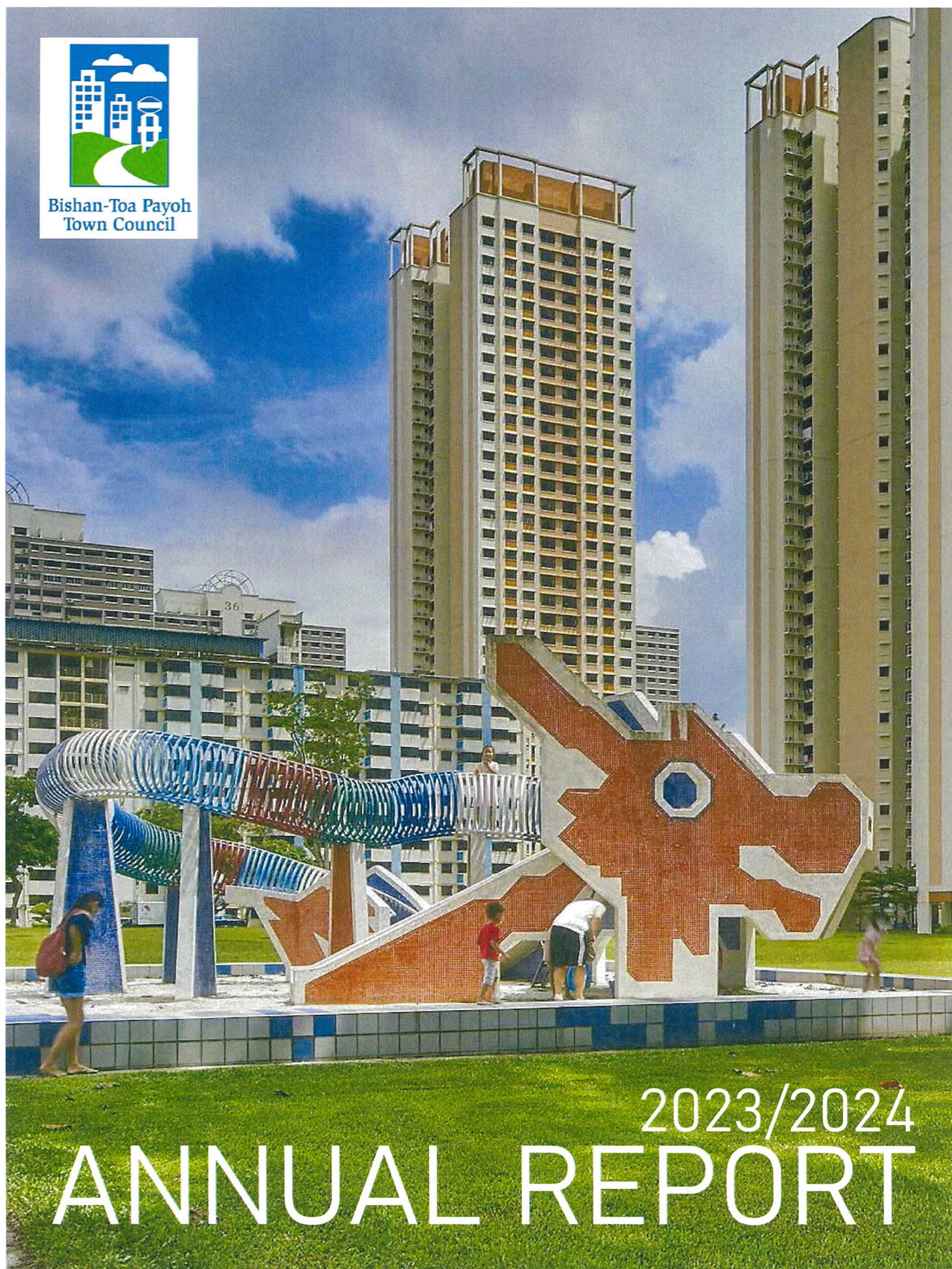




Bishan-Toa Payoh
Town Council



2023/2024

ANNUAL REPORT

Chairperson's Review 2023/2024

Delivering Our 5-Year Masterplan 2021-2025:

Moving Forward Together

Looking back at our last fiscal year of 2023-24, it was heartening to see community stakeholders moving forward together in solidarity and strength, reinforcing that our collective efforts and collaboration are essential in achieving our goals. Let us continue to communicate openly, support one another and work towards our shared vision of a cleaner and more vibrant town. In delivering our 5-Year Masterplan, Bishan-Toa Payoh Town Council has continued our work on infrastructure development by enhancing accessibility and connectivity within our township, improved community amenities for residents to allow for better community engagements and initiating green initiatives for a cleaner and healthier environment.



Co-creating A Sustainable Future

Revitalising our living spaces in the new fiscal year, exciting new developments are in the pipeline in building a greener home for all. As we work towards the Singapore Green Plan 2030, residents can look forward to more green pockets, solar powered installations and sustainability structures within the community.

Together, we can make this town a more vibrant, connected, accessible and sustainable place to live!

Ms Gan Siow Huang

Chairperson

Bishan-Toa Payoh Town Council



Code of Governance Practices

In 2019, the Ministry of National Development (MND) launched the Code of Governance for Town Councils, which sought to promote greater transparency and raise governance standards in Town Councils through council effectiveness, internal controls and processes, financial management and vendor management.

Bishan-Toa Payoh Town Council is made up of Town Councillors with the necessary relevant experience, skills, competencies and time commitment to execute their duties. The Council employed a referral process to search for potential members, and consider important factors such as their skills, commitment and prior experience, with more than two-thirds of our Town Councillors being residents of the HDB estates within the Town.

In compliance with the Act, we continually review our Risk Management Framework and internal controls to ensure adequacy and effectiveness in mitigating risks, as well as efficiency and responsibility in managing resources.



Town Improvements FY2023-2024

Coverage. Connectivity. Community.

