



FINANCIAL STATEMENTS

Statement By
The Members of the Board

.....
P03

Independent
Auditors' Report

.....
P04

Statement of
Net Assets of Funds

.....
P07

Statement of
Changes in Fund Balances

.....
P08

Statement of
Cash Flows

.....
P09

Notes to
The Financial Statements

.....
P10

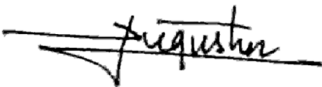
Statement by the Members of the Board

In our opinion, the accompanying financial statements of the funds managed by the Central Provident Fund Board (the “Board”) as set out on pages 7 to 91 are drawn up so as to present fairly, in all material respects of the net assets of the funds managed by the Board as at 31 December 2019, and the changes in these fund balances and cash flows for the financial year then ended.

On behalf of the Board



Chiang Chie Foo
Chairman



Augustin Lee
Chief Executive Officer

6 May 2020

Independent Auditors’ Report

Members of the Board, Central Provident Fund Board

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the funds managed by the Central Provident Fund Board (‘the Board’), which comprise the statement of net assets of funds managed by the Board as at 31 December 2019, the statement of changes in fund balances and the statement of cash flows of the funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 91.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the ‘PSG’ Act), the Central Provident Fund Act Chapter 36, Revised Edition 2013 (the ‘Act’) and Statutory Board Financial Reporting Standards (‘SB-FRSs’) so as to present fairly, in all material respects, the net assets of the funds managed by the Board as at 31 December 2019 and the changes in these fund balances and cash flows for the year ended on that date.

Basis for opinion

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

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors’ report thereon.

We have obtained all other information prior to the date of this auditors’ report.

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

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

Responsibilities of management 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 Act and SB-FRSs, 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 Board'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 Board or for the Board to cease operations.

The management of the Board is responsible for overseeing the Board's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management of the Board 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:

- the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Board during the year are, in all material respects, in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Board; and
- proper accounting and other records have been kept, including records of all assets of the Board whether purchased, donated or otherwise.

Basis for opinion

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

Responsibilities of management for compliance with legal and regulatory requirements

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

Auditors' responsibility for the compliance audit

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

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



KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
6 May 2020

Statement of Net Assets of Funds
as at 31 December 2019

	NOTE	2019 S\$'000	2018 S\$'000
Central Provident Fund			
Total assets			
Property, plant and equipment	3	172,890	166,934
Right-of-use assets	4	124,846	–
Intangible assets	5	97,780	58,853
Investments	6	423,732,270	390,062,524
Debtors and other receivables	7	4,683,730	4,259,841
Cash and cash equivalents	8	417,933	403,690
		429,229,449	394,951,842
Total liabilities			
Deferred capital grant	9	6,149	3,507
Creditors, accruals and provisions	10	598,790	620,993
Lease liabilities	4	136,018	–
		740,957	624,500
Net assets of the Central Provident Fund	17	428,488,492	394,327,342
Insurance Funds			
Net assets			
Home Protection Fund	20	1,275,892	1,149,443
MediShield Life Fund	20	1,884,173	1,895,327
Lifelong Income Fund	20	–	–
Other Funds			
Net assets of Trust Funds	21	1,670,740	2,187,211

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

Statement of Changes in Fund Balances
for the year ended 31 December 2019

	NOTE	2019 S\$'000	2018 S\$'000
Central Provident Fund			
Fund balances as at 1 January		394,327,342	362,734,824
Add:			
Contributions (net of refunds) by members	11	37,400,974	36,214,319
Government grants to members	12	2,302,825	1,982,313
Dividends from Special Discounted Shares		144,631	172,361
Net income from investments	13	15,846,376	14,613,226
Net change in fair value of equity investments at fair value through other comprehensive income		69,984	(18,030)
Net change in fair value of debt investments at fair value through other comprehensive income		45,853	(42,365)
Interest income from bank deposits		4,303	3,983
Other operating income	14	193,347	169,013
		56,008,293	53,094,820
Less:			
Withdrawals (net of refunds) by members	15	21,424,749	21,112,753
General and administrative expense		1,508	27,873
Other operating expenses	16	418,147	361,676
Interest on lease liabilities	4	2,739	–
		21,847,143	21,502,302
Net increase in the Central Provident Fund		34,161,150	31,592,518
Fund balances as at 31 December		428,488,492	394,327,342
Represented by:			
Members’ accounts	17	425,110,201	391,117,517
General moneys of the Fund	17	63,799	58,367
Accumulated surplus	17	3,150,225	3,103,028
Fair value reserve	17	164,267	48,430
		428,488,492	394,327,342

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

Statement of Cash Flows
for the year ended 31 December 2019

	NOTE	2019 S\$'000	2018 S\$'000
Central Provident Fund			
Cash flows from operating activities			
Net increase in the Central Provident Fund		34,161,150	31,592,518
Adjustments for:			
Net income from investments	13	(15,846,376)	(14,613,226)
Net change in fair value of equity investments at fair value through other comprehensive income		(69,984)	18,030
Net change in fair value of debt investments at fair value through other comprehensive income		(45,853)	42,365
Interest income from bank deposits		(4,303)	(3,983)
Depreciation and amortisation	16	61,725	32,774
Interest on lease liabilities	4	2,739	–
Government grants	14	(3,063)	(2,748)
Gain from sale of property, plant and equipment		–	(18)
Property, plant and equipment written off		278	79
Intangible assets written off		264	57
Cash generated before changes in operating assets and liabilities		18,256,577	17,065,848
Changes in operating assets and liabilities:			
Debtors and other receivables		(14,598)	(383)
Creditors, accruals and provisions		(18,813)	102,346
Net acquisition of special issues of Singapore Government securities		(33,068,274)	(30,417,972)
Net placement of advance deposits		(473,887)	(856,903)
Cash used in operations		(15,318,995)	(14,107,064)
Interest received from special issues of Singapore Government securities, advance deposits and bank deposits		15,340,532	14,133,261
Grants received from Government		3,078	–
Payment for interest portion of lease liabilities		(2,739)	–
Net cash generated from operating activities		21,876	26,197
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(29,742)	(24,926)
Payments for purchase of intangible assets		(67,101)	(22,178)
Acquisition of debt and equity investments		(388,396)	(430,330)
Proceeds from sale of property, plant and equipment		–	22
Proceeds from sale of investments		161,777	258,119
Redemption of investments and capital reduction by issuer		214,255	118,054
Interest received from debt investments		78,568	77,895
Dividends received		25,531	27,585
Net cash (used in) / generated from investing activities		(5,108)	4,241
Cash flows from financing activities			
Payment for principal portion of lease liabilities		(20,814)	–
Net cash used in financing activities		(20,814)	–
Net (decrease) / increase in cash and cash equivalents		(4,046)	30,438
Cash and cash equivalents as at 1 January		261,320	230,882
Cash and cash equivalents as at 31 December	8	257,274	261,320

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

Notes to the Financial Statements
for the year ended 31 December 2019

1. Domicile and activities

Central Provident Fund Board (the “Board”) is a statutory board established under the Central Provident Fund Act (Chapter 36, Revised Edition 2013) (the “Act”) under the purview of the Ministry of Manpower. As a statutory board, the Board is subject to the directions of the Ministry of Manpower and is required to implement policies as determined by the Ministry of Manpower and other Government ministries such as the Ministry of Finance from time to time.

The office address of the Board is 238B Thomson Road, #08-00 Tower B Novena Square, Singapore 307685.

Funds managed by the Board

As set out in the Act, the Board is the trustee of the Central Provident Fund (“CPF”) and the administrator of the Home Protection Fund and Lifelong Income Fund. The Board also administers the MediShield Life Fund which is established under the MediShield Life Scheme Act 2015 (No. 4 of 2015), on behalf of the Ministry of Health.

The Home Protection Fund, MediShield Life Fund and Lifelong Income Fund are collectively known as the “Insurance Funds”.

The principal activities of the Board include the collection of CPF contributions, the processing of withdrawals of CPF savings by members under the various schemes and the administration of the Home Protection Fund, MediShield Life Fund and Lifelong Income Fund.

The Board is also appointed as the trustee of, and administers the Deferment Bonus Fund, CPF LIFE Bonus Fund, Trust Fund for the Special Employment Credit Scheme and other trust funds received from the Government (collectively known as “Trust Funds”). Details of the Trust Funds are disclosed in note 21.

Central Provident Fund

The Central Provident Fund is established by the Act. It is the national social security savings scheme of Singapore, jointly supported by employees, employers and the Government. All contributions authorised under the Act are paid into the CPF and all payments authorised under the Act are paid out of the CPF.

Insurance Funds

- (a) The **Home Protection Fund** is set up under section 33 of the Act to account for premiums received, claims paid for home mortgage insurance cover and operating expenses incurred under the Home Protection Insurance Scheme.
- (b) The **MediShield Life Fund** is set up under section 7(1) of the MediShield Life Scheme Act 2015 (No. 4 of 2015). The MediShield Life Fund accounts for premiums and government grants received, claims paid for medical insurance cover and operating expenses incurred under the MediShield Life Scheme.
- (c) The **Lifelong Income Fund** is set up under section 27N of the Act to account for premiums received, monthly payouts made and operating expenses incurred under the Lifelong Income Scheme. The Lifelong Income Scheme is designed to provide the insured member a monthly payout, starting from the annuity payout start age of the insured member, for as long as the member is alive. Investment of moneys in the Lifelong Income Fund is governed by section 27N(3) of the Act.

The assets and liabilities of the Insurance Funds are subjected to the requirements of the relevant Acts and Regulations governing the Insurance Funds. These assets and liabilities are segregated from each other, and from those of the CPF, and can only be withdrawn in accordance with the relevant legislation.

2. Summary of significant accounting policies

2.1 Basis of preparation

In its capacity as trustee of the CPF and administrator of the respective funds, all operating expenses of the Board pertaining to the funds and schemes administered are charged against the respective funds. Consequently, all the financial transactions of the Board are reported under the respective funds accordingly. The Board does not separately have any assets or liabilities.

The financial statements of the funds managed by the Board have been prepared in accordance with the provisions of the Act, the Public Sector (Governance) Act 2018 (No. 5 of 2018) (the 'PSG' Act) and Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS include Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General. The presentation of the financial statements of the Board is in accordance with SB-FRS 26 *Accounting and Reporting by Retirement Benefit Plan*.

This is the first set of the Board's annual financial statements in which SB-FRS 116 *Leases* has been applied. The related changes to significant accounting policies are described in note 2.2.

The financial statements have been prepared on the historical cost basis, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S\$) which is the functional currency of the funds managed by the Board. All financial information presented in Singapore Dollars has been rounded to the nearest thousand (S\$'000), except when otherwise stated.

The preparation of financial statements in conformity with SB-FRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. 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 estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 19.1 and 20.12 – Classification of financial instruments

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included in the following notes:

Note 20.10 – Valuation of insurance contract liabilities

Note 20.12 – Valuation of financial instruments

Assumptions and estimates made by management are based on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of management. Such changes are reflected in the assumptions when they occur.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

SB-FRS 116 *Leases*

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

Definition of a lease

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

On transition, the Board applied the practical expedient to apply SB-FRS 116 only for contracts that were previously assessed as leases under SB-FRS 17 and INT SB-FRS 104. Therefore, the definition of a lease under SB-FRS 116 is applied only to contracts entered into or changed on or after 1 January 2019.

As a lessee

The Board previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Board. Under SB-FRS 116, the Board recognises right-of-use assets and lease liabilities for most of the leases.

At commencement or on modification of a contract that contains a lease component, the Board allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

Leases classified as operating leases under SB-FRS 17

On transition, for commercial properties leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at the Government’s borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments.

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

The Board used a number of practical expedients when applying SB-FRS 116 to leases previously classified as operating leases under SB-FRS 17. In particular, the Board:

- did not recognise right-of-use assets and liabilities for leases of low value assets;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used information available as at 1 January 2019 when determining the lease term.

As a lessor

The Board is not required to make any adjustments on transition to SB-FRS 116 for leases in which it acts as a lessor.

Impact on transition

On transition to SB-FRS 116, the Board recognised additional right-of-use assets and additional lease liabilities as summarised below. There was no impact to accumulated surplus on transition.

	1 January 2019 S\$’000
Right-of-use assets	134,965
Lease liabilities	<u>(146,301)</u>

When measuring lease liabilities for leases that were classified as operating leases, the Board discounted lease payments using the Government’s borrowing rate at 1 January 2019 of 1.9%.

	1 January 2019 S\$’000
Operating lease commitments at 31 December 2018 as disclosed under SB-FRS 17 in the Board’s financial statements	<u>168,316</u>
Discounted using the Government’s borrowing rate at 1 January 2019	<u>147,551</u>
Recognition exemption for leases of low-value assets	<u>(1,250)</u>
Lease liabilities recognised at 1 January 2019	<u>146,301</u>

2.3 Basis of recognition of contributions, withdrawals, Government grants to members, interest, net income from investments and other operating income

Based on the Act and CPF Regulations:

- (a) Contributions, Government grants to members and dividends from Special Discounted Shares are recognised when received and credited directly to the members’ accounts.
- (b) Withdrawals by members are recognised when authorised and debited from the members’ accounts.
- (c) Penalty interest on late contributions is recognised when received.
- (d) Interest payable to members is recognised as it accrues.

Interest income from investments and interest income from bank deposits are recognised as they accrue, using the effective interest method.

Dividends from investments are recognised when the shareholder’s right to receive payments has been established.

Agency fees and income from other services provided are recognised when the services have been rendered.

Rental income arising from operating leases on property, plant and equipment is accounted for on a straight-line basis over the terms of the leases. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income is recognised as ‘other operating income’.

2.4 Operating expenses

All operating expenses incurred by the Board and relating to the CPF, Home Protection Fund, MediShield Life Fund and Lifelong Income Fund are charged to the respective funds when incurred.

All operating expenses of trust funds are taken up in the respective trust funds when paid.

2.5 Insurance contracts

Insurance contracts issued under the Home Protection Insurance Scheme, MediShield Life Scheme and Lifelong Income Scheme work on the principle of risk transfer. Insurance contracts are those contracts under which the Insurance Funds accept significant insurance risks from the insured member by agreeing to compensate the insured member or other beneficiary, if a specified uncertain future event adversely affects the insured member.

The Board is not required to unbundle any insurance contract as the accounting policy recognises all insurance premiums, claims and benefit payments, expenses and valuation of actuarial liabilities, through the changes in fund balances of the Insurance Funds.

2.6 Basis of recognition and measurement of insurance premiums, claims, benefits incurred and insurance contract liabilities

(a) Premiums

Premiums from insured members are recognised on their respective due dates. Premiums not received on the due date are recognised as revenue with the corresponding outstanding premiums receivable reported in the statement of net assets of the Insurance Funds.

(b) Claims and benefits incurred

Claims include surrenders, death claims and claims incurred under other claim events. Surrenders are recorded when the obligation to make the payout arises. Death claims and payments on other claim events are recorded when notified. Annuity payouts from the Lifelong Income Fund are recognised when due.

(c) Insurance contract liabilities

A liability for contractual benefits that are expected to be incurred in the future is recorded when the premiums are recognised. The liability is determined using assumptions considered appropriate for the policies in force. The actuarial valuation basis is determined by the Board based on the advice of the independent actuarial advisers to the Board.

2.7 Property, plant and equipment

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. Cost includes expenses incurred that are directly attributable to the acquisition of the asset. Costs of dismantlement, removal or restoration are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The cost of an item of property, plant and equipment below S\$5,000 is recognised as an expense in the statement of changes in fund balances during the year in which the cost is incurred.

Subsequent costs incurred for an asset are recognised in the carrying amount of the asset, or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the funds managed by the Board and the cost of the item can be measured reliably. Costs of day-to-day servicing of property, plant and equipment are recognised as an expense when incurred.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed at the end of each year and adjusted prospectively, if appropriate, to ensure that they reflect the expected economic benefits derived from these assets.

Property, plant and equipment are depreciated on a straight-line basis, over their estimated useful lives as follows:

	Estimated useful life
Leasehold land	period of the lease
Buildings	50 years or period of the lease, whichever is shorter
Building renovation and improvement	remaining life of the building
Machinery and equipment	4 to 10 years
Furniture and fittings	8 years
Data processing equipment	3 to 5 years

Depreciation is based on the cost of an asset less its residual value and is recognised from the date that the property, plant and equipment are installed and are ready for use. Assets classified as construction-in-progress are not depreciated, as these assets are not available for use.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use. Any gain or loss on derecognition of the asset is included in the statement of changes in fund balances in the year the asset is derecognised.

2.8 Intangible assets

Intangible assets consist of computer software and application system, including those under development. They are measured at cost less accumulated amortisation and any accumulated impairment losses. Cost includes expenses incurred directly to bring the asset to use or to develop the computer software or application system.

The cost of an intangible asset below S\$5,000 is recognised as an expense in the statement of changes in fund balances during the year in which the cost is incurred.

Subsequent costs which enhance or extend the performance of computer software or application system beyond its original specifications and which can be reliably measured are recognised as capital improvements and recognised in the carrying amount of the asset. Costs associated with the support and maintenance of computer software and application systems are recognised as an expense when incurred.

The residual values, useful lives and amortisation methods of intangible assets are reviewed at the end of each year and adjusted prospectively, if appropriate, to ensure that they reflect the expected economic benefits derived from these assets.

Amortisation is calculated based on the cost of the asset, less its residual value. Intangible assets are amortised on a straight-line basis, over their estimated useful lives ranging from 3 to 5 years from the date they are available for use.

Intangible assets under development are not amortised, as these assets are not available for use.

The carrying amount of intangible assets is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

An intangible asset is derecognised upon disposal or when no future economic benefit is expected from its use. Any gain or loss on derecognition of the asset is included in the statement of changes in fund balances in the year the asset is derecognised.

2.9 Impairment of non-financial assets

The Board assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, the Board makes an estimate of the recoverable amount of the asset.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, the value in use, of the asset, is used as the recoverable amount.

In assessing value in use, the estimated future cash flows expected to be generated by the continuing use of the asset and from its ultimate disposal are discounted to their present value using an appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the statement of changes in fund balances.

The Board also assesses at each reporting date as to whether there is an indication that an asset previously assessed to be impaired, may no longer be so. If any indication exists, the Board makes an estimate of the recoverable amount of the asset. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of the asset since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised previously. Such reversal is recognised in the statement of changes in fund balances unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

2.10 Leases

(a) As a lessor

Policy applicable from 1 January 2019

At inception or on modification of a contract that contains a lease component, the Board allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Board acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Board makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. Leases is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to the ownership. Assets leased out under operating leases include property, plant and equipment.

If an arrangement contains lease and non-lease components, then the Board applies SB-FRS 115 to allocate the consideration in the contract.

Policy applicable before 1 January 2019

Leases is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to the ownership. Assets leased out under operating leases include property, plant and equipment.

