, the Government may provide funding as capital injections (recognised as share capital in equity) and/or capital grants (recognised as deferred capital grants), taking into consideration the cost recoverability of the asset. 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 account

This represents amount transferred from IDA to GovTech, upon its formation, arising from the restructuring of IDA and Media Development Authority of Singapore ("MDA") on 1 October 2016.

Group	General funds		Restricted funds	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
At beginning of the year	**413,674**	168,808	**-**	244,866
Transfer	**-**	244,866	**-**	(244,866)
At end of the year	**413,674**	413,674	**-**	-

GovTech	General funds		Restricted funds	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
At beginning of the year	**405,095**	160,229	**-**	244,866
Transfer	**-**	244,866	**-**	(244,866)
At end of the year	**405,095**	405,095	**-**	-

NOTES TO FINANCIAL STATEMENTS
31 March 2025

23 CAPITAL ACCOUNT AND ACCUMULATED SURPLUSES – RESTRICTED FUNDS

The professional services and IT project funds are restricted funds which are not distinctly different in underlying nature and must be used for the purposes of provision of professional services or specified IT projects such as ongoing operations, security, resiliency enhancements and the recurrent costs of hardware and/or during technology refresh.

The funds are sourced from the collection of monies through the provision of services mainly to the whole of government.

The funds are subject to restrictions on the ability of GovTech to distribute or otherwise apply the fund. The basis of accounting in relation to the fund is stipulated in Note 2.18.

In 2024, the Permanent Secretary (Smart Nation) has approved the lifting of restrictions on all restricted funds. All restricted funds will be transferred to general funds as at balance sheet date.

24 NET ASSETS OF TRUST AND AGENCY FUNDS

Trust and agency funds comprise the funds, which represent contributions received from MDDI and other government agencies for the purpose of provision of professional services or specific IT projects.

Details of the trust and agency funds are set out below and have been prepared from the records of those funds and reflect only transactions handled by the Group and GovTech.

	2025	2024
Group and GovTech	**$'000**	$'000
Receipts	**5,475**	11,431
Expenditures	**(5,203)**	(8,595)
Net surplus for the year	**272**	2,836
Accumulated losses at beginning of the year	**(1,020)**	(3,856)
	(748)	(1,020)
Represented by:		
Amounts due (to)/from general funds	**(640)**	140
Trade and other payables	**(108)**	(1,160)
Net liabilities	**(748)**	(1,020)

GOVERNMENT TECHNOLOGY AGENCY AND ITS SUBSIDIARY

NOTES TO FINANCIAL STATEMENTS
31 March 2025

25 REVENUE

A disaggregation of the Group's revenue for the year is as follows:

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Timing of revenue recognition				
At a point in time:				
Interest income from cash and cash equivalents and receivables	**46,700**	53,553	**44,496**	51,483
Interest income from investments held at amortised cost (Note 10)	**20,798**	9,949	**20,798**	9,949
	67,498	63,502	**65,294**	61,792
Over time:				
Professional services rendered	**721,810**	604,859	**721,810**	604,858
Subscription services rendered	**1,291,895**	942,700	**1,292,010**	942,427
	2,013,705	1,547,559	**2,013,820**	1,547,285
	2,081,203	1,611,061	**2,079,114**	1,609,077

The Group and GovTech have applied the practical expedient allowed under SB-FRS 115 paragraph 121 and has not disclosed information about performance obligations that are unsatisfied (or partially satisfied) as at the end of the reporting period for performance obligations are part of contracts that have original expected duration of one year or less.

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period for the Group and GovTech are described in Note 18.