REPAIRS & REDECORATION

- 19 Blocks at Blk 4, 5, 8, 9, 12, 13, 15, 196, 225 to 235 Lorong 7/8 Toa Payoh and Kim Keat Avenue
- 16 Blocks at Blk 62B, 79A to 79E, 93(Market/Hawker Centre), 97, 99A to 99C, 101A & 101B, 171, 172, 172A at Lorong 1/4 Toa Payoh/Toa Payoh Central
- 20 Blocks at Blk 141 to 144, 121, 122, 107 to 115 & 205 to 209 Lorong 1/2 Toa Payoh / Toa Payoh North
- 14 Blocks at Blk 301 to 313 Shunfu Road & Blk 320 Shunfu Road (Market/Hawker Centre)
- 21 Blocks at Blk 501 to 514, 505A To 505D, 514A To 514C Bishan Street 11/13

NEIGHBOURHOOD RENEWAL PROGRAMME

- Batch 5 - Blk 220-237, 237A Bishan St 22 & 23
- Batch 10 - Blk 80, 80A, 80B, 81, 81A, 81B, 82, 82A, 82B, 84, 84A, 84B, 86, 81C (MSCP)

SHELTERS & DROP OFF PORCHES

- Construction of Drop-Off Point cum Covered Linkway behind Blk 125 Bishan St 12
- Construction of Drop-Off Porch cum Sheltered Linkway at Blk 176 Bishan St 13
- Construction of Low Covered Walkway cum Drop-Off Porch at Blk 219 Lorong 8 Toa Payoh

LINKWAYS & WALKWAYS

- Covered Link Bridge & Linkway from Thomson CC to Shunfu Market
- Construction of Covered Linkway from Existing Drop-Off Point beside Blk 85C Lorong 4 Toa Payoh to Rear Gate of Kheng Cheng School
- Covered Linkway from Blk 143 Lorong 2 Toa Payoh to Existing Bus Stop
- Proposed Re-Construction of Existing Covered Linkway at Blk 161A Lorong 1 Toa Payoh
- Construction of High Linkway and Low Linkway at Blk 211 to 213 Lorong 8 Toa Payoh
- Construction of BFA Ramp from Blk 264 Toa Payoh East to Main Road at Lorong 6 Toa Payoh

BBQ PITTS & PAVILIONS & COMMUNITY GARDENS

- Community Garden at Blk 130 Lorong 1 Toa Payoh
- Upgrading of Existing Barbeque Pits and Pavilion with Covered Shelter Near Blk 444 Sin Ming Avenue

PLAYGROUNDS

- Upgrading of Children Playground at Blk 164 Bishan St 13
- Construction of Relaxation Plaza with Water Feature and Play area near Blk 175 Lor 2 Toa Payoh
- Upgrading of Children Playground at Blk 181 Bishan St 13
- Upgrading of Children Playground at Blk 293 Bishan St 22
- Upgrading of Children Playground at Blk 303 Shunfu Road
- Upgrading of Children Playground at Blk 309 Shunfu Road

SPORTS & FITNESS FACILITIES

- Construction of Elderly Fitness Corner at Existing Amphitheatre of Blk 22 Sin Ming Road
- Construction of Adult and Elderly Fitness Corners above Multipurpose Hall and 2nd Storey Staircase Landing of Blk 23 and 24 Sin Ming Road
- Upgrading of Elderly Fitness Corner and Construction of New Footpath at Blk 105 Bishan St 12
- Upgrading of Fitness Corner Near Blk 146 Bishan St 11
- Upgrading of Elderly Fitness Corner at Blk 293 Bishan St 22



Sustainability Initiatives FY2023-2024

Zero Waste. Greener Environment. Energy Efficient.



Greener
Environment

- Tree Planting - 600 trees
- Horticulture Efforts -
31 Community Gardens, MSCP
Rooftop Farming, Urban Farming



Zero
Waste

- E-waste Recycling Drives & Bins -
Total Collection: 41,683kg
- Paper Recycling - Total Collection:
56,468kg (1,129 trees saved)
- Smart Recycling Bins - 10 Locations
- Food Waste Lockers - 10 Locations
- Food Rescues - 12 Locations
- Paperless Communication



Energy
Efficient

- Cycling Path Network
measuring about 13.5km
- 25 Carpark with 82 EV
Charging Lots
- 547 Dual Bicycle Racks at
85 Blocks



Towards Vibrancy & Sustainability 2025!

Bishan. Toa Payoh. Marymount.

2023-24 was a bustling year of estate improvement works and a kaleidoscope of green activities in the community. Together with agency partners and residents, the Bishan-Toa Payoh Town Council had enlivened safe and clean living spaces and enhanced our green environment. The completed town improvement works in the past year is a testament of the hard work, commitment and HEART for our community.

On behalf of my fellow Members of Parliament and Town Councillors, I would like to say a BIG Thank You to the dedicated #OneBTPTC Bishan-Toa Payoh Town Council's staff team, our community partners and our residents for the invaluable involvement in making our town a place we proudly call HOME. Your dedication, collaboration and commitment to improving our town has made a significant impact to the quality of life for all.



Financial statements

BISHAN-TOA PAYOH TOWN COUNCIL

(Established under the Town Councils Act 1988)

For the year ended 31 March 2024

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**Independent auditor's report to the members of
BISHAN-TOA PAYOH TOWN COUNCIL**
(Established under the Town Councils Act 1988)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Bishan-Toa Payoh Town Council ("the Town Council"), which comprise the statement of financial position as at 31 March 2024, and the income and expenditure statement, statement of comprehensive income, statement of changes in Town Council funds and statement of cash flows of the Town Council for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Town Councils Act 1988 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Town Council as at 31 March 2024, and of the financial performance, changes in Town Council funds and cash flows of the Town Council for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information refers to the Chairperson's Review included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

**Independent auditor's report to the members of
BISHAN-TOA PAYOH TOWN COUNCIL (cont'd)**
(Established under the Town Councils Act 1988)

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

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

A Town Council is established under the Act and may be dissolved by the Minister's order published in the Gazette. In preparing the financial statements, management is responsible for assessing the Town Council'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 Town Council or for the Town Council to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

**Independent auditor's report to the members of
BISHAN-TOA PAYOH TOWN COUNCIL (cont'd)**
(Established under the Town Councils Act 1988)

Auditor's responsibilities for the Audit of the financial statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion,

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Town Council during the financial year are, in all material respects, in accordance with the provisions of the Act; and
- (b) proper accounting and other records have been kept, including records of all assets of the Town Council whether purchased, donated or otherwise.