The accounting policy for rental income is set out in note 2.3.

(b) As a lessee*Policy applicable from 1 January 2019*

At inception of a contract, the Board assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration for contracts entered into, on or after 1 January 2019.

At commencement or on modification of a contract that contains a lease component, the Board allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

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

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

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

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

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

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when:

- there is a change in future lease payments arising from a change in an index or rate;
- there is a change in the Board's estimate of the amount expected to be payable under a residual value guarantee;
- the Board changes its assessment of whether it will exercise a purchase, extension or termination option; or
- there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in statement of changes in fund balances if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

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

Policy applicable before 1 January 2019

Operating lease payments were recognised as an expense in the statement of changes in fund balances on a straight-line basis over the lease term. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

2.11 Financial instruments

(a) Non-derivative financial assets

Recognition and initial measurement

Debtors and other receivables are recognised initially on the date that they originated. All other financial assets are initially recognised when the Board, as trustee and administrator of the funds, becomes a party to the contractual provisions of the instrument.

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

Assessment whether contractual cash flows are solely payments of principal and interest

‘Principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time.

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

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features; and
- prepayment and extension features.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as financial assets at amortised cost, debt investments at fair value through other comprehensive income, equity investments at fair value through other comprehensive income or financial assets at fair value through profit or loss.

Financial assets are not reclassified subsequent to their initial recognition unless there are changes to business model for managing the financial assets. Upon change in business model, all affected financial assets are to be reclassified from the first day of the first reporting period.

(i) Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as fair value through profit or loss (“FVTPL”):

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

These assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Interest income, impairment and any gain or loss on derecognition are recognised in the statement of changes in fund balances.

(ii) Debt investments at fair value through other comprehensive income (“FVOCI”)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

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

Subsequent to initial recognition, debt investments at FVOCI are measured at fair value. Any gains and losses from changes in fair value of the debt investments are recognised in the statement of changes in fund balances and presented in the fair value reserve.

Impairment losses, foreign exchange gains and losses, and interest calculated using the effective interest method, are recognised in the statement of changes in fund balances.

On derecognition, gains and losses accumulated in fair value reserve are reclassified to the statement of changes in fund balances.

(iii) Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Board may irrevocably elect to designate the investment at FVOCI. The election to designate investment is made on an investment-by-investment basis.

Subsequent to initial recognition, equity investments at FVOCI are measured at fair value, and the changes are recognised in the statement of changes in fund balances and presented in the fair value reserve.

Dividends are recognised in the statement of changes in fund balances unless the dividend clearly represents a recovery of part of the cost of the investment.

(iv) Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Board may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

After initial recognition, these assets are measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of changes in fund balances.

Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the asset has expired, or when the rights to receive the contractual cash flows on the financial asset are transferred in a transaction, in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial assets that is created or retained is recognised as a separate asset or liability.

(b) Non-derivative financial liabilities**Initial recognition and measurement**

Financial liabilities, are initially recognised on the trade date, which is the date that the Board, as trustee and administrator of the funds, become a party to the contractual provisions of the financial instrument.

Non-derivative financial liabilities comprise creditors and other payables. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs.

Subsequent measurement

Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, or is cancelled, or expires.

(c) Derivative financial instruments

The Insurance Funds hold derivative financial instruments to hedge their foreign currency risk and interest rate risk exposures. Hedge accounting is not adopted.

Derivatives are recognised initially at fair value, attributable transaction costs are recognised as an expense when incurred.

Subsequent to initial recognition, derivatives are measured at fair value, and the changes are recognised in the statement of changes in fund balances.

Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of net assets when, and only when, there are legal rights to offset the amounts, and intention to either settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.12 Fair value of assets and liabilities

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

(a) Fair value measurement of financial instruments

The fair value of an instrument is measured using quoted prices in an active market for that instrument, where available. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis. If a market for a financial instrument is not active, its fair value is established using a valuation technique.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument, that is, without modification, or based on a valuation technique whose variables include only data from observable markets.

(b) Fair value hierarchy

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

- Level 1: unadjusted quoted prices in active markets for individual assets or liabilities.
- Level 2: valuation techniques on observable inputs either directly, that is, as prices, or indirectly, that is, derived from prices. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and unobservable inputs have a significant effect on the valuation of the instrument. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between instruments.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Transfers between levels of the fair value hierarchy are deemed to have occurred on the date of the event or change in circumstances that caused the transfers.

2.13 Impairment of financial assets

The Board recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost and debt investments measured at FVOCI.

Loss allowances are measured on either of the following bases:

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

Simplified approach

The Board applies the simplified approach to provide for ECLs for debtors and other receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

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

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

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

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

The Board considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Board in full, without recourse by the Board to actions such as realising security (if any is held).

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

Measurement of ECLs

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

Credit impaired financial assets

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

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

- significant financial difficulty of the borrower or issuer; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of net assets

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets. For debt investments at FVOCI, loss allowances are recognised in the statement of changes in fund balances.

Write-off

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

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and bank deposits. Cash at banks managed by the Board on behalf of trust funds and Government ministries is excluded from cash and cash equivalents in the statement of cash flows.

2.15 Foreign currency transactions and balances

Transactions in foreign currencies are measured and are recorded on initial recognition in Singapore Dollars at exchange rates at the dates of the transactions. Monetary assets and monetary liabilities denominated in foreign currencies are translated to Singapore Dollars at the exchange rate at the end of the year.

Foreign currency exchange gains or losses on monetary items is the difference between the amortised costs of the monetary items, reported in Singapore Dollars, at the start of the year, adjusted for effective interest and payments during the year, and the amortised costs of the monetary items, translated from foreign currency to Singapore Dollars, at the exchange rate at the end of the year.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the year are recognised in the statement of changes in fund balances.

Non-monetary assets and non-monetary liabilities measured at fair value in foreign currencies are translated to Singapore Dollars using the exchange rates at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in foreign currencies are translated using the exchange rates at the dates of the initial transactions.

2.16 Provisions

A provision is recognised when, as a result of a past event, the Board has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle that obligation. Provisions are estimated, based on the best estimate of the expenditure required to settle the obligations, taking into consideration the time value of money.

Provisions are reviewed at the end of each year and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

2.17 Employee benefits

(a) Defined contribution plans

Contributions on the salaries of the employees of the Board are made to the CPF as required by law. The CPF contributions are recognised as expenses in the period when the employees rendered their services.

(b) Short-term employee benefits

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

(c) Employees’ leave entitlements

Employees’ entitlements to annual leave are recognised when they accrue to the employees. A liability is recognised for leave earned by the employees as a result of services rendered up to the reporting date.

2.18 Trust Funds

Trust Funds are funds to which the Board acts as trustee, administrator or agent but does not exercise control over the funds.

The assets and liabilities of these funds held in trust are presented as a line item at the bottom of the statement of net assets with additional disclosures in the notes to the financial statements (as set out in note 21), as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*.

The receipts and disbursements relating to these funds are accounted for directly in these funds on a cash basis, in which funds received are accounted for when received, instead of when earned, and funds disbursed are accounted for when paid, instead of when incurred, and recognised in the statement of receipts and disbursements accordingly (as set out in notes 21.1 to 21.4).

2.19 Government grants

Government grants received for the purchase or the construction of depreciable assets are accounted for as deferred capital grant. Deferred capital grant is amortised and recognised as income over the respective useful life of the assets to match the annual depreciation charge of these assets. When the asset is disposed or written off, the remaining balance of the deferred grant not yet amortised will be credited to income.

Government grants received by the Board to meet operating expenses are recognised as income in the year these operating expenses are incurred.

2.20 Standards issued but not yet effective

The following new SB-FRSs, interpretations and amendments to SB-FRSs are effective for annual periods beginning after 1 January 2020 and are not expected to have a significant impact on the Board’s financial statements.

SB-FRS Conceptual Framework for Financial Reporting
Amendments to SB-FRS 103: *Definition of a business*
Amendments to SB-FRS 1 and SB-FRS 8: *Definition of Material*

3. Property, plant and equipment

Non-current assets	Leasehold land S\$'000	Buildings S\$'000	Building renovation and improvement S\$'000	Machinery and equipment S\$'000	Furniture and fittings S\$'000	Data processing equipment S\$'000	Construction- in-progress S\$'000	Total S\$'000
Cost								
At 1 January 2018	62,741	74,278	4,182	38,840	12,793	43,141	-	235,975
Additions	-	-	3,202	44	392	24,418	1,219	29,275
Disposals/Written off	-	-	-	(165)	(49)	(5,975)	-	(6,189)
Reclassification	-	-	-	732	-	-	(732)	-
At 31 December 2018	62,741	74,278	7,384	39,451	13,136	61,584	487	259,061
Additions	-	-	-	63	19	16,739	9,621	26,442
Disposals/Written off	-	-	-	(302)	(204)	(5,681)	-	(6,187)
Reclassification	-	-	-	2,507	860	6,545	(9,912)	-
Adjustment	-	-	(27)	-	-	-	-	(27)
At 31 December 2019	62,741	74,278	7,357	41,719	13,811	79,187	196	279,289

Accumulated depreciation

At 1 January 2018	9,399	20,212	1,010	25,924	3,772	22,012	-	82,329
Depreciation for the year	712	1,986	183	2,410	1,560	9,054	-	15,905
Disposals/Written off	-	-	-	(146)	(46)	(5,915)	-	(6,107)
At 31 December 2018	10,111	22,198	1,193	28,188	5,286	25,151	-	92,127
Depreciation for the year	719	1,985	227	2,612	1,693	12,800	-	20,036
Disposals/Written off	-	-	-	(218)	(93)	(5,453)	-	(5,764)
At 31 December 2019	10,830	24,183	1,420	30,582	6,886	32,498	-	106,399

Carrying amounts

At 1 January 2018	53,342	54,066	3,172	12,916	9,021	21,129	-	153,646
At 31 December 2018	52,630	52,080	6,191	11,263	7,850	36,433	487	166,934
At 31 December 2019	51,911	50,095	5,937	11,137	6,925	46,689	196	172,890

Depreciation charges amounting to S\$299,000 (2018: S\$173,000) were allocated to Home Protection Fund. The remaining depreciation charge of S\$19,737,000 (2018: S\$15,732,000) was accounted for under the Central Provident Fund.

4. Leases**(i) Leases when the Board is the lessee**

The Board leases commercial properties under non-cancellable lease agreements. The leases have varying fixed terms, with an option to renew the lease after that date. Lease payments are renegotiated at every renewal to reflect market rentals. Previously, these leases were classified as operating leases under SB-FRS 17.

The Board leases equipment with contract terms of varying years. These leases are leases of low-value items. The Board has elected not to recognise right-of-use assets and lease liabilities for these leases.

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

Right-of-use assets**Cost**

	Buildings S\$'000	Total S\$'000
At 1 January 2019	134,965	134,965
Additions	11,126	11,126
At 31 December 2019	146,091	146,091

Accumulated depreciation

At 1 January 2019	-	-
Depreciation*	21,245	21,245
At 31 December 2019	21,245	21,245

Carrying amounts

At 1 January 2019	134,965	134,965
At 31 December 2019	124,846	124,846

*Depreciation of right-of-use assets is recognised under other operating expenses.

Lease liabilities

	2019 S\$'000
Current	21,151
Non-current	114,867
	136,018

Amounts recognised in statement of changes in fund balances

S\$'000

2019 – Leases under SB-FRS 116:

Interest on lease liabilities	2,739
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets*	1,976

2018 – Leases under SB-FRS 17:

Rental expense for building and equipment*	26,409
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*Rental expense is recognised under general and administrative expense.

Amounts recognised in statement of cash flows

2019
S\$'000

Total cash outflow for leases	23,553
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Reconciliation of movements of liabilities to cash flows arising from financing activities

Lease liabilities
S\$'000

Balance as at 1 January 2019	146,301
Payment for principal portion of lease liabilities	(20,814)
Total changes from financing cash flows	(20,814)
Payment for interest portion of lease liabilities	(2,739)
New lease	10,531
Interest on lease liabilities	2,739
Balance as at 31 December 2019	136,018

Renewal options

Some property leases contain renewal options exercisable by the Board before the end of the non-cancellable contract period. Where practicable, the Board seeks to include renewal options in new leases to provide operational flexibility. The renewal options held are exercisable only by the Board and not by the lessors. The Board assesses at lease commencement date whether it is reasonably certain to exercise the renewal options. The Board also reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Board has estimated that the potential future lease payments, should it exercise the renewal option, would amount to S\$253,000,000.

(ii) Leases when the Board is the lessor

The Board leases out the space in buildings under property, plant and equipment. These leases are classified as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Board during 2019 was S\$7,297,000 (2018: S\$7,799,000).

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

S\$'000

2019 – Operating leases under SB-FRS 116:

- Less than one year	7,210
- One to two years	4,661
- Two to three years	2,284
- Three to four years	999
	15,154

2018 – Operating leases under SB-FRS 17:

- Less than one year	7,173
- Between one year to five years	10,060
	17,233

5. Intangible assets

Non-current assets	Computer software/ application system S\$'000	Computer software/ application system under development S\$'000	Total S\$'000
Cost			
At 1 January 2018	89,779	16,167	105,946
Additions	26,893	4,555	31,448
Disposals/Written off	(16,473)	–	(16,473)
Transfer	16,968	(16,968)	–
At 31 December 2018	117,167	3,754	120,921
Additions	6,985	52,953	59,938
Disposals/Written off	(5,538)	(18)	(5,556)
Transfer	14,343	(14,343)	–
At 31 December 2019	132,957	42,346	175,303
Accumulated amortisation			
At 1 January 2018	61,438	–	61,438
Amortisation charge for the year	17,046	–	17,046
Disposals/Written off	(16,416)	–	(16,416)
At 31 December 2018	62,068	–	62,068
Amortisation charge for the year	20,747	–	20,747
Disposals/Written off	(5,292)	–	(5,292)
At 31 December 2019	77,523	–	77,523
Carrying amounts			
At 1 January 2018	28,341	16,167	44,508
At 31 December 2018	55,099	3,754	58,853
At 31 December 2019	55,434	42,346	97,780

Amortisation charges amounting to S\$4,000 (2018: S\$4,000) were allocated to MediShield Life Fund. The remaining amortisation charge of S\$20,743,000 (2018: S\$17,042,000) was accounted for under the Central Provident Fund.

6. Investments

	Note	2019 S\$'000	2018 S\$'000
Financial assets at amortised cost			
Special issues of Singapore Government securities:			
- Floating rate	(a)	341,905,537	317,460,017
- Fixed rate	(b)	65,925,038	57,302,284
		407,830,575	374,762,301
Advance deposits	(c)	12,876,436	12,402,549
		420,707,011	387,164,850
Debt investments at FVOCI			
Singapore Government securities		448,717	433,517
Statutory Board bonds		358,819	303,442
Corporate bonds		1,543,930	1,422,956
		2,351,466	2,159,915
Debt investments at FVTPL			
Corporate bonds		132,581	130,405
Equity investments at FVOCI	(d)	541,212	607,354
		423,732,270	390,062,524

- (a) The floating rate special issues of Singapore Government securities are bonds issued specifically to the Board to meet its interest and other obligations. They do not have quoted market values and the Board cannot trade them in the market. The interest rates of 2.50%, 3.50%, 4.00%, 4.50%, 5.00% and 6.00% (2018: 2.50%, 3.50%, 4.00%, 4.50%, 5.00% and 6.00%) per annum for the securities are pegged to the rates at which the Board pays interest to the members of CPF. The effective interest rates for the securities approximate the interest rates quoted above.
- (b) The CPF invested jointly with the Lifelong Income Fund in fixed rate special issues of Singapore Government securities, which are issued specifically to the Board to meet its interest and other obligations for Retirement Accounts of members. The effective interest rate on these securities is within the range of 4.00% to 6.00% (2018: 4.00% to 6.00%) per annum.
- (c) The advance deposits are deposits placed with the Accountant-General through the Monetary Authority of Singapore to purchase special issues of Singapore Government securities. The interest rate of 2.50% (2018: 2.50%) per annum on the advance deposits is pegged to the rate at which the Board pays interest for the Ordinary Accounts of members.

(d) Equity investments designated as FVOCI

The Board designated the equity investments shown below as FVOCI because these equity investments are intended to be held for long-term for strategic purposes.

Equity investments held as at 31 December 2019	Fair value at 31 December 2019 S\$'000	Dividend income recognised during 2019 S\$'000
Preference shares	239,868	8,100
Singapore Real Estate Investment Trusts (S-REIT)	301,344	11,923
	541,212	20,023

Equity investments held as at 31 December 2018	Fair value at 31 December 2018 S\$'000	Dividend income recognised during 2018 S\$'000
Preference shares	316,130	8,594
Singapore Real Estate Investment Trusts (S-REIT)	291,224	14,960
	607,354	23,554

Equity investments with the fair value of S\$203,627,000 (2018: S\$188,362,000) were redeemed or sold during the year. The equity investments were sold to keep the investments within the portfolio guidelines, as well as to participate in better investment opportunities. Relating to these equity investments disposed, dividend income of S\$5,508,000 (2018: S\$4,031,000) was recognised. There is a transfer of cumulative loss of S\$1,951,000 (2018: S\$3,219,000) from fair value reserves to accumulated surplus on disposal.

7. Debtors and other receivables

	Note	2019 S\$'000	2018 S\$'000
Debtors – schemes	(a)	17,391	16,311
Interest receivable			
- special issues of Singapore Government securities and advance deposits		4,584,515	4,179,212
- other investments		23,824	22,463
Deposits paid		6,375	6,007
Prepayments		7,550	4,429
Other receivables		44,075	31,419
		4,683,730	4,259,841

(a) Debtors – schemes include all receivable amounts linked to the various CPF schemes.

At the reporting date, the debtors and other receivables are not past due and are usually settled within 6 months from the date of invoice.

The Board assessed that no impairment allowance is required for debtors and other receivables as these are mainly due from Government ministries.

8. Cash and cash equivalents

	Note	2019 S\$'000	2018 S\$'000
Cash at banks		357,933	319,690
Bank deposits		60,000	84,000
Cash and cash equivalents		417,933	403,690
Less: Cash at banks managed by the Board on behalf of trust funds and Government ministries	21.4	(160,659)	(142,370)
Cash and cash equivalents in the statement of cash flows		257,274	261,320

9. Deferred capital grant

	Note	2019 S\$'000	2018 S\$'000
At 1 January		3,507	6,253
Received/receivable during the year		5,587	–
Amortisation charge for the year	14(a)	(2,945)	(2,746)
At 31 December		6,149	3,507
Current		2,945	2,746
Non-current		3,204	761
		6,149	3,507

Deferred capital grant is provided by the Government to enhance the application system for the MediShield Life Scheme and CareShield Life Scheme. There are no unfulfilled conditions or contingencies attached to this grant.