26 OTHER INCOME

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Other service income	**12,843**	24,200	**13,243**	24,693
Others	**893**	1,111	**893**	1,111
	13,736	25,311	**14,136**	25,804

27 SALARIES, CPF AND OTHER CONTRIBUTIONS

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Wages and salaries	**771,594**	751,469	**761,992**	742,734
Employer's contribution to Central Provident Fund	**78,785**	72,889	**77,787**	72,173
	850,379	824,358	**839,779**	814,907

28 OTHER EXPENSES

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
IT promotion and sponsorship	**134**	175	**134**	175
Utilities	**11,493**	11,949	**11,493**	11,949
Publicity expense	**2,642**	4,636	**2,642**	4,636
Professional and communication services	**11,001**	7,616	**11,997**	7,961
Irrecoverable GST	**11,882**	5,233	**11,882**	5,233
General and administrative expenses	**9,470**	9,353	**8,019**	7,803
Local travelling	**2,336**	1,738	**2,320**	1,624
Amortisation of deferred expenditure (Note 15)	**1,250**	1,189	**1,250**	1,189
	50,208	41,889	**49,737**	40,570

29 INTEREST EXPENSE

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000	**$'000**	$'000
Interest expense on:				
Lease liabilities (Note 19)	**6,505**	4,785	**6,524**	4,815
Unwinding on provision of restoration (Note 20)	**235**	156	**235**	156
Others	**4**	1	**4**	1
	6,744	4,942	**6,763**	4,972

30 CONTRIBUTION TO CONSOLIDATED FUND

GovTech is required to make contributions to the Consolidation Fund in accordance with the Statutory Corporation (Contributions to Consolidated Fund) Act 1989 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 GovTech (before donations) for the financial period. Contribution to consolidated fund is provided for on an accrual basis.

	2025	2024
GovTech	**$'000**	$'000
At beginning of year	**37,795**	38,672
Amount paid	**(37,795)**	(38,709)
Contribution to consolidated fund for current financial year	**44,479**	37,832
At end of year	**44,479**	37,795

30 CONTRIBUTION TO CONSOLIDATED FUND (CONT'D)

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

	2025	2024
GovTech	**$'000**	$'000
Surplus before contribution to consolidated fund (Note 31)	**261,643**	222,322
Contribution to consolidated fund @ 17% on current year surplus	**44,479**	37,795
Add: Contribution paid for prior year's surplus	**-**	37
Total contribution for the period	**44,479**	37,832

In 2024, GovTech returned $14.0 million to Ministry of Finance through contribution to consolidated funds.

31 INCOME TAX EXPENSE

Domestic income tax of the Group is calculated at 17% (2024 - 17%) of the estimated assessable income for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The charge for the year can be reconciled to the accounting surplus as follows:

	2025	2024
Group	**$'000**	$'000
Surplus before contribution to Consolidated Fund and taxation	**221,018**	232,478
Less: Surplus of GovTech before contribution to consolidated fund and income not subject to tax (Note 30)	**(261,643)**	(222,322)
Add: Reversal of impairment in subsidiary (Note 14)	**49,000**	-
	8,375	10,156
Income tax expense at statutory tax rate of 17% (2024 - 17%)	**1,424**	1,727
Income not subject to tax	**(374)**	(291)
Expenses not deductible for tax purposes	**59**	29
Utilisation of deferred tax assets previously not recognised	**(1,109)**	(1,465)
	-	-

GovTech is a tax exempted institution under the provision of the Income Tax Act 1947. The subsidiary of GovTech is subject to tax under Singapore income tax legislation.

As at 31 March 2025, subject to the agreement by the tax authorities, a subsidiary of the Group has unutilised tax losses amounting to approximately $24.5 million (2024 - $31.0 million) available for offset against future profits. No deferred tax arising from unutilised tax losses has been recognised due to the unpredictability of future profit streams.

Utilisation of such losses is subject to the retention of majority shareholders and agreement of the Inland Revenue Authority of Singapore. The subsidiary has not recognised any deferred tax benefits in respect of such tax losses which may be available for offsetting against profits due to the unpredictability of future profit streams.

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31 INCOME TAX EXPENSE (CONT'D)

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. Differences between the actual results and management's estimates would affect the results of the period in which such differences are determined.

32 COMMITMENTS

As at the end of the financial year, the commitments not provided for in the financial statements are as follows:

	Group		GovTech	
	2025	2024	**2025**	2024
	$'000	$'000 (Restated)	**$'000**	$'000 (Restated)
Capital expenditure	**39,129**	84,995	**39,129**	84,995

Operating lease arrangements

As at 31 March 2025, the Group and GovTech have not committed to any short-term leases.

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