**Independent auditor's report to the members of
BISHAN-TOA PAYOH TOWN COUNCIL (cont'd)**
(Established under the Town Councils Act 1988)

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

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




AT ADLER
Public Accountants and
Chartered Accountants

Singapore, 25 September 2024

Statement of financial position as at 31 March 2024

		31 March 2024	31 March 2023	1 April 2022
	Note	\$	Restated \$	Restated \$
TOWN COUNCIL FUND				
Residential Property				
Accumulated surplus	3	3,395,299	3,745,816	3,677,262
Sinking Fund	4	85,951,651	88,923,147	85,142,065
Town Improvement and Project Fund	5	10,000	10,000	10,000
Lift Replacement Fund	6	44,651,413	36,379,992	32,472,391
		134,008,363	129,058,955	121,301,718
Commercial Property				
Accumulated surplus	3	4,113,187	3,565,928	3,261,416
Sinking Fund	4	34,875,976	35,448,279	35,192,976
Town Improvement and Project Fund	5	10,000	10,000	10,000
Lift Replacement Fund	6	13,130,880	12,008,416	10,860,511
		52,130,043	51,032,623	49,324,903
Carpark				
Accumulated surplus	3	-	-	2,468,136
		186,138,406	180,091,578	173,094,757
REPRESENTED BY:				
Non-Current Assets				
Property, plant and equipment	7	558,861	593,837	1,087,250
Investments at amortised cost	8	85,529,543	65,781,156	39,779,022
		86,088,404	66,374,993	40,866,272
Current Assets				
Investments at amortised cost	8	4,912,000	2,940,300	8,002,506
Conservancy and service fees receivables	9	916,793	723,031	678,115
Other receivables	10	1,906,930	1,190,176	953,442
Interest receivable		1,601,446	1,114,097	298,243
Grants receivable	11	5,779,237	5,554,764	4,952,142
Receivable for Electrical Load Upgrading Programme	12	215,106	76,268	367,733
Receivable for Neighbourhood Renewal Programme	13	2,045,791	4,459,898	7,105,652
Receivables for Selective Lift Replacement and Lift Enhancement Programme	14	8,864,895	6,937,683	6,145,253
Fixed deposits with financial institutions	15	73,008,501	93,268,964	102,146,960
Cash and bank balances	16	20,578,032	13,447,424	19,696,959
		119,828,731	129,712,605	150,347,005
Total Assets		205,917,135	196,087,598	191,213,277
Less:				
Non-Current Liabilities				
Payables and accrued expenses	17	68,040	106,920	145,800
Lease liabilities	18	-	141,885	399,818
		68,040	248,805	545,618
Current Liabilities				
Conservancy and service fees received in advance	19	1,000,422	924,211	825,690
Advances for Electrical Load Upgrading Programme	12	27,297	354,383	-
Advances for Neighbourhood Renewal Programme	13	1,800,365	1,266,560	1,122,775
Payables and accrued expenses	17	15,182,809	11,994,296	14,628,018
Lease liabilities	18	141,885	257,933	250,319
Income tax payable	23	1,557,911	949,832	746,100
		19,710,689	15,747,215	17,572,902
Total Liabilities		19,778,729	15,996,020	18,118,520
NET ASSETS		186,138,406	180,091,578	173,094,757


GAN SIOW HUANG
Chairperson
Date: 25 September 2024


NG KHEONG HEONG, ERNEST
Secretary

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

Statement of income and expenditure and other comprehensive income

for the financial year ended 31 March 2024

		2024	2023
	Note	\$	Restated \$
Operating income			
Conservancy and service fees	3	43,778,917	42,157,108
Less: Operating transfer to sinking fund (minimum required by law)	3,4	(11,382,565)	(10,960,850)
Less: Operating transfer to lift replacement fund (minimum required by law)	3,6	(6,129,075)	(5,901,999)
		26,267,277	25,294,259
Agency fees	20	3,151,685	3,144,911
Other income	21	2,572,988	2,150,804
		31,991,950	30,589,974
Less: Operating expenditure			
Cleaning works		6,961,489	6,928,090
Lift maintenance		6,506,509	6,531,824
Other works and maintenance		5,581,047	6,086,232
Water and electricity		9,967,294	10,194,641
General and administrative expenditure	22	7,784,775	7,371,577
		(36,801,114)	(37,112,364)
Operating deficit		(4,809,164)	(6,522,390)
Add: Interest income	3	74,043	46,544
Deficit before taxation and government grants		(4,735,121)	(6,475,846)
Less: Income tax	3, 23	(194,966)	(141,552)
Deficit before government grants		(4,930,087)	(6,617,398)
Add:			
Government grants	24	17,434,616	13,532,742
Less: Transfer to			
- Sinking fund	3,4,24	(2,943,408)	(2,235,848)
- Town Improvement and Project fund	3,5,24	(2,263,279)	(1,395,493)
- Lift Replacement fund	3,6,24	(5,435,463)	(4,741,762)
		6,792,466	5,159,639
SURPLUS/(DEFICIT) FOR THE YEAR FROM ROUTINE FUND		1,862,379	(1,457,759)
Movement of various funds			
Sinking fund	4	(3,543,799)	4,036,385
Town Improvement and Project fund	5	(1,665,637)	(637,311)
Lift Replacement fund	6	9,393,885	5,055,506
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		6,046,828	6,996,821



GAN SIOW HUANG
Chairperson
Date: 25 September 2024



NG KHENG HEONG, ERNEST
Secretary

Statement of changes in funds for the financial year ended 31 March 2024

	Residential property \$	Commercial property \$	Carpark \$	Total \$
31 March 2023				
Balance at 31 March 2022, as previously stated	120,015,413	49,324,903	2,468,136	171,808,452
Prior year adjustments (Note 33)	1,286,305	-	-	1,286,305
Balance at 31 March 2022, as restated	121,301,718	49,324,903	2,468,136	173,094,757
Total comprehensive income for the year, as restated	4,270,083	1,707,720	1,019,018	6,996,821
Accumulated Surplus transfer from carpark to residential property, as restated	3,487,154	-	(3,487,154)	-
Balance at 31 March 2023, as restated	129,058,955	51,032,623	-	180,091,578
31 March 2024				
Balance at 31 March 2023, as previously stated	127,361,276	50,920,179	-	178,281,455
Prior year adjustments (Note 33)	1,697,679	112,444	-	1,810,123
Balance at 31 March 2023, as restated	129,058,955	51,032,623	-	180,091,578
Total comprehensive income for the year	4,060,620	1,097,420	888,788	6,046,828
Accumulated Surplus transfer from carpark to residential property	888,788	-	(888,788)	-
Balance at 31 March 2024	134,008,363	52,130,043	-	186,138,406