10. Creditors, accruals and provisions

	Note	2019 S\$'000	2018 S\$'000
Amount due to trust funds and Government ministries for cash at banks managed on behalf by the Board	8	160,659	142,370
Creditors – schemes	(a)	289,952	328,008
Security, renovation and rental deposits received		2,084	2,107
Accrued expenses		13,734	26,143
Provisions	(b)	72,766	65,289
Other payables		59,595	57,076
		598,790	620,993

(a) Creditors - schemes include all payable amounts linked to the various CPF schemes.

(b) Provisions include provision on potential claims of S\$9,648,000 (2018: S\$9,648,000), and provision on administration and operating expenses of S\$3,066,000 (2018: S\$3,380,000) transferred from the dissolved Dependents' Protection Residual Fund to meet future liabilities and expenditure before the Dependents' Protection Residual Fund was dissolved in December 2013. Payments on claims are made as and when it is received by the Board.

Creditors and other payables are usually paid within 6 months from the date of invoice.

11. Contributions (net of refunds) by members

	Note	2019 S\$'000	2018 S\$'000
Contributions credited in the year		37,447,116	36,254,303
Less: Refund of contributions:			
- Refunds of excess contributions on additional wages	(a)	(23,299)	(19,231)
- Refunds to self-employed persons	(b)	(2,449)	(2,218)
- Other refunds	(c)	(20,394)	(18,535)
		37,400,974	36,214,319

(a) Refunds of excess contributions on additional wages refer to refunds made under section 75 of the CPF Act (Chapter 36, Revised Edition 2013).

(b) Refunds to self-employed persons refer mainly to refunds made under section 75C of the CPF Act (Chapter 36, Revised Edition 2013) for excess contributions to self-employed persons and refunds under section 75D of the CPF Act (Chapter 36, Revised Edition 2013) read with Regulation 4(1)(a)(i) of the CPF (Voluntary Contributions) Regulations 2011 for excess voluntary contributions paid by self-employed persons.

(c) Other refunds refer mainly to refunds under section 74 of the CPF Act (Chapter 36, Revised Edition 2013) for contributions paid in error and refunds (other than refunds to self-employed persons) made under section 75D of the CPF Act (Chapter 36, Revised Edition 2013) for excess voluntary contributions paid.

12. Government grants to members

	Note	2019 S\$'000	2018 S\$'000
CPF Housing Grant Scheme		881,476	821,123
Home Ownership Plus Education Scheme		1,223	2,761
MediSave Top-Up Schemes	(a)	447,639	385,732
Workfare Income Supplement Scheme		399,162	407,904
Deferment Bonus		10,378	15,726
CPF LIFE Bonus		–	10
National Service Housing, Medical and Education Award		213,121	210,952
MediSave Grant for Newborns		139,514	138,105
CPF Top-Up	(b)	210,312	–
		2,302,825	1,982,313

(a) MediSave Top-Up Schemes include grants under the MediSave Top-ups, MediSave Top-up for Pioneer Generation and MediSave Top-up for Merdeka Generation.

(b) One-off CPF Top-up in 2019 for eligible Singaporeans.

13. Net income from investments

	2019 S\$'000	2018 S\$'000
Interest income from investments at amortised cost:		
- Special issues of Singapore Government securities	15,550,043	14,347,306
- Advance deposits	191,458	175,933
	15,741,501	14,523,239
Interest income from debt investments at FVOCI:		
- Singapore Government securities	13,283	14,437
- Statutory Board bonds	9,641	8,989
- Corporate bonds	51,267	48,396
	74,191	71,822
Interest income from debt investments at FVTPL:		
- Corporate bonds	5,769	6,039
Dividend income from equity investments at FVOCI	25,531	27,585
Net loss on disposal of:		
- debt investments at FVOCI	(841)	(7,986)
- equity investments at FVOCI	(1,951)	(3,219)
	(2,792)	(11,205)
Net change in fair value of debt investments at FVTPL	2,176	(4,254)
	15,846,376	14,613,226

14. Other operating income

	Note	2019 S\$'000	2018 S\$'000
Agency, consultancy and data processing fees		145,752	129,710
Penalty interest on late contributions		22,843	17,381
Miscellaneous revenue		12,607	9,550
Rent, service charges and car park receipts	4	9,082	9,624
Government grants	(a)	3,063	2,748
		193,347	169,013

(a)

	Note	2019 S\$'000	2018 S\$'000
Amortisation of deferred capital grant	9	2,945	2,746
Operating grant		118	2
		3,063	2,748

Operating grant is received from the Government to fully defray the start-up costs incurred to facilitate the administration of the CareShield Life Scheme.

15. Withdrawals (net of refunds) by members

	Note	2019 S\$'000	2018 S\$'000
Sections 15 and 25 of CPF Act	(a)	7,265,086	7,504,819
Amount restored from general moneys of the Fund	(b)	14	7
Approved Housing Schemes	(c)	6,276,199	6,218,566
Home Protection Insurance Scheme	(c)	121,750	131,588
Residential Properties Scheme	(c)	3,808,537	2,841,278
MediSave Scheme	(c)	1,094,489	1,033,783
Retirement Sum Scheme	(c)	942,862	771,777
Dependants' Protection Insurance Scheme	(c)	200,134	199,715
Education Scheme	(c)	55,378	49,451
MediShield Life Scheme	(c)	1,330,670	1,235,905
Private Medical Insurance Scheme	(c)	881,111	828,226
ElderShield Scheme	(c)	475,126	391,595
Lifelong Income Scheme	(c)	610,652	344,039
Non-residential Properties Scheme	(c)	(13,772)	(17,175)
Investment Schemes	(c)	(1,598,036)	(399,015)
Special Discounted Shares Scheme		(25,451)	(21,806)
		21,424,749	21,112,753

(a) Withdrawals under sections 15 and 25 of the CPF Act (Chapter 36, Revised Edition 2013) mainly refer to withdrawals by members who have attained the age of 55 years and by members who have left or are about to leave Singapore and West Malaysia permanently, as well as on grounds of death.

(b) The amount restored and paid out from general moneys of the Fund refers to the amount restored to members' CPF subsidiary accounts and subsequently paid out to members/ other persons entitled to the moneys (e.g. members' nominees) upon application made under the CPF Act.

(c) The details and operations of the schemes are disclosed in the CPF Act, MediShield Life Scheme Act 2015 (No. 4 of 2015) and all related subsidiary legislation.

16. Other operating expenses

	Note	2019 S\$'000	2018 S\$'000
Salaries and staff benefits	(a)	247,407	239,641
Computer software and supplies		60,291	45,087
Depreciation and amortisation		61,725	32,774
Maintenance of buildings and equipment		18,001	14,906
Professional and other charges		13,156	11,467
Publicity and campaigns		10,314	10,264
Printing and postage		3,915	4,202
Public utilities		2,142	2,103
Property tax		1,196	1,232
		418,147	361,676

(a) Included in salaries and staff benefits are the following items:

	2019 S\$'000	2018 S\$'000
Employer's CPF contributions	30,791	30,435
Staff welfare and training	5,574	5,084
Allowances for members of the Board	278	321

17. Movements in net assets of the Central Provident Fund

	Note	Members' accounts S\$'000	General moneys of the Fund S\$'000	Accumulated surplus S\$'000	Fair value reserve S\$'000	Total S\$'000
At 1 January 2018		359,514,581	54,855	3,053,092	112,296	362,734,824
Adjustment on initial application of SB-FRS 109		-	-	3,471	(3,471)	-
Adjusted balance at 1 January 2018		359,514,581	54,855	3,056,563	108,825	362,734,824
Contributions (net of refunds) by members	11	36,214,319	-	-	-	36,214,319
Government grants to members	12	1,982,313	-	-	-	1,982,313
Dividends from Special Discounted Shares		172,361	-	-	-	172,361
Net income from investments	13	-	-	14,613,226	-	14,613,226
Transferred to statement of changes in fund balances on disposal of debt investments at FVOCI		-	-	-	(7,970)	(7,970)
Change in fair value						
- equity investments at FVOCI		-	-	-	(18,030)	(18,030)
- debt investments at FVOCI		-	-	-	(34,395)	(34,395)
Interest income from bank deposits		-	-	3,983	-	3,983
Other operating income	14	-	-	169,013	-	169,013
Withdrawals (net of refunds) by members	15	(21,112,753)	-	-	-	(21,112,753)
General and administrative expense		-	-	(27,873)	-	(27,873)
Other operating expenses	16	-	-	(361,676)	-	(361,676)
Interest credited to members		14,350,208	-	(14,350,208)	-	-
Transferred to general moneys of the Fund		(3,512)	3,512	-	-	-
At 31 December 2018		391,117,517	58,367	3,103,028	48,430	394,327,342

	Note	Members' accounts S\$'000	General moneys of the Fund S\$'000	Accumulated surplus S\$'000	Fair value reserve S\$'000	Total S\$'000
At 1 January 2019		391,117,517	58,367	3,103,028	48,430	394,327,342
Contributions (net of refunds) by members	11	37,400,974	-	-	-	37,400,974
Government grants to members	12	2,302,825	-	-	-	2,302,825
Dividends from Special Discounted Shares		144,631	-	-	-	144,631
Net income from investments	13	-	-	15,846,376	-	15,846,376
Transferred to statement of changes in fund balances on disposal of debt investments at FVOCI		-	-	-	967	967
Change in fair value						
- equity investments at FVOCI		-	-	-	69,984	69,984
- debt investments at FVOCI		-	-	-	44,886	44,886
Interest income from bank deposits		-	-	4,303	-	4,303
Other operating income	14	-	-	193,347	-	193,347
Withdrawals (net of refunds) by members	15	(21,424,749)	-	-	-	(21,424,749)
General and administrative expense		-	-	(1,508)	-	(1,508)
Other operating expenses	16	-	-	(418,147)	-	(418,147)
Interest on lease liabilities	4	-	-	(2,739)	-	(2,739)
Interest credited to members		15,574,435	-	(15,574,435)	-	-
Transferred to general moneys of the Fund		(5,432)	5,432	-	-	-
At 31 December 2019		425,110,201	63,799	3,150,225	164,267	428,488,492

Members' accounts

Members' accounts refer to moneys of the Fund standing to the members' credit, that are accounted for in subsidiary accounts, which are specifically designated and maintained for members, for any purposes of the CPF Act.

General moneys of the Fund

The Reserve Account of the Fund is set up under the CPF Regulations (Rg 15, Revised Edition 1998). With the amendment to CPF Act and related subsidiary legislation which took effect from 1 January 2011, Reserve Account of the Fund is currently known as the general moneys of the Fund, pursuant to section 2(1) of the CPF Act.

All unclaimed moneys which satisfy the conditions stipulated under the CPF Act and CPF Regulations were transferred from members' balances to this account. The balance in this account is refundable to members or their nominees upon application made under the relevant legislation.

Accumulated surplus

Accumulated surplus comprises the cumulative excess of fund flows into and out of the Fund. It includes a sum that the Board has set aside, by way of a legally binding arrangement, for the modernisation of the Board's IT systems. In accordance with the treatment of accumulated surplus for statutory boards listed under the Fifth Schedule of the Constitution, the earmarked sum does not form part of CPF Board's past reserves to be protected.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity and debt investments at FVOCI held until they are impaired or derecognised.

18. Commitments

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

	2019 S\$'000	2018 S\$'000
Amount approved and contracted for	92,956	69,477
Amount approved but not contracted for	81,060	90,974
	174,016	160,451

19. Financial risk management of the CPF

Overview

Risk management is integral to the operation of the CPF managed by the Board. The Board has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Board continually monitors the risk management process of CPF to ensure that an appropriate balance between risk and control is achieved. Risk management policies and processes are reviewed regularly to reflect changes in market conditions and the activities of the fund.

Market risk

Market risk refers to changes in market prices that will affect the income of CPF or the value of its holdings of financial instruments. Market risk comprises risks arising from changes in interest rates, equity prices and foreign exchange rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Equity price risk

Sensitivity analysis

The analysis below is performed for reasonably possible movements in equity prices with all other variables remaining constant.

	Impact on fund balance	
	2019 S\$'000	2018 S\$'000
Change in variable		
Equity prices		
+10%	54,121	60,735
-10%	(54,121)	(60,735)

Interest rate risk

The CPF is exposed to interest rate risk as a result of investments in debt securities and interest payable on members’ accounts placed with the CPF. In the management of the interest rate risk of the CPF, the interest rates of the investments in special issues of Singapore Government securities and advance deposits are pegged to the rates at which the Board pays interest to its members. These interest rates are affected by changes in the market interest rates and reset every quarter. The fixed interest rate which is issued for the Lifelong Income Fund and Retirement Accounts of members is also affected by changes in the market interest rates and reset yearly. The Ordinary Account of members is subject to an interest rate floor of 2.50% per annum, while the Special Account, MediSave Account and Retirement Account (“SMRA”) are subject to an interest rate floor of 4.00% per annum. All other investments are in fixed rate debt securities such as Singapore Government securities and statutory board bonds, and the interest rate risks are mitigated by diversifying the portfolio to include high quality credits as well as managing portfolio duration.

Sensitivity analysis

The analysis below is performed for reasonably possible movements in interest rate with all other variables remaining constant.

	Impact on fund balance	
	2019 S\$'000	2018 S\$'000
Change in variable		
Interest rate		
+50bps	(71,406)	(53,366)
-50bps	69,266	54,811

The interest rates, carrying amounts and maturities of the financial assets are shown in the following table.

	Years to maturity					
	Not later than one year			Later than one year and not later than five years		
	Interest rate (per annum)	2019	2018	2019	2018	2018
	%	\$'000	\$'000	\$'000	\$'000	\$'000
Special issues of Singapore Government securities	2.50 – 6.00	16,849,114	16,827,682	67,396,458	67,310,728	323,585,003
Advance deposits	2.50	12,876,436	12,402,549	–	–	–
Singapore Government securities	2.38 – 3.50	146,833	–	264,420	308,871	37,464
Statutory Board bonds	0.00 – 3.95	32,509	80,520	179,783	182,528	146,527
Corporate bonds	2.80 – 4.75	26,939	27,296	339,856	225,704	1,309,716
Cash and cash equivalents	0.00 – 1.84	417,933	403,690	–	–	–
		30,349,764	29,741,737	68,180,517	68,027,831	325,078,710
						292,089,292

Foreign currency risk

The monetary assets and monetary liabilities of the CPF are denominated primarily in Singapore Dollars. Accordingly, CPF does not have any significant foreign currency risk exposure as at the reporting date.

Liquidity risk

A maturity analysis for financial assets of the fund that shows the remaining contractual maturities is shown in the table under interest rate risk. These financial assets can be readily sold or redeemed when the need arises.

In addition, management monitors and maintains adequate bank balances to finance its operations and mitigate the effects of fluctuations in cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of lease liabilities. The amounts are gross and undiscounted and exclude the impact of netting agreements:

	Carrying amount S\$'000	Contractual cashflows S\$'000	Less than 1 year S\$'000	1 – 2 years S\$'000	2 – 3 years S\$'000	3 – 4 years S\$'000	4 – 5 years S\$'000	More than 5 years S\$'000
2019								
Non-derivative financial liabilities								
Lease liabilities	136,018	143,679	23,539	24,139	25,665	25,665	25,665	19,006

Credit risk

The maximum credit risk exposure at the end of the year, in relation to each class of financial assets, is the carrying amount of those assets at the reporting date. The Board does not hold collateral in respect of its financial assets.

The Board has performed an analysis on the credit risk exposure of each class of financial assets based on 12 months probabilities of default published by Bloomberg and assessed that no impairment loss was required to be recognised.

The CPF is exposed mainly to sovereign risk, as most of the investments are in non-tradeable special issues of Singapore Government securities, and majority of receivable balances at the reporting date is made up of interest receivable arising from the special issues of Singapore Government securities.

Other than investments in special issues of Singapore Government securities, the CPF is also exposed to credit risk that arises from bank deposits, investments in fixed deposits and debt securities. Financial loss may materialise should the issuer default on the debt securities. Those financial assets have low credit risk as the financial assets are rated AAA to BBB based on internal and external credit ratings of the debt issuers and securities.

Cash and fixed deposits are placed with banks and financial institutions which are regulated by the Monetary Authority of Singapore which are rated Aa1 to A1, based on Moody's ratings.

The Board manages credit risk actively through the setting of minimum credit rating requirements and investment limits for issuers within the approved investment guidelines. These limits are reviewed regularly with ongoing monitoring and reporting undertaken at various levels.

	AAA*	AA*	A*	BBB*	Not rated **	Total
	S\$m	S\$m	S\$m	S\$m	S\$m	S\$m
2019						
Special issues of Singapore						
Government securities	—	—	—	—	407,831	407,831
Advance deposits	—	—	—	—	12,876	12,876
Singapore Government securities	433	—	—	—	16 ***	449
Statutory Board bonds	33	—	—	—	326 ***	359
Corporate bonds	151	16	331	261	917 ***	1,676
	617	16	331	261	421,966	423,191
2018						
Special issues of Singapore						
Government securities	—	—	—	—	374,762	374,762
Advance deposits	—	—	—	—	12,403	12,403
Singapore Government securities	434	—	—	—	—	434
Statutory Board bonds	54	—	—	—	249 ***	303
Corporate bonds	148	40	320	260	785 ***	1,553
	636	40	320	260	388,199	389,455

* Based on public bond credit ratings assigned by external credit rating agencies Standard & Poor's, Moody's and Fitch.

** No rating was performed by external credit rating agencies.

*** Based on internal bond credit ratings, and holdings are rated equivalent to Standard & Poor's bond credit ratings of "AAA to BBB".

19.1 Fair value of assets and liabilities

(a) Assets carried at fair value

Financial assets carried at fair value comprise equity investments at FVOCI, debt investments at FVOCI and FVTPL. These investments are quoted and classified under Level 1 and Level 2 in the fair value hierarchy (note 2.12(b)).

(b) Financial assets and financial liabilities that are not carried at fair value, and whose carrying amounts are reasonable approximates of their fair values

The carrying amount of advance deposits is estimated to approximate their fair value at the end of the year because of their short-term nature.

The carrying amount of special issues of Singapore Government securities approximate their fair value at the end of the year due to the investment arrangements made with the Singapore Government.

The carrying amounts of other financial assets and financial liabilities, including cash and cash equivalents, debtors and other receivables, creditors, accruals and provisions are estimated to approximate their fair values at the end of the year because of their short periods of maturities.