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

Statement of cash flows

for the financial year ended 31 March 2024

	Note	2024 \$	2023 Restated \$
Cash Flows from Operating Activities			
Deficit before taxation and government grants	3	(4,735,121)	(6,475,846)
Adjustments for:			
Operating income transfer to Sinking Fund	3,4	11,382,565	10,960,850
Operating income transfer to Lift Replacement Fund	3,6	6,129,075	5,901,999
Depreciation of property, plant and equipment	7,22	469,690	515,401
Amortisation of investments - Bonds		5,113	7,372
(Reversal)/Allowance for impairment in conservancy and service fee receivables	9,22	(73,586)	159,387
Bad debts written off	22	1,024	-
Interest expenses on lease liabilities	18,22	8,467	16,081
Interest income	3	(74,043)	(46,544)
Operating surplus before working capital changes		13,113,184	11,038,700
(Decrease)/increase in operating receivables		(719,206)	164,294
Increase/(decrease) in operating payables		3,149,633	(2,672,602)
Cash generated from operations before income tax		15,543,611	8,530,392
Sinking Fund expenditure	4	(21,689,673)	(11,581,205)
Town Improvement and Project Fund expenditure	5	(3,928,916)	(2,032,804)
Lift Replacement Fund expenditure	6	(3,236,016)	(6,131,602)
Electrical Load Upgrading expenditure	12	(1,133,698)	(987,257)
Neighbourhood Renewal Programme expenditure	13	(1,435,148)	(2,127,208)
Lift Enhancement Programme receivable	14(b)	(3,055,957)	(1,810,123)
Income tax paid	23	(288,933)	(387,569)
Net cash used in operations before government grants		(19,224,730)	(16,527,376)
Lift Replacement Fund Matching Grant received		3,811,114	3,541,297
Lift Enhancement Programme Fund received	14(b)	1,128,745	1,017,693
Government grants received		11,503,485	7,431,183
GST subvention grant received		1,853,007	1,450,830
Government funds received for Electrical Load Upgrading Programme projects	12	667,774	1,633,105
Government funds received for Neighbourhood Renewal Programme projects	13	4,383,060	4,916,747
Net cash generated from operating activities		4,122,455	3,463,479
Cash Flows from Investing Activities			
Purchase of property, plant and equipment	7	(434,714)	(21,988)
Purchase of bonds		(24,665,500)	(28,947,300)
Maturity of bonds		2,940,300	8,000,000
Interest and investment income received		5,174,004	2,644,678
Net cash used in investing activities		(16,985,910)	(18,324,610)
Cash Flows used in Financing Activities			
Repayment of lease liabilities	18	(257,933)	(250,319)
Interest paid on lease liabilities	18	(8,467)	(16,081)
Net cash used in financing activities		(266,400)	(266,400)
Net decrease in cash and cash equivalents		(13,129,855)	(15,127,531)
Cash and cash equivalents at beginning of year		106,716,388	121,843,919
Cash and cash equivalents at end of year	16	93,586,533	106,716,388

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

Notes to the financial statements

for the financial year ended 31 March 2024

1 General

Bishan-Toa Payoh Town Council (the "Town Council") was formed on 13 January 1997 under the Town Councils Act 1988. The principal functions of the Town Council are to control, manage, maintain and improve the common areas of residential and commercial property in the housing estates of the Housing and Development Board ("HDB") within the Town.

The principal office of operations is situated at Blk 125A #01-134, Lorong 2 Toa Payoh, Singapore 311125.

These financial statements for the financial year ended 31 March 2024 were authorized for issue in accordance with a resolution of the Town Council on 25 September 2024.

2(i) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRS") as issued by the Singapore Accounting Standards Council as well as all related interpretations to FRS ("INT FRS") and the Town Councils Act 1988. The financial statements have been prepared under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed, where appropriate, in these financial statements.

Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Town Council has adopted all the new and amended standards which are relevant to the Town Council and are effective for annual financial periods beginning on 1 April 2023. The adoption of these standards did not have any material effect on the disclosures or on the accounts reported in these financial statements except as follows:

Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies

The Town Council has adopted the amendments to FRS 1 for the first time in the current year.

The amendments change the requirements in FRS 1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in FRS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Town Council has applied materiality guidance in FRS Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy'.

2(ii) Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

Areas involving a high degree of judgement and estimates are described below:

(a) Income tax

Significant judgement is required in determining the provision for income taxes. There are also claims for which the ultimate tax determination is uncertain during the ordinary course of business. The Town Council recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax provisions in the period in which such determinations are made.

(b) Determination of lease term of contracts with renewal options

The Town Council has significant lease contracts for office premises that included renewal options. The Town Council applies judgement in evaluating whether it is reasonably certain that the option to renew these leases will be exercised. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Town Council reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Town Council included the lease renewal in the recognition of right-of-use assets and lease liabilities for office premises because of the Town Council's intention to exercise these renewal option.

(c) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be between 3 to 5 years. The right-of-use asset of office premises are included in property, plant and equipment and depreciated over the remaining lease term of 2 months and 8 months. The carrying amount of property, plant and equipment as at 31 March 2024 was S\$558,861 (2023: S\$593,837). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(d) Town Improvement Project Grants

The Town Council receives grants under Community Improvement Projects Committee ("CIPC") scheme for approved improvement and development works in the Town. Such grants are pre-approved in principle. Accruals for grants are made at year end based on the lower of the value of work completed that is eligible for CIPC funding or the approved CIPC funding for each specific project. Judgement is required for such accrual, which are made based on the Town Council's assessment of the value of work completed and the claims made for each town improvement project.

2(ii) Significant accounting estimates and judgements (cont'd)**(e) Expected credit loss ("ECL") on receivables**

The Town Council uses a provision matrix to calculate ECLs for conservancy and service fee receivables. The provision rates are estimated based on the age of debts, results recovery efforts and historical experience. The provision matrix is initially based on the Town Council's historical observed default rates. At every reporting date, historical default is updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Town Council's historical credit loss experience and forecast economic conditions may also not be representative of the actual default in the future.

The Town Council has also considered the impact of other factors such as economic outlook when making estimates on the recoverability of its conservancy and service fee receivables based on currently available information. During the year ended 31 March 2024, the Town Council provided conservancy and service fee rebates to the commercial properties managed by the Town Council, totaling S\$45,667 (2023: S\$32,037). This has helped to cushion the adverse economic impact arising from the increase of 1% GST in 2024, and the closure of the properties due to repairs & redecoration works.

Together with the rebates, the Town Council has assessed the allowance for impairment for conservancy and service fee receivables as at 31 March 2024 to be adequate. The ECLs for conservancy and service fees receivables amounted to S\$1,571,429 (2023: S\$1,645,015). The carrying amount of the Town Council's conservancy and service fees receivables (net of ECL) as at 31 March 2024 was S\$916,793 (2023: S\$723,031).

For other receivables, the allowance for ECL is based on the Town Council's assessment of the collectability of each debtor taking into consideration the financial condition of those debtors. If there is deterioration in the debtors' financial condition, the Town Council makes allowance for credit losses, which would affect the profit or loss in the period when such adjustments are made.