Although the Board assessed that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. The fair value of assets and liabilities, together with the carrying amounts shown in the statement of net assets of funds, are as follows:

	←	At fair value	→	←	At amortised cost	→	
Note	FVTPL S\$'000	FVOCI S\$'000	Amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Year end fair value estimate S\$'000	
31 December 2019							
Investments							
- Special issues of Singapore Government securities	6	-	-	407,830,575	-	407,830,575	407,830,575
- Advance deposits	6	-	-	12,876,436	-	12,876,436	12,876,436
- Debt securities	6	132,581	2,351,466	-	2,484,047	2,484,047	2,484,047
- Equity securities	6	-	541,212	-	541,212	541,212	541,212
Debtors and other receivables*		-	-	4,676,180	-	4,676,180	4,676,180
Cash and cash equivalents	8	-	-	417,933	-	417,933	417,933
	132,581	2,892,678	425,801,124	-	428,826,383	428,826,383	
Creditors, accruals and provisions	10	-	-	(598,790)	(598,790)	(598,790)	(598,790)
*excludes prepayment							

	←	At fair value	→	←	At amortised cost	→	
Note	FVTPL S\$'000	FVOCI S\$'000	Amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Year end fair value estimate S\$'000	
31 December 2018							
Investments							
- Special issues of Singapore Government securities	6	-	-	374,762,301	-	374,762,301	374,762,301
- Advance deposits	6	-	-	12,402,549	-	12,402,549	12,402,549
- Debt securities	6	130,405	2,159,915	-	-	2,290,320	2,290,320
- Equity securities	6	-	607,354	-	-	607,354	607,354
Debtors and other receivables*		-	-	4,255,412	-	4,255,412	4,255,412
Cash and cash equivalents	8	-	-	403,690	-	403,690	403,690
		130,405	2,767,269	391,823,952	-	394,721,626	394,721,626
Creditors, accruals and provisions	10	-	-	-	(620,993)	(620,993)	(620,993)
*excludes prepayment							

Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the year.

Fair value measurements at the end of the year

Central Provident Fund	Note	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Assets measured at fair value					
2019					
Debt investments at FVOCI	6	448,717	1,902,749	–	2,351,466
Debt investments at FVTPL	6	–	132,581	–	132,581
Equity investments at FVOCI	6	541,212	–	–	541,212
Total financial assets		989,929	2,035,330	–	3,025,259
Assets measured at fair value					
2018					
Debt investments at FVOCI	6	475,841	1,684,074	–	2,159,915
Debt investments at FVTPL	6	–	130,405	–	130,405
Equity investments at FVOCI	6	607,354	–	–	607,354
Total financial assets		1,083,195	1,814,479	–	2,897,674

Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets that are categorised within Level 2 of the fair value hierarchy:

Debt securities

Debt securities are valued using valuation techniques that reflect market participants' assumptions, maximising the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs. To reflect current market conditions, the evaluated pricing applications incorporate market information obtained throughout the trading day from market sources and integrated relative credit rating information, observed market movements, and sector news.

20. Statements of net assets of Insurance Funds

	Note	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
		2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Total assets							
Investments	20.3	830,568	1,319,818	8,020,500	6,886,500	11,320,963	10,606,875
Premium and other receivables	20.4	13,442	13,313	140,367	134,032	–	–
Interest receivables		8,997	6,569	93,870	80,391	169,879	158,950
Cash and cash equivalents	20.5	818,459	187,593	43,963	53,936	10	10
		1,671,466	1,527,293	8,298,700	7,154,859	11,490,852	10,765,835
Total liabilities							
(i) Insurance contract liabilities							
At 1 January		346,120	293,358	5,192,112	4,194,315	10,764,924	10,275,779
Valuation premium		121,930	141,261	1,421,474	1,384,735	–	–
Liabilities released for payments on death and other terminations		5,976	469	(130,786)	(120,256)	(65,196)	(69,187)
Accretion of interest		4,885	1,915	20,271	15,533	505,889	481,183
Other movements		4,885	(19,972)	638,870	803,608	(13,116)	(12,426)
Expected claims		(114,583)	(116,166)	(1,090,721)	(1,016,807)	(211,860)	(178,355)
New business		18,497	19,166	2,703	3	509,819	267,930
Change in valuation basis		43,349	1,196	303,795	(69,019)	–	–
Impact of premium re-pricing on reserves		–	56,773	–	–	–	–
Effect of minimum values on reserves		(34,472)	(51,063)	–	–	–	–
Change in incurred but not reported claims		(1,262)	19,183	–	–	–	–
At 31 December		370,599	346,120	6,357,718	5,192,112	11,490,460	10,764,924
Current portion		34,719	36,232	216,733	133,187	286,957	229,889
Non-current portion		335,880	309,888	6,140,985	5,058,925	11,203,503	10,535,035
		370,599	346,120	6,357,718	5,192,112	11,490,460	10,764,924

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
Note	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
(ii) Claims intimated or admitted but not paid						
At 1 January	29,726	29,188	16,220	10,356	–	–
Claims paid	(93,773)	(89,170)	(1,035,974)	(916,003)	(46,146)	(43,786)
Claims incurred	87,314	89,708	1,029,779	921,867	46,146	43,786
At 31 December	23,267	29,726	10,025	16,220	–	–
(iii) Other payables	1,708	2,004	46,784	51,200	392	911
	395,574	377,850	6,414,527	5,259,532	11,490,852	10,765,835
Net assets	1,275,892	1,149,443	1,884,173	1,895,327	–	–

20.6

20.1 Statements of changes in fund balances of Insurance Funds

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
Note	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Fund balances as at 1 January	1,149,443	1,190,355	1,895,327	1,689,709	–	–
Add:						
Insurance premiums	136,324	150,846	1,923,253	1,914,333	503,606	254,862
Net investment gain/(loss)	131,724	(12,674)	293,650	247,979	505,889	481,183
Interest income from bank deposits	4,416	1,332	664	553	–	–
Other income	–	–	439	229	–	–
	272,464	139,504	2,218,006	2,163,094	1,009,495	736,045
Less:						
Claims	87,314	89,708	1,029,779	921,867	46,146	43,786
Surrenders	14,573	19,257	–	–	12,837	12,334
Payouts	–	–	–	–	211,860	178,355
Professional and other charges	12,268	11,324	23,226	21,540	9,913	9,156
Salaries and staff benefits	4,858	4,971	7,099	7,642	3,168	3,229
General and administrative expense	1,496	1,357	150	4,945	3	3
Computer software and supplies	465	578	2,324	2,690	3	6
Printing and postage	263	284	971	990	29	31
Depreciation and amortisation	299	173	4	4	–	–
Other expenses	–	1	1	1	–	–
Net change in insurance contract liabilities	24,479	52,763	1,165,606	997,797	725,536	489,145
	146,015	180,416	2,229,160	1,957,476	1,009,495	736,045
Net increase/(decrease)	126,449	(40,912)	(11,154)	205,618	–	–
Fund balances as at 31 December	1,275,892	1,149,443	1,884,173	1,895,327	–	–

(b)

(a) Insurance premiums

Insurance premiums of MediShield Life Fund include premium subsidies and grant provided by the Government to help Singapore Citizens and Permanent Residents with their MediShield Life premiums and extend coverage to those with pre-existing conditions.

(b) Salaries and staff benefits

Included in salaries and staff benefits is the following:

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Employer's CPF contributions	659	685	1,020	1,078	457	476

20.2 Statements of cash flows of Insurance Funds

	Note	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
		2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Cash flows from operating activities							
Net increase/(decrease) in funds		126,449	(40,912)	(11,154)	205,618	—	—
Adjustments for:		(36,650)	(37,568)	(294,306)	(248,436)	(505,889)	(481,183)
Interest and dividend income		89,799	(78,480)	(305,460)	(42,818)	(505,889)	(481,183)
Changes in operating assets and liabilities:							
Investments		489,250	(12,210)	(1,134,000)	(1,170,500)	(714,088)	(481,080)
Premium and other receivables		(516)	4,802	(6,335)	(20,882)	—	—
Insurance contract liabilities		24,479	52,76	1,165,606	997,797	725,536	489,145
Claims intimated or admitted but not paid		(6,459)	538	(6,195)	5,864	—	—
Other payables		(296)	1,546	(2,977)	(4,498)	(519)	186
Cash generated from/(used in) operations		596,257	(31,042)	(289,361)	(235,037)	(494,960)	(472,932)
Interest received		24,609	24,721	280,825	234,713	494,960	472,932
Dividends received		10,000	13,242	2	3	—	—
Net cash generated from/(used in) operating activities		630,866	6,921	(8,534)	(321)	—	—
Net increase/(decrease) in cash and cash equivalents		630,866	6,921	(8,534)	(321)	—	—
Cash and cash equivalents as at 1 January		187,593	180,672	23,382	23,703	10	10
Cash and cash equivalents as at 31 December	20.5	818,459	187,593	14,848	23,382	10	10

20.3 Investments

	Home Protection Fund	
	2019 S\$'000	2018 S\$'000
Change in variable		
Denominated in Singapore Dollars	458,970	394,719
Denominated in US Dollars	44,362	132,166
Denominated in other currencies	93,807	280,376
	<u>597,139</u>	<u>807,261</u>

Equity securities

Denominated in Singapore Dollars	509	1,488
Denominated in US Dollars	164,631	324,446
Denominated in other currencies	66,388	181,383
	<u>231,528</u>	<u>507,317</u>

Derivatives

Interest-rate futures contracts purchased		
- with positive fair value	3	–
- with negative fair value	–	–
Forward foreign exchange contracts		
- with positive fair value	3,481	10,241
- with negative fair value	(1,583)	(5,001)
	<u>1,901</u>	<u>5,240</u>
	<u>830,568</u>	<u>1,319,818</u>

Derivative transactions were entered with various counterparties and the funds have a legally enforceable right to set off the balances and have the intention to realise the derivative assets and settle the derivative liabilities simultaneously when needed. The gross amounts of the derivative assets and liabilities are presented in the above table.

Debt securities in Home Protection Fund are designated as financial assets at FVTPL because this designation eliminates or significantly reduces the accounting mismatch that would otherwise arise from measuring assets and liabilities or recognising the gains and losses on them on different bases. Equity securities that Home Protection Fund also invest in are measured at FVTPL.

	MediShield Life Fund		Lifelong Income Fund	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Special issues of Singapore Government securities	8,020,500	6,886,500	11,320,535	10,606,428
Advance deposits	–	–	428	447
	<u>8,020,500</u>	<u>6,886,500</u>	<u>11,320,963</u>	<u>10,606,875</u>

The Lifelong Income Fund invests jointly with the Central Provident Fund in special issues of Singapore Government securities. The effective interest rate on special issues of Singapore Government securities paying LIFE and Retirement Account rate is within the range of 4.00% to 6.00% (2018: 4.00% to 6.00%) per annum.

MediShield Life Fund is invested in cash and cash equivalents, and special issues of Singapore Government securities that pay interest rate of 4.00% per annum.

The special issues of Singapore Government securities are issued specifically to the Board to meet interest and other obligations of the respective funds. They do not have quoted market values and cannot be traded in open market.

The advance deposits are deposits placed with the Accountant-General through the Monetary Authority of Singapore to purchase special issues of Singapore Government securities. The effective interest rate on advance deposits is 2.50% (2018: 2.50%) per annum.

The investment in special issues of Singapore Government securities and advance deposits are accounted for as financial assets at amortised cost.

Under the current investment arrangement with the Singapore Government, the carrying amounts of special issues of Singapore Government securities and advance deposits recorded at the reporting date are not expected to be significantly different from the values that would eventually be received. Investments in these securities are readily redeemable. In view of this, the carrying amounts of these investments approximate their fair values.

20.4 Premium and other receivables

	Home Protection Fund		MediShield Life Fund	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
Premium receivables	–	–	58,967	66,087
Allowance for impairment loss	–	–	(8,528)	(8,510)
	–	–	50,439	57,577
Other receivables	13,442	13,313	89,928	76,455
	13,442	13,313	140,367	134,032

The ageing of premium receivables at the reporting date was:

	2019		2018	
	Gross	Impairment	Gross	Impairment
	S\$'000	S\$'000	S\$'000	S\$'000
MediShield Life Fund				
Past due 1 year or less	30,819	525	35,808	2,592
Past due more than 1 year	28,148	8,003	30,279	5,918
	58,967	8,528	66,087	8,510

The movement in the allowance for impairment in respect of premium receivables during the year was as follow:

	2019	2018
	S\$'000	S\$'000
MediShield Life Fund		
At 1 January	8,510	3,698
Allowance for the year	4,754	4,812
Reversal for the year	(4,736)	–
At 31 December	8,528	8,510

The Board evaluates whether there is any objective evidence that premium receivables are impaired and determines the amount of impairment loss based on ability of recovering premiums from members. The Board makes the assessment by evaluating the ageing of the premium receivables and the demographics of the members. Estimates are made based on ability to recover from certain groups of members. Past experience has shown that Singapore citizens who reside permanently outside Singapore and have obtained approval for suspension of premium collection are highly unlikely to return to live in Singapore and hence will unlikely be required to pay their suspended premiums. Accordingly, the premiums for this group of members will no longer be recorded from 2019 and additionally, the allowance for impairment is no longer required and has been reversed.

The Board assessed that no impairment allowance is necessary for other receivables as these balances are not past due.

20.5 Cash and cash equivalents

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Cash at banks	29,922	53,166	43,963	53,936	10	10
Bank deposits	788,537	134,427	–	–	–	–
Cash and cash equivalents	818,459	187,593	43,963	53,936	–	–
Less: Cash at banks managed by the Board on behalf of Government ministries	–	–	(29,115)	(30,554)	–	–
Cash and cash equivalents in the statement of cash flows	818,459	187,593	14,848	23,382	10	10
Note						
(a)						

(a) This refers to other funds held by MediShield Life Fund received from the Government ministries for payment of premiums and subsidies.

20.6 Other payables

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
	2019	2018	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Amount due to Government ministries for cash at banks managed on behalf by the Board	–	–	29,115	30,554	–	–
Other payables	1,708	2,004	17,669	20,646	–	911
	1,708	2,004	46,784	51,200	392	911
Note						
20.5						

20.7 Net investment gain/(loss)

	Home Protection Fund		MediShield Life Fund		Lifelong Income Fund	
	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000	2019 S\$'000	2018 S\$'000
Interest income	22,621	23,003	293,640	247,879	505,889	481,183
Dividend income	9,613	13,233	2	3	-	-
Net fair value gain/(loss) on:						
- Financial asset designated as FVTPL	32,756	(8,282)	-	-	-	-
- Financial asset at FVTPL	69,776	(35,958)	-	-	-	-
Net foreign currency exchange loss	(1,535)	(3,203)	(9)	(21)	-	-
Miscellaneous revenue	72	99	17	118	-	-
Fund management fees	(1,579)	(1,566)	-	-	-	-
	131,724	(12,674)	293,650	247,979	505,889	481,183

The net fair value gain or loss includes both the realised and unrealised fair value gain or loss and foreign currency exchange gain or loss for investments classified at FVTPL. Net foreign currency exchange gain or loss for investments that are not classified as FVTPL is separately disclosed under "Net foreign currency exchange gain/(loss)".

20.8 Financial derivatives

Notional principal of the financial derivatives are as follows:

	Home Protection Fund	
	2019 S\$'000	2018 S\$'000
Interest-rate futures contracts:		
- future contracts purchased	354	-
Forward foreign exchange contracts	605,605	1,922,906

20.9 Risk management of insurance contracts

Home Protection Fund

- (i) The risks arising from insurance policies issued under the Home Protection Insurance Scheme are death, terminal illness and total permanent disability risks of a relatively homogeneous portfolio of mortgage reducing term insurance policies. These risks do not vary significantly in relation to the location of the risk insured by the Home Protection Fund.
- The objectives in managing these risks are to ensure that:
- (a) all legitimate claims of insured members are met;
 - (b) the Home Protection Fund is financially solvent at all times; and
 - (c) the Home Protection Fund is operated in accordance with the Act, the Home Protection Insurance Scheme regulations and the operating policies of the Home Protection Insurance Scheme.
- (ii) The policies, processes and methods for managing insurance risks are to:
- (a) maintain a relatively large portfolio. Experience shows that the larger the portfolio of similar insurance policies, the smaller the relative variability in the expected outcome;
 - (b) manage the Home Protection Fund and insurance contract portfolio in accordance with sound actuarial, financial and accounting principles;
 - (c) adopt an underwriting strategy to recognise and select the insurance risks accepted so that the claim experience is unlikely to deteriorate;
 - (d) review regularly its experience, adequacy of premiums and reserves by the independent actuarial adviser of the Home Protection Fund;
 - (e) retain sufficient surplus to allow for volatility of results; and
 - (f) exclude claims arising from war or any warlike operations or participation in any riot.

The insurance contract portfolio's experience, fund solvency and premium adequacy are reviewed by the independent actuarial adviser of the Home Protection Fund annually using the Risk Based Capital framework issued by the Monetary Authority of Singapore for the valuation of liabilities and establishment of capital requirement rules for insurers. The independent actuarial adviser also projects the solvency position of the Home Protection Fund to ascertain the Fund's sustainability.

(iii) The terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows of the Home Protection Fund are:

- (a) mortality, terminal illness and total permanent disability risks. The Home Protection Fund is exposed to the risk of the experience being worse than what was assumed; and
- (b) epidemics such as Acquired Immune Deficiency Syndrome ("AIDS") and Severe Acute Respiratory Syndrome ("SARS") or widespread changes in lifestyle that could result in earlier and/or more claims than expected.

(iv) The Home Protection Fund has no major exposure to concentration of risks, other than that the insured members are residing in Singapore.

MediShield Life Fund

(i) The risks arising from insurance policies issued under the MediShield Life Scheme are those of a relatively homogeneous portfolio of health insurance policies.

The objectives in managing these risks are to ensure that:

- (a) all legitimate claims of insured members are met;
- (b) the MediShield Life Fund is solvent at all times; and
- (c) the MediShield Life Fund is operated in accordance with the MediShield Life Scheme Act 2015 (No. 4 of 2015), regulations and the operating policies of the MediShield Life Scheme.

(ii) The policies, processes and methods for managing insurance risks are to:

- (a) manage the MediShield Life Fund and insurance contract portfolio in accordance with sound actuarial, financial and accounting principles;
- (b) adopt an underwriting strategy to recognise Additional Premiums required to mitigate the insurance risks of new members with serious pre-existing medical conditions in accordance with guidelines for risk loading;
- (c) review regularly its experience, adequacy of premiums and reserves by the independent actuarial adviser of the MediShield Life Fund; and
- (d) retain sufficient surplus to allow for volatility of results.

The insurance contract portfolio's experience, fund solvency and premium adequacy are reviewed by the independent actuarial adviser of the MediShield Life Fund annually using the Risk Based Capital framework issued by the Monetary Authority of Singapore for the valuation of liabilities and establishment of capital requirement rules for insurers.

(iii) The terms and conditions of insurance contracts that have a material effect on the amount, timing and uncertainty of future cash flows of the MediShield Life Fund are:

- (a) the policies provide indemnity benefits covering specified medical and hospitalisation conditions. The amount payable depends on the cost incurred by the insured member in respect of any particular event or treatment and the specified upper limits;
- (b) the renewal of each insurance policy is guaranteed until the insured member dies, unless the insured member's cover is discontinued by the Board in circumstances specified in the legislation or by the Minister charged with the responsibility of the MediShield Life Scheme; and
- (c) premium rebate which are offered to insured members, as provided for in the MediShield Life Scheme Regulations 2015.