2(iii) Standards issued but not yet effective

At the date of authorisation of these financial statements, the following FRS and INT FRS relevant to the Town Council were issued but not yet effective and which the Town Council has not early adopted:

Description	Effective for annual periods beginning on or after
Amendments to FRS 1: Classifications of Liabilities as Current or Non-Current	1 January 2024
Amendments to FRS 1: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 7 and FRS 107: Supplier Finance Arrangements	1 January 2024

The Town Council has performed a preliminary assessment and management expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2(iv) Material accounting policy**(a) Funds****Town Council Funds**

In accordance with section 47(1) of the Town Councils Act, separate funds are established to account for the management of the various types of properties. The types of properties under the management of the Town Council are as follows:

- Residential property
- Commercial property
- Carparks are managed by the Town Council for the Housing and Development Board ("HDB") on an agency basis.

The Routine Fund related to properties under management, and together with Sinking Fund, Town Improvement and Project Fund and Lift Replacement Fund form the Town Council Fund.

All moneys received by the Town Council are paid into and related expenditures are met out of the appropriate funds set up for each property type managed.

Assets and liabilities of the various funds of the Town Council are pooled in the statement of financial position.

Sinking Fund

In accordance with section 47(4) of the Town Councils Act, separate Sinking Fund are established for the improvement to, management and maintenance of residential property and commercial property. The Sinking Fund are maintained as part of the Town Council Funds.

Under the Town Councils Act, the Minister for National Development may, from time to time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid, excluding Lift Replacement Fund Matching Grant to be paid into the Sinking Fund.

The minimum amounts to be transferred to Sinking Fund are at least 26% of the conservancy and service fees and grants-in-aid for all residential flat types and commercial property.

These contributions are treated as operating income transfers and are deducted from the conservancy and service fees and government grants in income or expenditure.

The Sinking Fund are utilised for cyclical works, including major repainting, renewal or replacement of roofing systems, water tanks, pumps and water supply systems, lightning protection systems, major repairs and maintenance of the common area and contributions to the HDB in respect of general upgrading works carried out on the common property under the Housing and Development Act.

2(iv) Material accounting policy (cont'd)**(a) Funds (cont'd)****Town Council Funds (cont'd)****Town Improvement and Project Fund**

Town Improvement and Project Fund ("TIPF") are established and maintained as part of the Town Council Funds. This fund is utilised for improvement and development works in the town.

This fund is set up by transfer from the Accumulated Surplus to fund specific projects to be carried out. In addition, the Town Council receives funding for approved projects under the Community Improvement Projects Committee ("CIPC") scheme. These funds are paid through the Citizens' Consultative Committees ("CCC").

Expenditure on Town Improvement Projects is taken directly to the TIPF. Payments from CCC are shown as part of Government Grants in the Statement of Income and Expenditure and then transferred to the TIPF.

Lift Replacement Fund

Lift Replacement Fund ("LRF") are established and maintained as part of the Town Council Funds to meet the cost of any capital expenditure related to the replacement of lifts in the town for lift upgrading works, which were previously incurred under the Sinking Fund.

Under the Town Councils Act, the Minister for National Development may, from time to time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid to be paid into the Lift Replacement Fund.

The minimum amounts to be transferred to Lift Replacement Fund are at least 14% of the conservancy and service fees and grants-in-aid for all residential flat types and commercial property. These contributions are treated as operating income transfers and are deducted from the conservancy and service fees and government grants in income or expenditure.

The Lift Replacement Fund Matching Grant is not subject to the minimum contribution rate, even though it is a grant-in-aid.

(b) Allocation of General Overheads

Expenditure not relating specifically to any property type managed, for example, administrative overheads, tree planting and pruning, is allocated to the various property types using equivalent dwelling units ("EDU") as follows:

<u>Property Type</u>	<u>Equivalent Dwelling Unit(s)</u>
1 Residential Property Unit	1
1 Commercial Property Unit	2
6 Car Lots or 36 Motor Cycle Lots or 4 Lorry Lots	1

Such allocation by EDU is applied to all Town Council Funds.

Remuneration of certain employees are allocated to Sinking Fund, Town Improvement and Project Fund and Lift Replacement Fund in proportion to the expenditure incurred for the respective Funds during the year.

2(iv) Material accounting policy (cont'd)**(c) Government grants**

The Town Council receives five types of grants from the government: Service and Conservancy Charge Operating Grant, payments from Citizens' Consultative Committees, Goods and Services Tax ("GST") Subvention Grant, Lift Maintenance Grant, Lift Replacement Fund Matching Grant and Special Funding Support Grant.

- (i) Service and Conservancy Charge Operating Grants to meet current year's operating expenditure are taken to income or expenditure.
- (ii) Payments from Citizens' Consultative Committees are granted to provide funding support for community improvement projects under the CIPC scheme.
- (iii) The GST Subvention Grant is given as grants-in-aid and is granted to assist town councils for absorbing the GST increases in service and conservancy charges for HDB residential flats.
- (iv) Lift Maintenance Grant is disbursed at S\$600 annually for each lift maintained by the Town Council. This is to cope with higher lift-related servicing and maintenance costs.
- (v) Lift Replacement Fund Matching Grant is given at 50% of the Town Council's quarterly contribution to its LRF for the replacement of their existing lifts and lift parts.
- (vi) Special Funding Support is a time-limited support of two years, based on the net increase in Service and Conservancy Charge in 2023 and 2024 respectively. This is to buffer the full impact of cost increases on residents and the Town Council. The special funding support will be subject to the minimum contribution rates of 26% to the Sinking Fund and 14% to the Lift Replacement Fund and the existing regulations under the Town Councils Act.

Government grants are recognised at fair value when there is reasonable assurance that the attached conditions will be complied with and that the grants will be received. Grants in recognition of specific expenditures are recognised as income over the periods necessary to match them with the related expenditure that they are intended to compensate, on a systematic basis except for Special Funding Support which was recognised in the year of receipt.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Furniture, fixtures and fittings	5 years
Office equipment	3 years
Data processing equipment/software	3 years

The right-of-use of office has been included in property, plant and equipment and depreciated over the remaining lease term of 2 months and 8 months.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs 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.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits in excess of the standard of performance of the asset before the expenditure was made will flow to the Town Council and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

2(iv) Material accounting policy (cont'd)**(d) Property, plant and equipment (cont'd)**

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Property, plant and equipment costing below S\$1,000 each are charged to income or expenditure in the year of purchase.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

(e) Impairment of non-financial assets

The carrying amount of non-financial assets is reviewed at each reporting date for indications of impairment and where impairment is found, the asset is written down through the income and expenditure statement to its estimated recoverable amount.

The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in the income and expenditure statement. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value-in-use.