(iv) Insurance risks are concentrated on specified individual health risks applicable to residents of Singapore. This concentration is a direct result of the MediShield Life Scheme consisting of a single medical insurance product. The shared characteristics of the risks insured by the MediShield Life Fund include:

- (a) hospitalisation as the prime insured event;
- (b) all insured events occurring within Singapore; and
- (c) benefit payments being made in Singapore Dollars.

(v) With the exception of continuing outpatient treatments, the amounts of almost all claims are known within one year of the event occurring. For continuing outpatient treatments, each individual claim amount is known within a year, but liabilities to pay for the further treatments may continue for several years.

Lifelong Income Fund

(i) The risks arising from insurance policies issued under the Lifelong Income Scheme are mortality and interest rate risks of a relatively homogeneous portfolio of annuities. These risks do not vary significantly in relation to the location of the risk insured by the Lifelong Income Fund.

The objectives in managing these risks are to ensure that:

- (a) all legitimate payments of insured members are met;
- (b) the Lifelong Income Fund is financially solvent at all times; and
- (c) the Lifelong Income Fund is operated in accordance with the Act, Lifelong Income Scheme regulations and the operating policies of the Lifelong Income Scheme.

- (ii) The policies, processes and methods for managing insurance risks are to:
- (a) adjust payouts to insured members as appropriate so that the pool of policies bears all mortality risk and interest rate risk;
 - (b) invest in special issues of Singapore Government securities that earn an appropriate interest rate to cover expenditure and interest credits for insured members;
 - (c) review regularly its experience in relation to the existing pricing assumptions; and
 - (d) retain sufficient cash float to allow for volatility in death claims.

The Lifelong Income Scheme enables payouts to be adjusted over time to take account of variation in the experience for mortality and net interest credited, thus removing that risk from the Fund as a whole. The insurance contract portfolio's experience and fund solvency are reviewed by the independent actuarial adviser of the Lifelong Income Fund annually using the Risk Based Capital framework issued by the Monetary Authority of Singapore for the valuation of liabilities.

- (iii) The terms and conditions of insurance contracts that have a material effect on the amount, timing, and uncertainty of future cash flows of the Lifelong Income Fund are:
- (a) the provision that monthly payouts to a member be made while members are alive after the member's payout age, and cease when the member dies;
 - (b) the provision for net investment returns from the assets of the scheme to be allocated among members; and
 - (c) the provision under some contracts for a benefit to be paid to the member's beneficiaries on death.
- (iv) The Lifelong Income Fund has no major exposure to concentration risk other than that the vast majority of insured members are residing in Singapore.

20.10 Insurance contract liabilities

The insurance contract liabilities of the Home Protection Fund, MediShield Life Fund and Lifelong Income Fund are determined by the Board based on the advice of the independent actuarial advisers of the Board. The insurance contract liabilities are valued using the methodology prescribed for insurers in Singapore as stated in the Insurance (Valuation and Capital) Regulations 2004 issued by the Monetary Authority of Singapore.

In respect of insurance contracts under the Home Protection Fund and MediShield Life Fund, the Board values the liabilities using realistic assumptions and discounting future cash flows at the appropriate rate. The method of valuation is a gross premium valuation method. The cash flows are projected in accordance with best estimate assumptions. Additional provision is required in the valuation assumptions to allow for any adverse deviation from the best estimate experience. The level of additional provision is reviewed periodically by the independent actuarial advisers to assess its appropriateness and sufficiency.

The Lifelong Income Scheme is designed to distribute 100% of its net assets to the insured members via monthly payouts starting from the annuity payout start age of each individual insured member for as long as the member lives. All risks are shared by the insured members. Therefore, for the insurance contracts issued under the Lifelong Income Fund, the insurance contract liabilities are valued as the total net assets held in the Lifelong Income Fund for the benefit of insured members. Valuation assumptions about future experience are not required as the liability value in aggregate is not affected by future interest rates, expenditure, withdrawals or mortality rates.

The assumptions used for the valuation of the Home Protection Fund and MediShield Life Fund are based on those prescribed in the valuation regulations issued by the Monetary Authority of Singapore that apply to insurers in Singapore. Valuation assumptions not prescribed by the Monetary Authority of Singapore are set according to experience studies or common market practice.

Home Protection Fund

The key assumptions used are:

(a) Mortality, terminal illness and total permanent disability rates

Mortality, terminal illness and total permanent disability rates are set based on experience studies carried out on the Home Protection Fund

(b) Expense loadings

Expense assumptions are set based on an analysis of expense experience of the Home Protection Fund. Such a study is conducted on an annual basis. Consideration is also given to the expense budget that is approved for the following year.

(c) Lapse rates

Lapse rates are set based on experience studies carried out on the Home Protection Fund. Such a study is conducted on an annual basis.

(d) Valuation discount rate

The valuation discount rates are prescribed by the Monetary Authority of Singapore as matching to the Singapore Government bond yields for cash flows prior to 15 years, a Long Term Risk Free Discount Rate ("LTRFDR") for cash flows after 20 years, and an interpolation of the 15 year Singapore Government bond yield and the LTRFDR for cash flows between 15 to 20 years. The Singapore Government bond prices and yields are published on the Singapore Government securities website.

(e) The following table presents the sensitivity of the value of the insurance contract liabilities to movements in the assumptions used:

Home Protection Fund	2019		2018	
	Change in variable	Increase in liability	Change in variable	Increase in liability
	%	S\$'000	%	S\$'000
Worsening of claim rates	+10	75,337	+10	62,074
Shift in risk-free yield curve	-0.5	11,958	-0.5	9,743
Worsening of base expense level	+10	13,223	+10	11,472
Change in lapse rates	-10	16,751	-10	13,560

MediShield Life Fund

The variability of insurance results will affect the value of insurance liabilities from year to year. Such variations, from the valuation assumptions, are normal and are to be expected in an insurance portfolio. The material variables are:

- (a) mortality and lapse rates;
- (b) claim frequency per person covered;
- (c) average claim amount per claim;
- (d) impact of inflation of healthcare costs on claim amounts;
- (e) cessation rates for patients with outpatient claims in payments;
- (f) changes in scheme and impact;
- (g) the premium rates; and
- (h) the discount rate used for calculating the value of liabilities, which is based on the risk free yield curve.

Data used to determine assumptions regarding claim amount, claim frequency, cessation of outpatient treatment, lapse and mortality are sourced from annual reviews of the experience of the MediShield Life Fund, augmented by periodic reviews of Singapore hospitalisation data carried out in conjunction with premium and benefit reviews. Data used to support assumptions regarding claim inflation is sourced from general economic published material, augmented by the experience of the MediShield Life Fund. Data to determine the discount rate assumed is widely published.

(a) Mortality and lapse rates

The mortality assumptions are based on applying the experience of the MediShield Life Fund to the published Singapore mortality table “Complete Life Tables 2013-2014 for Singapore Resident Population” with some allowance for reductions to the mortality rate in line with expected future trends. Lapse and mortality assumptions are reviewed each year to reflect the scheme rules, underlying trends as well as the latest available and relevant experience.

(b) and (c) Claim frequency and average claim size

Claims assumptions are generally based on past hospitalisation experience data, modified for expected future inflation of these costs and by the claim benefits under the MediShield Life Scheme.

(d) Claim inflation

Future trends in healthcare inflation and healthcare utilisation growth are combined into an assumption of claim inflation. The judgment of this assumption is based on published Singapore economic information, similar experience information from other countries, analysis of past experience, and identification of the forces that may operate in the future to affect this outcome.

(e) Cessation rates for outpatient treatment

The cessation rates are based on an analysis of the experience of the Singapore population and of the MediShield Life Scheme over the past five years. The cessation rates vary by the duration that the claimant has been receiving outpatient treatment.

(f) Premium rates

Premiums are assumed not to increase until experience requires it. The MediShield Life Fund has no shareholders, and all assets of the MediShield Life Fund are for the purpose of providing benefits to MediShield Life members in accordance with the MediShield Life Scheme. All benefits and premiums for MediShield Life Scheme are set out from time to time in relevant laws and regulations, and can be changed by those laws and regulations.

(g) Valuation discount rate

The valuation discount rate is prescribed by the Monetary Authority of Singapore and effectively assumes the Singapore Government bond yields for cash flows prior to 15 years, a Long Term Risk Free Discount Rate (“LTRFDR”) for cash flows after 20 years, and an interpolation of the 15 year Singapore Government bond yields. The Singapore Government bond prices and yields are published on the Singapore Government securities website.

The following table presents the sensitivity of the value of the insurance contract liabilities to movements in the assumptions used:

MediShield Life Fund	2019		2018	
	Change in variable %	Increase in liability S\$'000	Change in variable %	Increase in liability S\$'000
Increase in average new claim size	+10	556,860	+10	375,003
Increase in new claim frequency	+10	556,860	+10	375,003
Increase in inflation of claim costs	+1 p.a.	248,629	+1 p.a.	178,884
Reduction in cessation rates of outpatient claims	-10	314,819	-10	217,383
Shift in risk-free yield curve	-0.5 p.a.	73,279	-0.5 p.a.	54,785
Change in lapse rates	50	2,300	-50	1,386

20.11 Financial risk management of Insurance Funds

Market risk

Market risk, such as interest rate risk, foreign currency risk and equity price risk, arises from the investments in global and local debt securities, equities and derivatives when the market values of assets and liabilities do not move consistently to changes in the financial markets. Given the duration of policy liabilities and uncertainty of cash flows of the Home Protection Fund and the MediShield Life Fund, it is not possible to hold assets that will perfectly match the policy liabilities.

Given the nature of the Lifelong Income Scheme where there is no minimum payout guarantees and payouts are adjusted in response to changes in interest rates, all market risk is borne by the insured members. Accordingly, there is no exposure to market risk for the Lifelong Income Fund.

Asset-liability decisions are considered by the Board with an objective of limiting the extent to which solvency can be affected by adverse market and interest rate movements. Market risk is actively managed through the setting of investment policy and asset allocation within the approved risk tolerance limits. The investment policy includes certain restrictions on currency, credit, concentration, borrowing and counterparty risks. Market risk is diversified by investing the assets of the Home Protection Fund in different asset classes and various markets. The MediShield Life Fund is invested in special issues of Singapore Government securities, and Singapore Dollar cash and cash equivalents, except for a small residual amount of receivables, cash and cash equivalents in foreign currencies. The Lifelong Income Fund is invested in special issues of Singapore Government securities, advance deposits, cash and cash equivalents. The Board regularly monitors the exposure of the Home Protection Fund to different asset classes to ensure that these exposures are within the approved ranges.

Derivatives are financial contracts whose values are derived from the value of underlying assets. They are used for hedging purposes to manage portfolio risk and for efficient portfolio management to improve risk-adjusted performance. The major classes of derivatives are as follows:

- Futures / forwards contracts to buy or sell an asset on or before a future date at a price specified at the time of entry;
- Options contracts that give the owner the right to buy or sell an asset at the strike price, specified at the time of entry and lapsing on the maturity date; and
- Swaps contracts to exchange cash on or before a specified future date based on the underlying value of interest rates or other assets.

Approved guidelines detail the permissible derivative instruments and their risk limits. Ongoing monitoring and reporting are undertaken at various levels to ensure that investment activities are in accordance with the investment guidelines.

Interest rate risk

The fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Home Protection Fund is exposed to fair value interest rate risk as a result of investments in fixed rate debt securities. The interest rates on these investments are determined based on prevailing market rates. Exposure of the Lifelong Income Fund to interest rate risk is entirely borne by the insured members.

The investments in debt securities are as follows:

	Carrying amount (at fair value)		Percentage of total investment of the Insurance Funds	
	2019 S\$'000	2018 S\$'000	2019 %	2018 %
Home Protection Fund	597,139	807,261	71.9	61.2

The interest rates, carrying amounts and maturities of debt securities are shown in the following table:

	Years to maturity			
	Not later than one year		Later than one year and not later than five years	
	2019 %	2018 %	2019 S\$'000	2018 S\$'000
At fair value				
Denominated in SGD				
Home Protection Fund	1.25 – 3.50	1.63 – 3.50	7,048	3,134
Denominated in USD				
Home Protection Fund	0.13 – 5.50	0.13 – 5.50	6,443	14,955
Denominated in other currencies				
Home Protection Fund	0.10 – 10.00	0.10 – 10.00	709	2,169
			132,308	61,090
			18,841	59,562
			64,355	86,217
			319,614	330,495
				57,649
				191,990

The interest rates, carrying amounts and maturities of cash and cash equivalents are shown in the following table:

	Interest rate (per annum)		Years to maturity less than 1 year	
	2019 %	2018 %	2019 S\$'000	2018 S\$'000
Denominated in SGD				
Home Protection Fund	0.00 – 1.98	0.00 – 2.25	740,671	104,391
MediShield Life Fund	0.00 – 1.45	0.00 – 1.56	43,963	53,936
Denominated in USD				
Home Protection Fund	0.00 – 2.14	0.00 – 2.80	41,528	43,672
Denominated in other currencies				
Home Protection Fund	0.00 – 0.00	0.00 – 0.00	36,260	39,530

Foreign currency risk

The Home Protection Fund is exposed to foreign exchange risk as a result of global investments. Hedging policies are put in place to mitigate these risks, where necessary. The sensitivity analysis for possible movements in key currencies with all other variables held constant is detailed in the sensitivity analysis below. The Lifelong Income Fund is not exposed to any foreign exchange risk. The MediShield Life Fund is also not exposed to any foreign exchange risk except for a small residual amount of receivables, cash and cash equivalents in foreign currencies.

The following table presents gross major currency exposures of the Home Protection Fund (excluding the effect of derivatives used for hedging) as of the date of the financial statements, expressed in Singapore Dollars equivalent.

	Home Protection Fund	
	2019 S\$'000	2018 S\$'000
US Dollar	250,090	500,284
Euro Dollar	71,326	156,211
Japanese Yen	31,620	83,562
China Yuan	16,455	–
Sterling Pound	10,095	29,866
Mexican Peso	9,189	33,794

Equity price risk

The Home Protection Fund is exposed to equity price risk arising from its investment in equity securities which are classified as financial assets at FVTPL. The market values of these investments are affected by, amongst others, changes in market prices as a result of changes in the global economic conditions, macro and micro economic factors affecting the country where the investments are quoted, and factors specific to the investee corporations.

The fluctuations in market prices due to the above factors are unforeseen. To manage the price risk arising from investments in equity, the Home Protection Fund diversifies its portfolio across different markets and industries whenever it is appropriate.

The Lifelong Income Fund and MediShield Life Fund are not exposed to equity price risk as the funds only invest in cash and cash equivalents with banks, and special issues of Singapore Government securities with the Monetary Authority of Singapore.

Sensitivity analysis

The analysis below is presented for reasonably possible movements in key variables with all other variables remaining constant.

Change in variables:	Home Protection Fund	
	2019 S\$'000	2018 S\$'000
Equity prices		
+10%	23,153	50,732
-10%	(23,153)	(50,732)
Foreign currency		
+5%		
US Dollar	12,505	25,014
Euro Dollar	3,566	7,811
Japanese Yen	1,581	4,178
China Yuan	823	–
Sterling Pound	505	1,493
Mexican Peso	459	1,690
-5%		
US Dollar	(12,505)	(25,014)
Euro Dollar	(3,566)	(7,811)
Japanese Yen	(1,581)	(4,178)
China Yuan	(823)	–
Sterling Pound	(505)	(1,493)
Mexican Peso	(459)	(1,690)
Interest rate		
+50bps	(23,199)	(33,401)
-50bps	24,704	33,401

Concentration risk

Concentration of the investments of Home Protection Fund are analysed as follows:

Home Protection Fund	Percentage of investments			
	2019 S\$'000	2018 S\$'000	2019 %	2018 %
Debt securities				
Singapore	458,970	394,720	55	30
United States	45,151	131,633	5	10
Japan	20,739	51,962	3	4
China	15,698	–	2	–
Mexico	8,861	31,814	1	2
Italy	5,714	22,221	1	2
Spain	4,958	10,515	1	1
Indonesia	4,209	15,809	1	1
Malaysia	3,864	18,648	–	1
Others	28,975	129,939	3	10
Equity securities				
United States	157,453	308,959	19	24
Japan	10,761	31,090	1	2
United Kingdom	7,265	20,477	1	2
Canada	6,041	16,338	1	1
Switzerland	5,798	14,562	1	1
Others	44,210	115,891	5	9
Derivatives				
United States	3	–	–	–
Others	1,898	5,240	–	–

The investments of the Lifelong Income Fund and MediShield Life Fund are concentrated in special issues of Singapore Government securities, advance deposits or cash and cash equivalents held with a number of financial institutions.

Credit risk

The maximum credit risk exposure at the end of the year, in relation to each class of financial assets, is the carrying amount of those assets at the end of the year.

The Home Protection Fund is exposed to credit risk through (i) investments in cash (including fixed deposits) placed with financial institutions and debt securities; and (ii) exposure to counterparty's credit in derivative transactions. For the two types of exposures, financial loss may materialise as a result of credit default by the debt issuer or bank counterparty. For investments in debt securities, financial loss may also materialise as a result of the widening of credit spread or a downgrade of credit rating. The Lifelong Income Fund and MediShield Life Fund are exposed to minimal credit risk in respect of investments in cash, special issues of Singapore Government securities and/or advance deposits with the Monetary Authority of Singapore.

Swaps, interest rate options, foreign exchange, currency options, over the counter options and other derivative positions are covered by International Swaps and Derivative Association master agreements. Derivative positions are marked to market daily, and the market value is considered to be the amount in the money. Collaterals may be provided or requested to or from counterparties dependent upon whether the derivative positions are out or in the money.

The Board manages credit risk actively through the setting of minimum credit rating requirements and investment limits for issuers and counterparties within the approved investment guidelines. These limits are reviewed as and when necessary. Ongoing monitoring and reporting are undertaken at various levels to ensure that all investment activities are in accordance with the investment guidelines.

Exposure of the Home Protection Fund to credit risk relating to its debts securities and financial derivatives are presented below (in millions of Singapore Dollars):

Home Protection Fund	AAA* S\$m	AA* S\$m	A* S\$m	BBB* S\$m	Not rated ** S\$m	Total S\$m
2019						
Singapore Government securities	381.6	–	–	–	77.3	458.9
Other Government bonds	44.6	8.4	38.4	19.9	23.7	135.0
Corporate bonds	0.2	0.4	0.3	2.3	–	3.2
Financial derivatives (counterparty)	–	–	1.9	–	–	1.9
	426.4	8.8	40.6	22.2	101.0	599.0
2018						
Singapore Government securities	394.7	–	–	–	–	394.7
Other Government bonds	164.1	44.9	121.3	69.5	12.3	412.1
Corporate bonds	–	–	–	0.5	–	0.5
Financial derivatives (counterparty)	–	–	5.2	–	–	5.2
	558.8	44.9	126.5	70.0	12.3	812.5

* Based on public credit ratings assigned by external credit rating agencies Standard & Poor's, Moody's and Fitch

** Based on internal credit ratings, and holdings are rated equivalent to Standard & Poor's credit ratings of "AAA to BBB".

Financial assets that are neither past due nor impaired

For the Home Protection Fund, the cash is placed as short term deposits with financial institutions which have good credit ratings. The debt securities and approved counterparties of Home Protection Fund must meet stringent credit rating criteria. None of the financial assets are past due nor impaired.

Liquidity risk

In the management of liquidity risk of the Insurance Funds, the Board seeks to ensure that even under adverse conditions, the Insurance Funds have access to the funds necessary to cover for claims and surrenders. Management monitors and maintains adequate cash and bank balances to finance the operations of the Insurance Funds and mitigate the effects of fluctuations in cash flows. In addition, the financial assets of the Insurance Funds can be readily sold or redeemed when the need arises.

The following tables show undiscounted financial liabilities with the remaining contractual maturity periods of the Insurance Fund. For liabilities arising from insurance contracts, the disclosure is the estimated timing of net cash outflows resulting from recognised insurance liabilities i.e. on a discounted basis.

	Not later than one year S\$'000	Later than one year and not later than five years S\$'000	Later than five years S\$'000	Total S\$'000
Home Protection Fund				
2019				
Insurance contract liabilities	34,719	73,361	262,519	370,599
Claims intimated or admitted but not paid	23,267	–	–	23,267
Other payables	1,708	–	–	1,708
	59,694	73,361	262,519	395,574
2018				
Insurance contract liabilities	36,232	64,347	245,541	346,120
Claims intimated or admitted but not paid	29,726	–	–	29,726
Other payables	2,004	–	–	2,004
	67,962	64,347	245,541	377,850
MediShield Life Fund				
2019				
Insurance contract liabilities	216,733	1,873,616	4,267,369	6,357,718
Claims intimated or admitted but not paid	10,025	–	–	10,025
Other payables	46,784	–	–	46,784
	273,542	1,873,616	4,267,369	6,414,527
2018				
Insurance contract liabilities	133,187	1,498,340	3,560,585	5,192,112
Claims intimated or admitted but not paid	16,220	–	–	16,220
Other payables	51,200	–	–	51,200
	200,607	1,498,340	3,560,585	5,259,532

Lifelong Income Fund**2019**

Insurance contract liabilities
Other payables

	Not later than one year S\$'000	Later than one year and not later than five years S\$'000	Later than five years S\$'000	Total S\$'000
Insurance contract liabilities	286,957	1,736,684	9,466,819	11,490,460
Other payables	392	–	–	392
	287,349	1,736,684	9,466,819	11,490,852

2018

Insurance contract liabilities
Other payables

Insurance contract liabilities	229,889	1,257,365	9,277,670	10,764,924
Other payables	911	–	–	911
	230,800	1,257,365	9,277,670	10,765,835

The carrying amount of financial assets and liabilities with a maturity of less than a year including cash and cash equivalents, other receivables, and other payables are estimated to approximate their fair values due to the short period to maturity.

Home Protection Fund**31 December 2019**

Investments

- Debt securities	597,139	–	–	–	–	597,139	597,139
- Equity securities	–	–	231,528	–	–	231,528	231,528
- Derivatives	–	–	1,901	–	–	1,901	1,901
Other receivables	–	–	–	13,442	–	13,442	13,442
Interest receivables	–	–	–	8,997	–	8,997	8,997
Cash and cash equivalents	–	–	–	818,459	–	818,459	818,459
	597,139	233,429	840,898	–	–	1,671,466	1,671,466

Other payables

	–	–	–	–	–	(1,708)	(1,708)
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31 December 2018

Investments

- Debt securities	807,261	–	–	–	–	807,261	807,261
- Equity securities	–	–	507,317	–	–	507,317	507,317
- Derivatives	–	–	5,240	–	–	5,240	5,240
Other receivables	–	–	–	13,313	–	13,313	13,313
Interest receivables	–	–	–	6,569	–	6,569	6,569
Cash and cash equivalents	–	–	–	187,593	–	187,593	187,593
	807,261	512,557	207,475	–	–	1,527,293	1,527,293

Other payables

	–	–	–	–	–	(2,004)	(2,004)
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The carrying amounts of special issues of Singapore Government securities and advance deposits in the MediShield Life Fund approximate their fair values due to the investment arrangement with the Singapore Government as disclosed in note 20.3. The aggregate net fair values of recognised financial assets and liabilities which are not carried at fair value in the statements of net assets at 31 December are represented in the following table:

MediShield Life Fund	Amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Fair Value S\$'000
31 December 2019				
Investment				
- Special issues of Singapore Government securities	8,020,500	-	8,020,500	8,020,500
Other receivables	89,928	-	89,928	89,928
Interest receivables	93,870	-	93,870	93,870
Cash and cash equivalents	43,963	-	43,963	43,963
	8,248,261	-	8,248,261	8,248,261
Other payables	-	(46,784)	(46,784)	(46,784)
31 December 2018				
Investment				
- Special issues of Singapore Government securities	6,886,500	-	6,886,500	6,886,500
Other receivables	76,455	-	76,455	76,455
Interest receivables	80,391	-	80,391	80,391
Cash and cash equivalents	53,936	-	53,936	53,936
	7,097,282	-	7,097,282	7,097,282
Other payables	-	(51,200)	(51,200)	(51,200)

The carrying amounts of special issues of Singapore Government securities and advance deposits in the Lifelong Income Fund approximate their fair values due to the investment arrangement with the Singapore Government as disclosed in note 20.3. The aggregate net fair values of recognised financial assets and liabilities which are not carried at fair value in the statements of net assets at 31 December are represented in the following table:

Lifelong Income Fund	Amortised cost S\$'000	Other financial liabilities S\$'000	Total carrying amount S\$'000	Fair Value S\$'000
31 December 2019				
Investment				
- Special issues of Singapore Government securities	11,320,535	-	11,320,535	11,320,535
- Advance deposits	428	-	428	428
Interest receivables	169,879	-	169,879	169,879
Cash and cash equivalents	10	-	10	10
	11,490,852	-	11,490,852	11,490,852
Other payables	-	(392)	(392)	(392)
31 December 2018				
Investment				
- Special issues of Singapore Government securities	10,606,428	-	10,606,428	10,606,428
- Advance deposits	447	-	447	447
Interest receivables	158,950	-	158,950	158,950
Cash and cash equivalents	10	-	10	10
	10,765,835	-	10,765,835	10,765,835
Other payables	-	(911)	(911)	(911)

Assets and liabilities measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at the end of the year:

Home Protection Fund	2019			
	Fair value measurements at the end of the year			
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Recurring fair value measurements				
Financial assets:				
Financial assets measured at fair value				
Equity securities at FVTPL	231,527	1	–	231,528
Debt securities designated as FVTPL	528,646	68,493	–	597,139
Total financial assets through profit or loss	760,173	68,494	–	828,667
Derivatives				
- Interest rate futures contracts	3	–	–	3
- Forward currency contracts	–	3,481	–	3,481
Total derivatives	3	3,481	–	3,484
Financial assets as at 31 December 2019	760,176	71,975	–	832,151
Financial liabilities:				
Derivatives				
- Interest rate futures contracts	–	–	–	–
- Forward currency contracts	–	(1,583)	–	(1,583)
Financial liabilities as at 31 December 2019	–	(1,583)	–	(1,583)

2018**Fair value measurements at the end of the year**

Home Protection Fund	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
Recurring fair value measurements				
Financial assets:				
Financial assets measured at fair value				
Equity securities at FVTPL	507,316	1	–	507,317
Debt securities designated as FVTPL	606,261	201,000	–	807,261
Total financial assets through profit or loss	1,113,577	201,001	–	1,314,578
Derivatives				
- Interest rate futures contracts	–	–	–	–
- Forward currency contracts	–	10,241	–	10,241
Total derivatives	–	10,241	–	10,241
Financial assets as at 31 December 2018	1,113,577	211,242	–	1,324,819
Financial liabilities:				
Derivatives				
- Interest rate futures contracts	–	–	–	–
- Forward currency contracts	–	(5,001)	–	(5,001)
Financial liabilities as at 31 December 2018	–	(5,001)	–	(5,001)

Level 2 fair value measurements

The following is a description of the valuation techniques and inputs used in the fair value measurement for assets and liabilities that are categorised within Level 2 of the fair value hierarchy:

Debt securities

Debt securities are valued using valuation techniques that reflect market participants' assumptions, maximising the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs. To reflect current market conditions, the evaluated pricing applications incorporate market information obtained throughout the trading day from market sources and integrated relative credit rating information, observed market movements, and sector news.

Equity securities

Equity securities classified under the Level 2 pricing hierarchy are unquoted securities due to their trading status being unlisted, delisted, suspended, or warrants and rights, or illiquid owing to various types of corporate actions. The underlying securities are priced at the last bid price.

Derivatives

Interest rate swaps, interest rate options and currency swaps are used to manage interest rate exposures, hedge against exposure to exchange rate risks and manage volatility exposures.

Interest rate swap contracts are valued by applying forward pricing and swap models, using present value calculations. The models incorporate market observable inputs, including the credit quality of counterparties, foreign exchange spot rates, foreign exchange forward rates, interest rate curves and forward rate curves.

Credit default swaps are valued based on credit spread curves derived by market and details of the trades.

21. Net assets of Trust Funds

	Note	2019 S\$'000	2018 S\$'000
Deferment Bonus Fund	21.1	853,866	836,556
CPF LIFE Bonus Fund	21.2	5,233	513,848
Trust Fund for the Special Employment Credit Scheme	21.3	650,982	694,437
Other Trust Funds	21.4	160,659	142,370
		1,670,740	2,187,211

Details of the trust funds set out below have been prepared from the records of the trust funds, and reflect only transactions handled by the Board.

21.1 Deferment Bonus Fund

The Deferment Bonus Fund was set up and constituted under a trust deed in 2008 for the purpose of a scheme which provides for bonus payouts to help CPF members cope with the later drawdown age for the minimum sum and to encourage CPF members to voluntarily defer their drawdown age.

The Board is appointed as the trustee of the Deferment Bonus Fund, with effect from 29 June 2011, by the Government under the Deferment Bonus Fund Trust Deed and relevant Supplementary Deeds.

Advance deposits were invested in special issues of Singapore Government securities on 1 November 2019 after setting aside adequate cash float for operational needs.

The Deferment Bonus Fund receives funds from the Government and interest income on advance deposits and special issues of Singapore Government securities and pays Deferment Bonus and Voluntary Deferment Bonus to eligible CPF members, and operating expenses incurred for the administration of the Deferment Bonus Fund.

The trust period of the Deferment Bonus Fund ends on 31 January 2024. At the expiration of the trust period, all remaining assets of the fund shall be returned to the Government pursuant to the Deferment Bonus Fund Trust Deed.

	Note	2019 S\$'000	2018 S\$'000
Fund Balance		853,866	853,556
Represented by:			
Special issues of Singapore Government securities		841,000	–
Advance deposits with Monetary Authority of Singapore		–	853,556
Cash		12,886	–
Net Assets	21	853,866	836,556
Receipts			
Interest income		28,216	20,926
Disbursements			
Payment of Deferment Bonus and Voluntary Deferment Bonus to members		(10,378)	(15,725)
Agency fee paid to CPF Board		(501)	(564)
Professional fees		(27)	(27)
		(10,906)	(16,316)
Net receipts during the year		17,310	4,610
Fund balance as at 1 January		836,556	831,946
Fund balance as at 31 December	21	853,866	836,556

21.2 CPF LIFE Bonus Fund

The CPF LIFE Bonus Fund was set up and constituted under a trust deed in 2009 for the purpose of helping eligible senior Singaporean citizens participate in the Lifelong Income Scheme by providing a bonus, paid into their CPF Retirement Accounts and/or as premiums for their CPF LIFE Annuity Plans.

The Board is appointed as the trustee of the CPF LIFE Bonus Fund, with effect from 29 June 2011, by the Government under the CPF LIFE Bonus Fund Trust Deed and relevant Supplementary Deeds.

Advance deposits in the CPF LIFE Bonus Fund were returned to the Government on 1 November 2019 after setting aside adequate cash float for operational needs. This cash float is sufficient to fund the operations till 1 May 2020 which is the end of the trust period.

The CPF LIFE Bonus Fund receives funds from the Government and interest income on advance deposits placed with the Accountant-General through the Monetary Authority of Singapore and pays CPF LIFE Bonus to eligible CPF members, and operating expenses incurred for the administration of the CPF LIFE Bonus Fund.

The trust period of the CPF LIFE Bonus Fund ends on 1 May 2020. At the expiration of the trust period, all remaining assets of the fund shall be returned to the Government pursuant to the CPF LIFE Bonus Fund Trust Deed.

	Note	2019 S\$'000	2018 S\$'000
Fund Balance		5,233	513,848
Represented by:			
Advance deposits with Monetary Authority of Singapore		–	513,848
Cash		5,233	–
Net Assets	21	5,233	513,848
Receipts			
Interest income		17,369	12,631
Disbursements			
CPF LIFE Bonus recovered/(disbursed)		72	(129)
Agency fee paid to CPF Board		(640)	(818)
Professional fees		(27)	(27)
Funds returned to Government		(525,389)	–
		(525,984)	(974)
Net (disbursements)/receipts during the year		(508,615)	11,657
Fund balance as at 1 January		513,848	502,191
Fund balance as at 31 December	21	5,233	513,848

21.3 Trust Fund for the Special Employment Credit Scheme

The Trust Fund for the Special Employment Credit Scheme was set up and constituted under a trust deed in 2012 for the purpose of a scheme which provides financial incentives to encourage employers to hire older Singaporean workers and to boost the employability of these older Singaporean workers.

The Board is appointed as the trustee of the Trust Fund for the Special Employment Credit Scheme with effect from 8 March 2012, by the Government under the Trust Deed to Trust Fund for the Special Employment Credit Scheme and relevant Supplementary Deeds.

The Trust Fund for the Special Employment Credit Scheme invests in special issues of Singapore Government securities since 1 April 2016 after setting aside adequate cash float for operational needs.

The Trust Fund for the Special Employment Credit Scheme receives funds from the Government and interest income on special issues of Singapore Government Securities and pays Special Employment Credit to eligible beneficiaries, and operating expenses incurred for the scheme and administration of the Trust Fund for the Special Employment Credit Scheme.

The trust period of the Trust Fund for the Special Employment Credit Scheme has been extended by another year to end on 31 August 2022, providing stronger support for employers hiring Singaporeans in the older age bands. At the expiration of the trust period, all remaining assets of the fund shall be returned to the Government pursuant to the Trust Deed to Trust Fund for the Special Employment Credit Scheme.

	Note	2019 S\$'000	2018 S\$'000
Fund Balance		650,982	694,437
Represented by:			
Special issues of Singapore Government securities		648,607	692,266
Cash		2,375	2,171
Net Assets	21	650,982	694,437
Receipts			
Funds from Government		366,000	160,000
Interest income		6,786	10,027
		372,786	170,027
Disbursements			
Special Employment Credit disbursed		(413,884)	(388,780)
Agency fee paid to CPF Board		(2,325)	(2,641)
Professional fees		(32)	(32)
		(416,241)	(391,453)
Net (disbursements)/receipts during the year		(43,455)	(221,426)
Fund balance as at 1 January		694,437	915,863
Fund balance as at 31 December	21	650,982	694,437

21.4 Other Trust Funds

Other Trust Funds are set up to account for funds received from the Government which the Board acts as an administrator, and the funds are held in trust and managed by the Board on behalf of the respective Government ministries.

	Note	2019 S\$'000	2018 S\$'000
Fund Balance		160,659	142,370
Represented by:			
Cash at banks held in trust by CPF Board	8	160,659	142,370
Net Assets	21	160,659	142,370
Receipts			
Funds received from Government ministries		3,684,726	3,797,279
Interest income		2,805	1,718
		3,687,531	3,798,997
Disbursements			
Disbursements to CPF members and the public		(3,669,242)	(3,735,459)
Net receipts during the year		18,289	63,538
Fund balance as at 1 January		142,370	78,832
Fund balance as at 31 December	21	160,659	142,370

22. Related party transactions

Definition of related party

The Board is a statutory board established under the CPF Act (Chapter 36, Revised Edition 2013). Government ministries including statutory boards under their purview are deemed related parties to the Board.

Key management compensation

Key management personnel of the Board are those persons having the authority and responsibility for planning, directing and controlling the activities of the Board. The core management of the Board are considered key management personnel.

Compensation of key management personnel comprises:

	2019 S\$'000	2018 S\$'000
Salaries and other short-term employee benefits	7,970	7,848
CPF contributions	384	368
Post-employment benefits	18	7

Other related party transactions

Other than disclosed elsewhere in the financial statements, the significant transactions with related parties based on terms agreed between the parties involved are as follows:

Central Provident Fund

(i) Expenses incurred for services rendered

	2019 S\$'000	2018 S\$'000
Statutory boards	18,986	11,841

(ii) Agency fees income

The Board handles agency work on behalf of various Government ministries. These agency income are included as part of agency, consultancy and data processing fees disclosed in note 14.

	2019 S\$'000	2018 S\$'000
Government ministries	86,366	75,723
Statutory boards	3,872	3,524

(iii) Special issues of Singapore Government securities

Transactions in special issues of Singapore Government securities are as follows:

	2019 S\$'000	2018 S\$'000
Net placement	33,068,274	30,417,972

Insurance Funds

(iv) Trading of debt securities

Trading of debt securities issued by the Singapore Government and Government ministries are as follows:

	2019 S\$'000	2018 S\$'000
Home Protection Fund		
Sales	164,567	169,173
Purchases	111,125	167,972

(v) Special issues of Singapore Government securities

Transactions in special issues of Singapore Government securities are as follows:

	2019 S\$'000	2018 S\$'000
Lifelong Income Fund		
Net placement	714,107	480,885
MediShield Life Fund		
Net placement	1,134,000	1,170,500

23. Subsequent eventsHome Protection Fund

Due to better than expected investment gains and lower than projected claims experience, the Board distributed premium rebates of S\$640,000,000 in January 2020. Over 760,000 members received the premium rebate in their CPF Ordinary Account.

24. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2019 were authorised for issue by the members of the Board on 6 May 2020.