In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

At each reporting date, non-financial assets with impairment loss recognised in prior periods, are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

(f) Financial assets**Initial recognition and measurement**

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Town Council measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transactions costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in income or expenditure.

Conservancy and service fee receivables are measured at the amount of consideration to which the Town Council expects to be entitled in exchange for transferring promised services, excluding amounts collected on behalf of third party, if the conservancy and service fee receivables do not contain a significant financing component at initial recognition.

2(iv) Material accounting policy (cont'd)**(f) Financial assets (cont'd)**Subsequent measurementDebt instruments

Subsequent measurement of debt instruments depends on the Town Council's business model and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

Amortised cost

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income or expenditure when the assets are derecognised or impaired, and through amortisation process.

The Town Council only has debt instruments at amortised cost.

Derecognition

The Town Council derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Town Council neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

(g) Impairment of financial assets

The Town Council recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Town Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For conservancy and service fees receivables, the Town Council applies a simplified approach in calculating ECLs. Therefore, the Town Council does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Town Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Town Council considers a financial asset in default when internal or external information indicates that the Town Council is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Town Council. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2(iv) Material accounting policy (cont'd)**(h) Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank balances and fixed deposits that are readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value.

(i) Financial liabilitiesInitial recognition and measurement

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

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

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit and loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income or expenditure when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in income or expenditure.

(j) Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(k) Provisions

Provisions are recognised when the Town Council has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in income or expenditure in the period they occur.

2(iv) Material accounting policy (cont'd)**(l) Employee benefits**Defined contribution plan

The Town Council contributes to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to majority of the employees. The contributions to CPF are charged to income or expenditure in the period to which the contributions relate.

Employee leave entitlements

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

Short-term employee benefits

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

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Key management personnel consist of Town Councillors and certain managers.

(m) Revenue recognition

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

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

(i) Conservancy and service fees

Conservancy and service fees are recognised on a time-proportion basis for the period when the services is rendered.

(ii) Agency fees

Agency fees for routine maintenance of HDB's carparks are recognised on a time-proportion basis for the period when the services is rendered.

(iii) Interest and investment income

Interest income from fixed deposits and investment in debt instruments is recognised on a time-proportion basis using the effective interest method.

(iv) Other income

Other income comprises mainly temporary occupation licences, liquidated damages claims and other miscellaneous income, and are recognised when due.

2(iv) Material accounting policy (cont'd)**(n) Income tax**

Income tax is provided on the following income:

- (i) Income derived from investments and bank deposits;
- (ii) Agency fee derived from acting as agents for HDB;
- (iii) Fees, rents and other charges received from non-residents or non-owners of properties in the Town; and
- (iv) Donations from non-residents or non-owners of properties in the Town.

The income taxes are accounted using the liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences.

In respect of government grant received, the Town Council has been granted remission under Section 92(2) of the Income Tax Act 1947.

(o) Leases

The Town Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Town Council, as lessee

The Town Council applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Town Council recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Town Council recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date plus an estimate of costs of dismantle and remove the underlying assets or to restore the underlying assets or site on which it located less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(iv)(g).

The Town Council's right-of-use assets are presented within property, plant and equipment in Note 7.

2(iv) Material accounting policy (cont'd)**(o) Leases (cont'd)****Lease liabilities**

At the commencement date of the lease, the Town Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments).

In calculating the present value of lease payments, the Town Council uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Town Council's lease liabilities are included in Note 18.

Short-term leases and leases of low-value assets

The Town Council applies the short-term lease recognition exemption to short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(p) Inter-fund transfer

Under Section 47(12) and 57(1)(i) of the Town Councils Act 1988, and Rule 11A of Town Councils Financial Rules ("TCFR"), the Town Council may transfer an amount not exceeding the surplus from operating fund to sinking fund or lift replacement fund, and from sinking fund to lift replacement fund to make good for any deficit in that fund. The Town Council may also transfer an amount not exceeding the surplus from any of its funds established for residential property to the commercial property under the same fund, only to make good any deficit and vice versa.

(q) Functional currency

Items included in the financial statements of the Town Council are measured using the currency of the primary economic environment in which the Town Council operates (the "functional currency"). The financial statements of the Town Council are presented in Singapore Dollars, which is also the functional currency of the Town Council.

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2024

3 Accumulated Surplus

	Note	Residential property		Commercial property		Carpark		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$	\$	\$	\$	\$	\$	\$	\$
OPERATING INCOME									
Conservancy and service fees		38,692,799	37,288,800	5,086,118	4,868,308	-	-	43,778,917	42,157,108
Less:									
Operating income transfer to Sinking Fund	4	(10,060,125)	(9,695,089)	(1,322,440)	(1,265,761)	-	-	(11,382,565)	(10,960,850)
Operating income transfer to Lift Replacement Fund	6	(5,416,992)	(5,220,435)	(712,083)	(681,564)	-	-	(6,129,075)	(5,901,999)
		23,215,682	22,373,276	3,051,595	2,920,983	-	-	26,267,277	25,294,259
Agency fees and other income	20,21	1,575,624	1,231,438	839,096	818,742	3,309,953	3,245,535	5,724,673	5,295,715
		24,791,306	23,604,714	3,890,691	3,739,725	3,309,953	3,245,535	31,991,950	30,589,974
Less:									
Operating Expenditure		(31,248,040)	(31,601,892)	(3,142,588)	(3,292,230)	(2,410,486)	(2,218,242)	(36,801,114)	(37,112,364)
Operating (Deficit)/Surplus		(6,456,734)	(7,997,178)	748,103	447,495	899,467	1,027,293	(4,809,164)	(6,522,390)
Add:									
Non-Operating Income - Interest income		63,083	39,697	4,440	2,790	6,520	4,057	74,043	46,544
(Deficit)/Surplus before taxation and government grants		(6,393,651)	(7,957,481)	752,543	450,285	905,987	1,031,350	(4,735,121)	(6,475,846)
Less:									
Income Tax	23	(166,066)	(120,726)	(11,701)	(8,494)	(17,199)	(12,332)	(194,966)	(141,552)
(Deficit)/Surplus after taxation but before government grants		(6,559,717)	(8,078,207)	740,842	441,791	888,788	1,019,018	(4,930,087)	(6,617,398)
Add:									
Government grants	24	17,074,567	13,190,474	360,049	342,268	-	-	17,434,616	13,532,742
Less: Transfer to:									
Sinking Fund	4,24	(2,941,848)	(2,234,288)	(1,560)	(1,560)	-	-	(2,943,408)	(2,235,848)
Town Improvement and Project Fund	5,24	(2,263,279)	(1,395,493)	-	-	-	-	(2,263,279)	(1,395,493)
Lift Replacement Fund	6,24	(5,080,574)	(4,404,654)	(354,889)	(337,108)	-	-	(5,435,463)	(4,741,762)
		6,788,866	5,156,039	3,600	3,600	-	-	6,792,466	5,159,639
Surplus/(Deficit) for the financial year		229,149	(2,922,168)	744,442	445,391	888,788	1,019,018	1,862,379	(1,457,759)
Add:									
Accumulated surplus at beginning of year		3,745,816	3,677,262	3,565,928	3,261,416	-	2,468,136	7,311,744	9,406,814
Accumulated surplus transferred from carpark to residential property		888,788	3,487,154	-	-	(888,788)	(3,487,154)	-	-
Less: Appropriation to town improvement and project fund	5	(1,468,454)	(496,432)	(197,183)	(140,879)	-	-	(1,665,637)	(637,311)
Accumulated surplus at end of year		3,395,299	3,745,816	4,113,187	3,565,928	-	-	7,508,486	7,311,744