ANNEXES

Rates of CPF Contributions, 1955 – 2019

STARTING	AGE OF EMPLOYEE	CONTRIBUTION RATE (% OF WAGE)		CREDITED INTO (% OF WAGE)			TOTAL (% OF WAGE)	ORDINARY WAGE CEILING (\$)
		BY EMPLOYER	BY EMPLOYEE	ORDINARY ACCOUNT	SPECIAL ACCOUNT	MEDISAVE ACCOUNT		
Jul 1955	-	5	5	-	-	-	10	500
Sep 1968	-	6.5	6.5	-	-	-	13	2,307.69
Jan 1970	-	8	8	-	-	-	16	1,875
Jan 1971	-	10	10	-	-	-	20	1,500
Jul 1972	-	14	10	-	-	-	24	
Jul 1973	-	15	11	-	-	-	26	
Jul 1974	-	15	15	-	-	-	30	
Jul 1975	-	15	15	-	-	-	30	2,000
Jul 1977	-	15.5	15.5	30	1	-	31	
Jul 1978	-	16.5	16.5	30	3	-	33	
Jul 1979	-	20.5	16.5	30	7	-	37	
Jul 1980	-	20.5	18	32	6.5	-	38.5	3,000
Jul 1981	-	20.5	22	38.5	4	-	42.5	
Jul 1982	-	22	23	40	5	-	45	
Jul 1983	-	23	23	40	6	-	46	
Nov 1983	-	23	23	40	6	-	46	
Apr 1984	-	23	23	40	-	6	46	
Jul 1984	-	25	25	40	4	6	50	5,000
Jul 1985	-	25	25	40	4	6	50	6,000
Apr 1986	-	10	25	29	-	6	35	
Jul 1988	55 years & below	12	24	30	-	6	36	6,000
	Above 55 - 60 years	11	20	25	-	6	31	
	Above 60 - 65 years	9	19	22	-	6	28	
	Above 65 years	8	18	20	-	6	26	
Jul 1989	55 years & below	15	23	30	2	6	38	6,000
	Above 55 - 60 years	12	16	22	-	6	28	
	Above 60 - 65 years	8	13	15	-	6	21	
	Above 65 years	6	11	11	-	6	17	
Jul 1990	55 years & below	16.5	23	30	3.5	6	39.5	6,000
	Above 55 - 60 years	12.5	12.5	19	-	6	25	
	Above 60 - 65 years	7.5	7.5	9	-	6	15	
	Above 65 years	5	5	4	-	6	10	
Jul 1991	55 years & below	17.5	22.5	30	4	6	40	6,000
	Above 55 - 60 years	12.5	12.5	19	-	6	25	
	Above 60 - 65 years	7.5	7.5	9	-	6	15	
	Above 65 years	5	5	4	-	6	10	
Jul 1992	35 years & below	18	22	30	4	6	40	6,000
	Above 35 - 55 years	18	22	29	4	7	40	
	Above 55 - 60 years	12.5	12.5	18	-	7	25	
	Above 60 - 65 years	7.5	7.5	8	-	7	15	
	Above 65 years	5	5	3	-	7	10	

STARTING	AGE OF EMPLOYEE	CONTRIBUTION RATE (% OF WAGE)		CREDITED INTO (% OF WAGE)			TOTAL (% OF WAGE)	ORDINARY WAGE CEILING (\$)
		BY EMPLOYER	BY EMPLOYEE	ORDINARY ACCOUNT	SPECIAL ACCOUNT	MEDISAVE ACCOUNT		
Jul 1993	35 years & below	18.5	21.5	30	4	6	40	6,000
	Above 35 - 45 years	18.5	21.5	29	4	7	40	
	Above 45 - 55 years	18.5	21.5	28	4	8	40	
	Above 55 - 60 years	7.5	12.5	12	-	8	20	
	Above 60 - 65 years	7.5	7.5	7	-	8	15	
	Above 65 years	5	5	2	-	8	10	
Jul 1994	35 years & below	20	20	30	4	6	40	6,000
	Above 35 - 45 years	20	20	29	4	7	40	
	Above 45 - 55 years	20	20	28	4	8	40	
	Above 55 - 60 years	7.5	12.5	12	-	8	20	
	Above 60 - 65 years	7.5	7.5	7	-	8	15	
	Above 65 years	5	5	2	-	8	10	
Jan 1999	35 years & below	10	20	24	-	6	30	6,000
	Above 35 - 45 years	10	20	23	-	7	30	
	Above 45 - 55 years	10	20	22	-	8	30	
	Above 55 - 60 years	4	12.5	8.5	-	8	16.5	
	Above 60 - 65 years	2	7.5	1.5	-	8	9.5	
	Above 65 years	2	5	-	-	7	7	
Apr 2000	35 years & below	12	20	24	2	6	32	6,000
	Above 35 - 45 years	12	20	23	2	7	32	
	Above 45 - 55 years	12	20	22	2	8	32	
	Above 55 - 60 years	4.5	12.5	9	-	8	17	
	Above 60 - 65 years	2.5	7.5	2	-	8	10	
	Above 65 years	2.5	5	-	-	7.5	7.5	
Jan 2001	35 years & below	16	20	26	4	6	36	6,000
	Above 35 - 45 years	16	20	23	6	7	36	
	Above 45 - 55 years	16	20	22	6	8	36	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
	Above 65 years	3.5	5	-	-	8.5	8.5	
Oct 2002	35 years & below	16	20	26	4	6	36	6,000
	Above 35 - 45 years	16	20	23	6	7	36	
	Above 45 - 55 years	16	20	22	6	8	36	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
	Above 65 years	3.5	5	-	-	8.5	8.5	
Oct 2003	35 years & below	13	20	22	5	6	33	6,000
	Above 35 - 45 years	13	20	20	6	7	33	
	Above 45 - 55 years	13	20	18	7	8	33	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
	Above 65 years	3.5	5	-	-	8.5	8.5	

STARTING	AGE OF EMPLOYEE	CONTRIBUTION RATE (% OF WAGE)		CREDITED INTO (% OF WAGE)			TOTAL (% OF WAGE)	ORDINARY WAGE CEILING (\$)
		BY EMPLOYER	BY EMPLOYEE	ORDINARY ACCOUNT	SPECIAL ACCOUNT	MEDISAVE ACCOUNT		
Jan 2004	35 years & below	13	20	22	5	6	33	5,500
	Above 35 - 45 years	13	20	20	6	7	33	
	Above 45 - 55 years	13	20	18	7	8	33	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
	Above 65 years	3.5	5	-	-	8.5	8.5	
Jan 2005	35 years & below	13	20	22	5	6	33	5,000
	Above 35 - 45 years	13	20	20	6	7	33	
	Above 45 - 50 years	13	20	18	7	8	33	
	Above 50 - 55 years	11	19	15	7	8	30	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
Jan 2006	35 years & below	13	20	22	5	6	33	4,500
	Above 35 - 45 years	13	20	20	6	7	33	
	Above 45 - 50 years	13	20	18	7	8	33	
	Above 50 - 55 years	9	18	12	7	8	27	
	Above 55 - 60 years	6	12.5	10.5	-	8	18.5	
	Above 60 - 65 years	3.5	7.5	2.5	-	8.5	11	
Jul 2007	35 years & below	14.5	20	23	5	6.5	34.5	4,500
	Above 35 - 45 years	14.5	20	21	6	7.5	34.5	
	Above 45 - 50 years	14.5	20	19	7	8.5	34.5	
	Above 50 - 55 years	10.5	18	13	7	8.5	28.5	
	Above 55 - 60 years	7.5	12.5	11.5	-	8.5	20	
	Above 60 - 65 years	5	7.5	3.5	-	9	12.5	
Sep 2010	35 years & below	15	20	23	5	7	35	4,500
	Above 35 - 45 years	15	20	21	6	8	35	
	Above 45 - 50 years	15	20	19	7	9	35	
	Above 50 - 55 years	11	18	13	7	9	29	
	Above 55 - 60 years	8	12.5	11.5	-	9	20.5	
	Above 60 - 65 years	5.5	7.5	3.5	-	9.5	13	
Mar 2011	35 years & below	15.5	20	23	5.5	7	35.5	4,500
	Above 35 - 45 years	15.5	20	21	6.5	8	35.5	
	Above 45 - 50 years	15.5	20	19	7.5	9	35.5	
	Above 50 - 55 years	11.5	18	13	7.5	9	29.5	
	Above 55 - 60 years	8.5	12.5	11.5	0.5	9	21	
	Above 60 - 65 years	6	7.5	3.5	0.5	9.5	13.5	
	Above 65 years	6	5	1	0.5	9.5	11	

STARTING	AGE OF EMPLOYEE	CONTRIBUTION RATE (% OF WAGE)		CREDITED INTO (% OF WAGE)			TOTAL (% OF WAGE)	ORDINARY WAGE CEILING (\$)
		BY EMPLOYER	BY EMPLOYEE	ORDINARY ACCOUNT	SPECIAL ACCOUNT	MEDISAVE ACCOUNT		
Sep 2011	35 years & below	16	20	23	6	7	36	5,000
	Above 35 - 45 years	16	20	21	7	8	36	
	Above 45 - 50 years	16	20	19	8	9	36	
	Above 50 - 55 years	12	18	13	8	9	30	
	Above 55 - 60 years	9	12.5	11.5	1	9	21.5	
	Above 60 - 65 years	6.5	7.5	3.5	1	9.5	14	
	Above 65 years	6.5	5	1	1	9.5	11.5	
Sep 2012	35 years & below	16	20	23	6	7	36	5,000
	Above 35 - 45 years	16	20	21	7	8	36	
	Above 45 - 50 years	16	20	19	8	9	36	
	Above 50 - 55 years	14	18.5	13.5	9.5	9.5	32.5	
	Above 55 - 60 years	10.5	13	12	2	9.5	23.5	
	Above 60 - 65 years	7	7.5	3.5	1.5	9.5	14.5	
	Above 65 years	6.5	5	1	1	9.5	11.5	
Jan 2014	35 years & below	16	20	23	6	7	36	5,000
	Above 35 - 45 years	16	20	21	7	8	36	
	Above 45 - 50 years	16	20	19	8	9	36	
	Above 50 - 55 years	14	18.5	13.5	9.5	9.5	32.5	
	Above 55 - 60 years	10.5	13	12	2	9.5	23.5	
	Above 60 - 65 years	7	7.5	3.5	1.5	9.5	14.5	
	Above 65 years	6.5	5	1	1	9.5	11.5	
Jan 2015	35 years & below	17	20	23	6	8	37	5,000
	Above 35 - 45 years	17	20	21	7	9	37	
	Above 45 - 50 years	17	20	19	8	10	37	
	Above 50 - 55 years	16	19	14	10.5	10.5	35	
	Above 55 - 60 years	12	13	12	2.5	10.5	25	
	Above 60 - 65 years	8.5	7.5	3.5	2	10.5	16	
	Above 65 years	7.5	5	1	1	10.5	12.5	
From Jan 2016*	35 years & below	17	20	23	6	8	37	6,000
	Above 35 - 45 years	17	20	21	7	9	37	
	Above 45 - 50 years	17	20	19	8	10	37	
	Above 50 - 55 years	17	20	15	11.5	10.5	37	
	Above 55 - 60 years	13	13	12	3.5	10.5	26	
	Above 60 - 65 years	9	7.5	3.5	2.5	10.5	16.5	
	Above 65 years	7.5	5	1	1	10.5	12.5	

* Contribution and allocation rates for employees with monthly wages of \$750 or more.
For employees with monthly wages of less than \$750, please refer to Annex D for the CPF contribution rates.

Annex B

CPF Interest Rates, 2010 – 2019

YEAR AGE OF EMPLOYEE	CPF INTEREST RATE PER ANNUM (%)			
	ORDINARY ACCOUNT	MEDISAVE ACCOUNT	SPECIAL ACCOUNT	RETIREMENT ACCOUNT
Jan – Dec 2010	2.50	4.00	4.00	4.00
Jan – Dec 2011	2.50	4.00	4.00	4.00
Jan – Dec 2012	2.50	4.00	4.00	4.00
Jan – Dec 2013	2.50	4.00	4.00	4.00
Jan – Dec 2014	2.50	4.00	4.00	4.00
Jan – Dec 2015	2.50	4.00	4.00	4.00
Jan – Dec 2016	2.50	4.00	4.00	4.00
Jan – Dec 2017	2.50	4.00	4.00	4.00
Jan – Dec 2018	2.50	4.00	4.00	4.00
Jan – Dec 2019	2.50	4.00	4.00	4.00

Annex C

Memberships, Contributions & Member’s Balances, 2010 – 2019

YEAR END	NUMBER OF MEMBERS ('000)	TOTAL CONTRIBUTION (\$'000)	TOTAL BALANCES (\$'000)
2010	3,343	21,992,739	185,887,975
2011	3,376	24,628,413	207,545,500
2012	3,419	26,048,399	230,157,671
2013	3,508	28,530,047	252,968,636
2014	3,593	29,722,128	275,363,930
2015	3,686	32,049,136	299,522,383
2016	3,761	35,851,675	328,895,282
2017	3,835	37,284,717	359,514,581
2018	3,908	38,368,993	391,117,517
2019	3,982	39,848,430	425,110,201

Annex D

CPF Contributions in Respect of Private Sector Employees, Government Non-pensionable Employees and Non-pensionable Employees in Designated Statutory Bodies and Aided Schools (From 1 January 2016)

EMPLOYEE’S TOTAL WAGES FOR THE CALENDAR MONTH	AGE OF EMPLOYEE							
	55 YEARS AND BELOW		ABOVE 55 – 60		ABOVE 60 – 65		ABOVE 65	
	TOTAL CPF CONTRIBUTIONS (EMPLOYER’S SHARE & EMPLOYEE’S SHARE) FOR THE CALENDAR MONTH	EMPLOYEE’S SHARE OF CPF CONTRIBUTIONS FOR THE CALENDAR MONTH						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
≤ \$50	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
> \$50 to \$500	<u>17%</u> of the employee’s total wages for the month	Nil	13%	Nil	9%	Nil	7.5%	Nil
> \$500 to < \$750	a. <u>17%</u> of the employee’s total wages for the month; and	a. Nil	13%	Nil	9%	Nil	7.5%	Nil
	b. <u>0.6</u> of the difference between the employee’s total wages for the month and \$500	b. <u>0.6</u> of the difference between the employee’s total wages for the month and \$500	0.39	0.39	0.225	0.225	0.15	0.15
≥ \$750	a. <u>37%</u> of the employee’s Ordinary Wages for the month up to <u>\$2,220</u> ; and	a. <u>20%</u> of the employee’s Ordinary Wages for the month up to <u>\$1,200</u> ; and	26% max \$1,560	13% max \$780	16.5% max \$990	7.5% max \$450	12.5% max \$750	5% max \$300
	b. 37% of the Additional Wages payable to the employee in the month	b. 20% of the Additional Wages payable to the employee in the month	26%	13%	16.5%	7.5%	12.5%	5%

For employees in the above 55 to 60, above 60 to 65 and above 65 age groups, replace the figures underlined in columns (2) and (3) with the corresponding figures in columns (4) to (9).

CPF Contributions in Respect of Government Pensionable Employees and Pensionable Employees in Designated Statutory Bodies (From 1 January 2016)

EMPLOYEE'S TOTAL WAGES FOR THE CALENDAR MONTH	AGE OF EMPLOYEE							
	55 YEARS AND BELOW		ABOVE 55 – 60		ABOVE 60 – 65		ABOVE 65	
	TOTAL CPF CONTRIBUTIONS (EMPLOYER'S SHARE & EMPLOYEE'S SHARE) FOR THE CALENDAR MONTH	EMPLOYEE'S SHARE OF CPF CONTRIBUTIONS FOR THE CALENDAR MONTH						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
> \$0.01	a. 12.75% of the employee's Ordinary Wages excluding the non-pensionable variable payment and non-pensionable component; and	a. Nil	9.75%	Nil	6.75%	Nil	5.625%	Nil
	17% of the non-pensionable variable payment and non-pensionable component for the month subject to a maximum of \$1,020; and	Nil	13% max \$780	Nil	9% max \$540	Nil	7.5% max \$450	Nil
	b. a further 15% of the employee's Ordinary Wages excluding the non-pensionable variable payment and non-pensionable component; and	b. 15% of the employee's Ordinary Wages excluding the non-pensionable variable payment and non-pensionable component; and	9.75%	9.75%	5.625%	5.625%	3.75%	3.75%
	20% of the non-pensionable variable payment and non-pensionable component for the month subject to a maximum of \$1,200; and	20% of the non-pensionable variable payment and non-pensionable component for the month subject to a maximum of \$1,200; and	13% max \$780	13% max \$780	7.5% max \$450	7.5% max \$450	5% max \$300	5% max \$300
	c. 37% of any Additional Wages payable	c. 20% of any Additional Wages payable	26%	13%	16.5%	7.5%	12.5%	5%

For employees in the above 55 to 60, above 60 to 65 and above 65 age groups, replace the figures underlined in columns (2) & (3) with the corresponding figures in columns (4) to (9).

Withdrawals under Section 15 and Section 25 of the CPF Act 2019

2019		
GROUND FOR WITHDRAWAL	NUMBER	AMOUNT (\$M)
55 Years and Above	528,281	5,219.1
Leaving Singapore and West Malaysia	5,087	650.8
Medical Grounds	1,361	94.2
Death	21,147	1064.3
Malaysian Citizen	6,751	236.6
Total	562,627	7,265

Figures may not add up due to rounding.

Distribution of CPF Members' Balances by Age Group and Sex as at 31 December 2019

AGE GROUP (YEARS)	MALE		FEMALE		NOT SPECIFIED		TOTAL	
	NUMBER ('000)	BALANCES (\$'000)	NUMBER ('000)	BALANCES (\$'000)	NUMBER ('000)	BALANCES (\$'000)	NUMBER ('000)	BALANCES (\$'000)
Up to 20	190	636,931	182	633,835	-	-	372	1,270,766
>20 - 25	123	993,780	114	1,487,522	-	-	237	2,481,302
>25 - 30	144	6,118,562	147	7,960,614	-	-	291	14,079,176
>30 - 35	147	12,921,748	159	14,452,302	-	-	306	27,374,050
>35 - 40	152	19,664,187	166	20,213,440	0.0	21	318	39,877,647
>40 - 45	158	26,547,293	167	25,734,067	0.0	79	326	52,281,439
>45 - 50	172	33,692,104	176	30,454,148	0.0	321	348	64,146,573
>50 - 55	181	35,660,686	174	29,487,481	0.0	322	356	65,148,489
>55 - 60	201	33,082,753	178	27,184,728	0.1	886	379	60,268,366
>60 - 65	173	26,224,287	160	21,561,786	0.1	567	334	47,786,641
>65 - 70	135	16,835,902	128	13,053,537	0.1	228	263	29,889,668
>70 - 75	90	7,338,894	90	5,807,908	0.1	134	180	13,146,937
>75 - 80	52	2,316,277	56	1,810,117	0.0	118	108	4,126,511
Above 80	64	1,656,805	81	1,542,904	0.0	30	145	3,199,739
Unspecified	14	22,851	3	5,627	3.8	4,419	21	32,897
All Groups	1,997	223,713,060	1,981	201,390,016	4	7,125	3,982	425,110,201

Figures include self-employed persons.
Total may not add up due to rounding.

Distribution of All CPF Members by Regressed Balances* and Age Group as at 31 December 2019

BALANCE GROUP (\$)	UNSPECIFIED	UP TO 20	AGE GROUP (YEARS)												TOTAL		
			>20 - 25	>25 - 30	>30 - 35	>35 - 40	>40 - 45	>45 - 50	>50 - 55	>55 - 60	>60 - 65	>65 - 70	>70 - 75	>75 - 80	ABOVE 80	ALL MEMBERS	BALANCE (\$'000)
Below 20,000	21,050	370,520	194,980	76,690	39,850	33,900	32,070	36,640	56,240	75,920	63,580	60,580	51,610	46,360	92,620	1,252,600	6,184,198
20,000 to below 40,000	130	930	27,220	48,170	21,330	15,980	13,800	14,210	15,730	17,830	19,420	20,310	19,090	15,760	21,830	271,730	8,039,421
40,000 to below 60,000	30	230	9,270	43,990	21,210	14,790	12,820	13,220	14,000	16,590	18,680	18,130	17,810	14,650	14,430	229,830	11,446,050
60,000 to below 80,000	10	130	3,380	36,560	22,050	14,340	12,170	12,330	13,200	15,420	16,680	15,530	14,770	9,510	5,990	192,070	13,401,912
80,000 to below 100,000	#0	70	1,180	29,330	23,280	13,970	11,720	12,200	12,560	14,450	15,010	13,580	14,330	6,670	3,280	171,610	15,417,558
100,000 to below 120,000	#0	30	330	21,500	24,660	14,280	11,560	11,570	12,060	13,180	13,220	12,540	11,500	3,820	1,880	152,130	16,704,003
120,000 to below 140,000	#0	20	100	14,390	24,730	14,510	11,340	11,340	11,310	12,460	12,730	11,820	8,800	2,520	1,170	137,250	17,820,070
140,000 to below 160,000	#0	20	30	8,950	23,440	15,180	11,440	10,790	10,680	11,900	12,870	11,820	6,530	1,760	840	126,230	18,917,745
160,000 to below 180,000	#0	10	30	5,170	21,050	15,660	11,720	10,600	10,010	10,870	11,540	11,250	5,240	1,310	530	114,980	19,529,369
180,000 to below 200,000	-	50	30	3,070	18,030	15,700	11,560	10,200	9,470	10,450	11,100	10,470	4,320	950	360	105,740	20,075,660
200,000 to below 220,000	-	10	10	1,570	15,060	15,620	11,590	9,930	8,950	10,390	11,380	9,110	3,380	650	330	97,970	20,562,242
220,000 to below 240,000	-	20	20	890	12,620	15,120	11,730	9,610	8,680	11,360	12,650	7,370	2,650	530	220	93,460	21,487,290
240,000 to below 260,000	-	10	#0	350	10,110	14,400	11,300	9,530	8,300	11,840	10,720	5,970	2,100	460	190	85,280	21,298,198
260,000 to below 280,000	-	#0	-	170	8,070	13,570	11,420	9,290	8,150	9,850	8,460	5,080	1,820	360	150	76,390	20,613,854
280,000 to below 300,000	-	#0	#0	80	6,150	12,440	10,800	8,900	7,740	8,700	7,370	4,430	1,500	290	130	68,520	19,861,372
300,000 to below 400,000	-	10	10	70	13,120	48,970	48,370	41,620	34,160	36,530	27,530	15,520	5,220	910	370	272,400	94,422,584
400,000 to below 500,000	-	-	-	10	1,090	24,210	39,290	35,600	28,890	24,810	17,190	8,890	3,030	480	160	183,640	82,042,869
500,000 & above	-	-	-	10	50	5,380	41,100	80,290	85,490	66,050	43,610	20,820	6,420	790	240	350,250	248,633,356
All Groups	21,230	372,070	236,590	290,940	305,880	317,990	325,780	347,870	355,620	378,590	333,730	263,190	180,110	107,780	144,730	3,982,090	676,457,751

Distribution of Active CPF Members by Regressed Balances* and Age Group as at 31 December 2019

BALANCE GROUP (\$)	UP TO 20	AGE GROUP (YEARS)												ABOVE 80	ACTIVE MEMBERS	BALANCE (\$'000)
		>20 - 25	>25 - 30	>30 - 35	>35 - 40	>40 - 45	>45 - 50	>50 - 55	>55 - 60	>60 - 65	>65 - 70	>70 - 75	>75 - 80			
Below 20,000	42,150	65,760	38,450	16,970	9,830	5,810	3,740	1,940	1,970	2,150	2,800	2,570	1,660	1,080	196,870	1,466,998
20,000 to below 40,000	440	23,860	38,230	12,060	7,400	5,180	4,370	3,400	3,970	5,190	6,010	5,290	3,100	1,910	120,400	3,605,387
40,000 to below 60,000	40	8,570	37,930	13,730	7,650	5,630	5,080	4,590	5,600	7,370	7,030	6,210	4,350	3,170	116,950	5,846,097
60,000 to below 80,000	10	3,190	33,010	15,700	8,160	5,770	5,350	5,390	6,300	7,560	6,760	5,250	3,010	1,220	106,660	7,454,392
80,000 to below 100,000	10	1,120	27,160	18,150	8,670	6,160	5,800	5,850	6,730	7,400	5,980	5,420	2,180	700	101,310	9,110,548
100,000 to below 120,000	#0	300	20,210	20,570	9,580	6,620	5,980	6,080	6,680	6,830	5,780	4,710	1,160	380	94,870	10,424,078
120,000 to below 140,000	#0	80	13,750	21,680	10,370	7,120	6,230	6,150	6,690	6,690	5,670	3,660	720	230	89,020	11,562,646
140,000 to below 160,000	-	20	8,620	21,120	11,700	7,680	6,390	6,050	6,660	7,120	5,790	2,690	530	160	84,520	12,670,850
160,000 to below 180,000	-	10	5,000	19,430	12,690	8,240	6,450	5,840	6,380	6,700	5,700	2,060	360	90	78,960	13,414,515
180,000 to below 200,000	#0	10	2,970	16,790	13,200	8,450	6,570	5,740	6,250	6,630	5,360	1,670	250	70	73,960	14,043,546
200,000 to below 220,000	-	#0	1,520	14,140	13,490	8,870	6,750	5,650	6,420	6,690	4,810	1,370	180	70	69,950	14,683,716
220,000 to below 240,000	#0	10	870	11,990	13,350	9,250	6,720	5,750	6,890	7,790	4,100	1,030	150	30	67,920	15,617,326
240,000 to below 260,000	-	-	340	9,680	12,900	9,190	6,910	5,700	8,080	7,110	3,260	810	120	30	64,130	16,018,683
260,000 to below 280,000	-	-	160	7,750	12,380	9,520	6,910	5,730	6,930	5,670	2,750	650	90	30	58,580	15,808,259
280,000 to below 300,000	#0	#0	70	5,920	11,440	9,160	6,800	5,590	6,190	4,990	2,330	550	100	30	53,160	15,411,136
300,000 to below 400,000	#0	#0	70	12,750	46,260	42,930	33,670	26,290	26,980	18,820	8,210	1,910	240	60	218,190	75,710,237
400,000 to below 500,000	-	-	10	1,060	23,450	36,540	30,770	23,640	19,150	11,980	4,570	1,010	110	30	152,310	68,080,908
500,000 & above	-	-	10	50	5,280	39,520	74,340	74,900	53,430	30,030	10,180	2,060	240	60	290,090	203,714,307
All Groups	42,660	102,930	228,350	239,510	237,790	231,640	228,820	204,270	191,300	156,710	97,090	48,920	18,520	9,330	2,037,850	514,643,628

Total may not add up due to rounding.
* Regressed Balances include amounts withdrawn under Investment, Education, Residential Properties, Non-Residential Properties and Public Housing Schemes as at end of period.
Number of CPF members is less than 5.

Details on Corporate Governance

Board Meetings

Board meetings are scheduled quarterly for the purpose of, among other things, approving the annual budget, the audited financial statements, CPF Rules amendments and major projects. The by-laws of the Board allow Board Members to take part in meetings in person or via any means provided that all the members who wish to participate at the meeting have access to the technology needed to participate in the meeting, and a quorum of Board Members can simultaneously communicate with each other throughout the meeting. Urgent matters requiring decisions are circulated via e-mail by the Board Secretariat. The Board met four times in 2019.

Board Members are provided with the necessary information for them to effectively discharge their responsibilities at each Board meeting. This includes regular reports on CPF contributions and developments on CPF schemes. Significant operational highlights and financial statements are provided on a regular basis for the Board’s information. Board Members may request additional information where necessary. Minutes of Board meetings are documented for record, with Matters Arising promptly followed up and reported back at the following Board meeting.

Audit Committee

The Audit Committee assists the Board in overseeing activities carried out by Management, independent auditors and internal auditors relating to internal controls, financial reporting, compliance with rules, regulations, corporate policies and procedures, as well as risk management. It also oversees the Board’s whistle-blowing programme.

The Audit Committee comprises non-executive and independent Board Members nominated based on their expertise and experience with regard to discharging the responsibilities of the Committee. The Audit Committee was chaired by Mr Tan Teck Huat in 2019. Four other members served on the Audit Committee in 2019 – Professor Annie Koh, Ms Mary Liew, Mr Lim Zhi Jian and Mr Zahidi Bin Abdul Rahman. Mr Zahidi Bin Abdul Rahman left the Audit Committee when he completed his service as Board Member on 30 June 2019. Mr Lim Zhi Jian was appointed as a member of the Audit Committee with effect from 1 July 2019.

The Audit Committee met thrice in 2019 and urgent matters were approved by circulation.

Investment Committee

The Investment Committee assists the Board with investment matters relating to funds managed by the Board. It advises the Board in setting the overall investment policy and strategic asset allocation, and has decision making authority over the investment management strategy and structure, appointment of investment consultant, custodian, external fund managers and other third parties, overall approach to risk management, rebalancing guidelines, the implementation of tactical asset allocation and performance reporting framework.

The Investment Committee was chaired by Mr Tung Siew Hoong from 1 January 2019 to 30 June 2019, and Mr Aje Kumar Saigal from 1 July 2019. Six other members served on the Investment Committee in 2019 – Mr Augustin Lee, Mr Ng Chee Peng, Ms Liew Tzu Mi, Mr Lim Zhi Jian, Ms Marilyn Ang and Mr Wong Ban Suan. Ms Ang and Mr Wong were co-opted to augment the investment expertise of the Committee. Mr Tung left the Investment Committee when he completed his service as Board Member on 30 June 2019. Mr Ng relinquished his Investment Committee membership when he stepped down as CEO, CPF Board, on 31 March 2019, and was replaced by Mr Augustin Lee. Ms Liew Tzu Mi was appointed to the Committee on 1 July 2019.

The Investment Committee met four times in 2019 and urgent matters were approved by circulation.

MediShield Life and Insurance Schemes Committee

The MediShield Life and Insurance Schemes Committee oversees the management of the Home Protection, MediShield Life and CPF LIFE Schemes. It reviews the annual valuation and actuarial studies of the various schemes, and recommends or approves adjustments to the premiums and benefits of the Home Protection and CPF LIFE Schemes. The Committee also manages the solvency and liquidity of the insurance funds based on the return objectives, risk tolerance levels and risk management framework established for each fund and in accordance to the guidelines set by the Minister overseeing the relevant scheme.

The MediShield Life and Insurance Schemes Committee was chaired by Mr Chan Heng Kee in 2019. Eight other members served on the MediShield Life and Insurance Schemes Committee in 2019 – Mr Augustin Lee, Mr Ng Chee Peng, Ms Cham Hui Fong, Ms Ho Hern Shin, Mr Shamir Rahim, Mr Cham Dao Song, Mr Chi Cheng Hock, and Mrs Hauw Soo Hoon. Mr Ng relinquished his MediShield Life and Insurance Schemes Committee membership when he stepped down as CEO, CPF Board, on 31 March 2019, and was replaced by Mr Augustin Lee. Mr Shamir was appointed to the Committee on 1 July 2019. Mr Cham was appointed as a representative of the Ministry of Health, while Mr Chi and Mrs Hauw were co-opted for their actuarial expertise.

The MediShield Life and Insurance Schemes Committee met thrice in 2019.

Risk Management Committee

The Risk Management Committee assists the Board in overseeing CPF Board’s enterprise risk management framework. It ensures that Management has fully identified and assessed the key risks that CPF Board faces and has established a risk management infrastructure capable of addressing those risks. The Committee supports the Board in overseeing Board-level risks in conjunction with other Board Committees.

The Risk Management Committee was chaired by Mr Augustin Lee from 1 January 2019 to 31 March 2019, and Mr Chiang Chie Foo from 1 April 2019. Four other members served on the Risk Management Committee in 2019 – Mr Ng Chee Peng, Ms Cham Hui Fong, Ms Rachel Eng and Mr Tan Hee Teck. Mr Ng relinquished his Risk Management Committee membership when he stepped down as CEO, CPF Board, on 31 March 2019, and was replaced by Mr Augustin Lee.

The Risk Management Committee met once in 2019.

Staff Committee

The Committee is the approving authority for key human resource and remuneration policies as well as the appointment and promotion of senior executives.

The Staff Committee was chaired by Mr Chiang Chie Foo. Five other members served on the Staff Committee in 2019 - Mr Augustin Lee, Mr Ng Chee Peng, Mr Aje Saigal, Mr Tan Teck Huat and Mr Tung Siew Hoong. Mr Ng relinquished his Staff Committee membership when he stepped down as CEO, CPF Board, on 31 March 2019. Mr Tung left the Staff Committee when he completed his service as Board Member on 30 June 2019. Mr Aje Saigal was appointed to the Committee on 1 July 2019.

The Staff Committee met once in 2019 and urgent matters were approved by circulation.

Attendance at meetings

Board Members’ attendance at Board and Board Committee meetings in 2019 is set out in the following table:

BOARD MEMBERS ¹	BOARD		BOARD COMMITTEES									
	NO OF MEETINGS		AUDIT COMMITTEE		MEDISHIELD LIFE AND INSURANCE SCHEMES COMMITTEE		INVESTMENT COMMITTEE		RISK MANAGEMENT COMMITTEE		STAFF COMMITTEE	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Mr Chiang Chie Foo (Chairman) First Appointed in 2013	4	4							1	1	1	1
Mr Augustin Lee First Appointed in 2011 ²	4	4			3	2	3	3	1	1	1	1
Mr Chan Heng Kee First Appointed in 2016	4	2			3	3						
Mr Lim Zhi Jian First Appointed in 2016	4	4	2	2			4	2				
Mr Shamir Rahim First Appointed in 2019	2	2			2	1						
Mr Tan Hee Teck First Appointed in 2018	4	4							1	1		
Ms Mary Liew First Appointed in 2014	4	3	3	2								
Ms Cham Hui Fong First Appointed in 2015	4	3			3	2			1	1		
Ms Rachel Eng First Appointed in 2018	4	3							1	1		
Ms Ho Hern Shin First Appointed in 2017	4	3			3	3						
Professor Annie Koh First Appointed in 2014	4	4	3	2	1	1						
Ms Liew Tzu Mi First Appointed in 2019	2	1					2	2				
Mr Aje Kumar Saigal First Appointed in 2018	4	4					4	4				
Mr Tan Teck Huat First Appointed in 2014	4	3	3	3							1	1

¹ Mr Shamir Rahim and Ms Liew Tzu Mi were appointed to CPF Board as Board Members with effect from 1 July 2019.
² Mr Augustin Lee relinquished his Deputy Chairmanship and was appointed as Chief Executive Officer, CPF Board, with effect from 1 April 2019.

Board Members whose terms ended in 2019:

BOARD MEMBERS ³	BOARD		BOARD COMMITTEES									
	NO OF MEETINGS		AUDIT COMMITTEE		MEDISHIELD LIFE AND INSURANCE SCHEMES COMMITTEE		INVESTMENT COMMITTEE		RISK MANAGEMENT COMMITTEE		STAFF COMMITTEE	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Mr Ng Chee Peng First Appointed in 2015	1	1					1	1			1	1
Mr Zahidi Bin Abdul Rahman First Appointed in 2015	2	2	1	1								
Mr Tung Siew Hoong First Appointed in 2010	2	2					2	2			1	1

Remuneration matters

Under the CPF Act, allowances of Board Members are determined by the Minister and paid in line with the Public Service Division’s guidelines on the payment of allowances by Statutory Boards to its Board Members.

³ *Tenure of Service:*
Mr Ng Chee Peng – 15 March 2015 to 31 March 2019
Mr Zahidi Bin Abdul Rahman – 1 July 2015 to 30 June 2019
Mr Tung Siew Hoong – 1 July 2010 to 30 June 2019

Key Statistics from 2015 to 2019

Figures as at 31 December of each year, unless stated otherwise

Overview

Active* CPF Membership ('000)

2019	2,038
2018	2,014
2017	1,990
2016	1,974
2015	1,959

* Active CPF member refers to a person who has at least one contribution paid for him for the current or any of the preceding three months. The figure excludes Self-Employed Persons (SEPs) who are not employees concurrently.

Total Annual CPF Withdrawals*

2019	\$21,424.7 m
2018	\$21,112.8 m
2017	\$19,859.8 m
2016	\$18,525.0 m
2015	\$18,723.6 m

*Includes withdrawals under Section 15 and 25 of CPF Act and CPF Schemes

Healthcare

Annual Withdrawals under MediSave Scheme for Approved Medical Expenses

2019	\$1,094.5 m
2018	\$1,033.8 m
2017	\$963.5 m
2016	\$931.3 m
2015	\$899.9 m

Note: The figures exclude MediSave withdrawals for payment of premiums under the Private Medical Insurance Scheme, ElderShield Scheme and MediShield Life Scheme.

Home Ownership

Annual Withdrawal (gross) for Housing

Year	Public Housing	Private Housing
2019	\$11,005.2 m	\$6,812.2 m
2018	\$12,026.8 m	\$7,315.3 m
2017	\$11,832.2 m	\$6,693.6 m
2016	\$10,779.5 m	\$5,633.4 m
2015	\$10,328.0 m	\$4,690.4 m

Number of CPF Members who have Withdrawn CPF Savings for Housing within the Year

Year	Public Housing	Private Housing
2019	743,560	227,496
2018	755,074	228,191
2017	769,206	217,520
2016	739,964	201,763
2015	731,292	188,640

Cumulative Number of Members Covered under Home Protection Scheme (HPS)

2019	596,752
2018	609,517
2017	611,227
2016	607,130
2015	605,763

Remaining Sum Assured

2019	\$97,560.5 m
2018	\$98,498.4 m
2017	\$96,848.9 m
2016	\$93,573.3 m
2015	\$90,789.4 m