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)

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Notes to the financial statements for the financial year ended 31 March 2024

4 Sinking Fund

	Note	Residential property 2024 \$	2023 \$	Commercial property 2024 \$	2023 \$	Total 2024 \$	2023 \$
Balance at beginning of year		88,923,147	85,142,065	35,448,279	35,192,976	124,371,426	120,335,041
Add:							
Operating income transfer from conservancy and service fees (minimum required by law)							
Transfer from Government Grants							
- Other Government Grants	3	10,060,125	9,695,089	1,322,440	1,265,761	11,382,565	10,960,850
- Special Funding Support Grant							
Other income – Interest income		2,335,038	2,234,288	1,560	1,560	2,336,598	2,235,848
	3, 24	606,810	-	-	-	606,810	-
Less: Expenditure	25	2,941,848	2,234,288	1,560	1,560	2,943,408	2,235,848
Less: Income tax		4,046,754	2,595,599	283,122	182,412	4,329,876	2,778,011
(Deficit)/Surplus for the financial year		17,048,727	14,524,976	1,607,122	1,449,733	18,655,849	15,974,709
Balance at end of year	25	(19,543,860)	(10,410,229)	(2,145,813)	(1,170,976)	(21,689,673)	(11,581,205)
	23	(476,363)	(333,665)	(33,612)	(23,454)	(509,975)	(357,119)
		(2,971,496)	3,781,082	(572,303)	255,303	(3,543,799)	4,036,385
		85,951,651	88,923,147	34,875,976	35,448,279	120,827,627	124,371,426

Represented by:

Non-Current asset

Investments at amortised cost

72,270,961

57,521,988

Current assets

Conservancy and service fees receivables
Other receivables
Interest receivable
Grants receivable
Amount due from accumulated surplus
Fixed deposits with financial institutions
Cash and bank balances

238,366	187,988
795,033	336,081
1,259,549	839,396
152,778	116,404
483,086	949,094
48,486,978	65,296,503
3,549,779	2,454,789
54,965,569	70,180,255
127,236,530	127,702,243

Total assets

Less:

Current liabilities

Payables and accrued expenses
Income tax payable

Total liabilities

Net assets

5,478,609	2,805,647
930,294	525,170
6,408,903	3,330,817
120,827,627	124,371,426

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

Notes to the financial statements for the financial year ended 31 March 2024

5 Town Improvement and Project Fund

	Note	Residential property		Commercial property		Total	
		2024	2023	2024	2023	2024	2023
		\$	\$	\$	\$	\$	\$
Balance at beginning of year		10,000	10,000	10,000	10,000	20,000	20,000
Add:							
Transfer from Government Grants	3, 24	2,263,279	1,395,493	-	-	2,263,279	1,395,493
Less: Expenditure	26	(3,731,733)	(1,891,925)	(197,183)	(140,879)	(3,928,916)	(2,032,804)
Deficit for the financial year		(1,468,454)	(496,432)	(197,183)	(140,879)	(1,665,637)	(637,311)
Add: Appropriation from accumulated surplus	3	1,468,454	496,432	197,183	140,879	1,665,637	637,311
Balance at end of year		10,000	10,000	10,000	10,000	20,000	20,000

Represented by:

Current assets

Grants receivable
Other receivables
Cash and bank balances
Total assets

4,391,255	4,346,119
594,657	526,164
779,077	908,916
5,764,989	5,781,199

Less:

Current liabilities

Payables and accrued expenses
Amount due to accumulated surplus
Total liabilities
Net assets

1,545,837	927,453
4,199,152	4,833,746
5,744,989	5,761,199
20,000	20,000

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2024

6 Lift Replacement Fund

	Note	Residential property		Commercial property		Total	
		2024	2023 Restated	2024	2023 Restated	2024	2023 Restated
		\$	\$	\$	\$	\$	\$
Balance at beginning of year		36,379,992	32,472,391	12,008,416	10,860,511	48,388,408	43,332,902
Add:							
Operating income transfer from conservancy and service fees (minimum required by law)							
Transfer from Government Grants							
- Other Government Grant	3	5,416,992	5,220,435	712,083	681,564	6,129,075	5,901,999
- Lift Replacement Fund Matching Grant							
- Special Funding Support Grant							
		1,257,327	1,203,077	840	840	1,258,167	1,203,917
		5,080,574	4,404,654	354,889	337,108	5,435,463	4,741,762
		1,174,692	594,207	82,742	41,770	1,257,434	635,977
	3, 24	11,672,258	10,219,296	1,149,714	1,060,442	12,821,972	11,279,738
Other income – Interest income							
		(3,221,434)	(6,225,148)	(14,582)	93,546	(3,236,016)	(6,131,602)
Less: Expenditure	27	(179,403)	(86,547)	(12,668)	(6,083)	(192,071)	(92,630)
Less: Income tax	23						
Surplus for the financial year		8,271,421	3,907,601	1,122,464	1,147,905	9,393,885	5,055,506
Balance at end of year		44,651,413	36,379,992	13,130,880	12,008,416	57,782,293	48,388,408

Represented by:

Non-Current asset							
Investments at amortised cost							
		13,258,582				8,259,168	8,259,745
Current assets							
Investments at amortised cost							
Conservancy and service fees receivables		4,912,000				2,940,300	-
Other receivables		128,352				101,225	94,936
Interest receivable		-				76,928	147,088
Grant receivables		341,896				262,281	82,050
Receivables for Selective Lift Replacement and Lift Enhancement Programme		882,640				823,615	815,199
Amount due from accumulated surplus		8,864,896				6,937,683	6,145,253
Fixed deposits with financial institutions		1,077,481				2,241,467	1,305,912
Cash and bank balances		24,521,523				25,823,908	23,033,061
		6,721,330				4,232,054	6,214,188
		47,450,118				43,439,461	37,837,687
Total assets		60,708,700				51,698,629	46,097,432
Less:							
Current liabilities							
Payables and accrued expenses		2,635,011				3,190,592	2,715,610
Income tax payable		291,396				119,629	48,920
Total liabilities		2,926,407				3,310,221	2,764,530
Net assets		57,782,293				48,388,408	43,332,902

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2024

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7 Property, plant and equipment

	<u>Furniture, Fixtures and Fittings</u> \$	<u>Office Equipment</u> \$	<u>Data processing equipment/ software</u> \$	<u>Office Premises</u> \$	<u>Total</u> \$
<u>Cost</u>					
At 31 March 2022	949,388	32,088	886,701	1,388,984	3,257,161
Additions	9,900	-	12,088	-	21,988
At 31 March 2023	959,288	32,088	898,789	1,388,984	3,279,149
Additions	333,316	4,761	96,637	-	434,714
Written off	(816,227)	(2,920)	(39,924)	-	(859,071)
At 31 March 2024	476,377	33,929	955,502	1,388,984	2,854,792

Accumulated depreciation

At 31 March 2022	940,496	31,192	433,553	764,670	2,169,911
Depreciation for the year (Note 22)	4,151	468	264,746	246,036	515,401
At 31 March 2023	944,647	31,660	698,299	1,010,706	2,685,312
Depreciation for the year (Note 22)	21,590	428	201,637	246,035	469,690
Written off	(816,227)	(2,920)	(39,924)	-	(859,071)
At 31 March 2024	150,010	29,168	860,012	1,256,741	2,295,931

Net book value

At 31 March 2023	14,641	428	200,490	378,278	593,837
At 31 March 2024	326,367	4,761	95,490	132,243	558,861

Right-of-use assets from lease contracts are presented under Office Premises.

8 Investments at amortised cost

	2024 \$	2023 \$
Investments at amortised cost	90,441,543	68,721,456
Comprising:		
Quoted bonds and treasury bills issued by statutory boards	41,673,197	31,704,072
Quoted bonds issued by corporations and other non-governmental body/statutory boards	48,768,346	37,017,384
	90,441,543	68,721,456
Maturing:		
Within one year	4,912,000	2,940,300
After one year but within five years	54,513,578	37,763,527
After five years	31,015,965	28,017,629
	85,529,543	65,781,156
	90,441,543	68,721,456
Market value	88,567,993	65,440,973

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

8 Investments at amortised cost (cont'd)

Investments in quoted bonds have fixed interest rates ranging from 1.73% to 5.00% (2023: 1.73% to 5.00%) per annum and maturity dates ranging from August 2024 to October 2036 (2023: May 2023 to October 2036) as at reporting date.

The fair value of quoted bonds are based on the closing bid price at the end of the financial year and are within Level 1 of the fair value hierarchy.

9 Conservancy and service fees receivables

	2024 \$	2023 \$
Conservancy and service fees receivables	2,488,222	2,368,046
Less: Allowance for impairment	(1,571,429)	(1,645,015)
	<u>916,793</u>	<u>723,031</u>

Movements in allowance for impairment during the year are as follows:

	2024 \$	2023 \$
Balance at beginning of year	(1,645,015)	(1,485,628)
Reversal/(Allowance) for the year (Note 22)	73,586	(159,387)
Balance at end of year	<u>(1,571,429)</u>	<u>(1,645,015)</u>

	2024 \$	2023 \$
Not past due	233,417	165,875
Past due 1 - 3 months	457,981	349,072
Past due 4 - 5 months	122,248	112,122
More than 6 months	1,674,576	1,740,977
Total gross receivables	2,488,222	2,368,046
Less: Allowance for impairment	(1,571,429)	(1,645,015)
	<u>916,793</u>	<u>723,031</u>

10 Other receivables

	2024 \$	2023 \$
Deposits	238,842	223,000
GST receivable from Inland Revenue	477,727	289,926
Recoverable from HDB/NEA	9,174	8,197
Prepaid expenses	38,117	36,903
Other receivables	1,143,070	632,150
	<u>1,906,930</u>	<u>1,190,176</u>

11 Grants receivable

	2024 \$	2023 \$
Receivable from Citizens' Consultative Committee	4,391,255	4,346,119
GST subvention receivable	562,285	447,930
Lift Replacement Fund Matching Grant	800,375	760,936
S&CC Grant Receivable/(Received in Advance)	25,322	(221)
	5,779,237	5,554,764

12 Receivable/(Advance) for Electrical Load Upgrading Programme

	2024 \$	2023 \$
Balance at beginning of year	(278,115)	367,733
Government funds received/receivable	(667,774)	(1,633,105)
Payments/payable to contractors	1,133,698	987,257
	465,924	(645,848)
Balance at end of year	187,809	(278,115)

The balances comprise of:

	2024 \$	2023 \$
Receivables from HDB	215,106	76,268
Advances from HDB	(27,297)	(354,383)
	187,809	(278,115)

The Electrical Load Upgrading ("ELU") was introduced to upgrade the incoming electrical supply for HDB apartment blocks with a 40amps main switch instead of 30amps. The ELU works include supply and installation of new main switchboard including all accessories, connection, authority testing, commissioning and LEW licensing; replacement of all electrical sub-main risers including all tap-off boxes, accessories and connections; as well as replacement of all meter boards for residential units including authority testing and commissioning.

Blocks completed on or after 1 January 1994 and have undergone the Main Upgrading Programme ("MUP") are not eligible for ELU as they are already provided with a higher electrical loading of 40 amps main switch.

This programme is fully funded by HDB and implemented by the Town Council.

13 Receivable/(Advance) for Neighbourhood Renewal Programme

	2024 \$	2023 \$
Balance at beginning of year	3,193,338	5,982,877
Government funds received/receivables	(4,383,060)	(4,916,747)
Payments/payables to contractors	1,435,148	2,127,208
	(2,947,912)	(2,789,539)
Balance at end of year	245,426	3,193,338

13 Receivable/(Advance) for Neighbourhood Renewal Programme (cont'd)

The balances comprise of:

	2024	2023
	\$	\$
Receivables from HDB	2,045,791	4,459,898
Advances from HDB	(1,800,365)	(1,266,560)
	245,426	3,193,338

Neighbourhood Renewal Programme ("NRP") was introduced in August 2007 in response to feedback received from residents during the Forum on HDB Heartware for more active consultation on the improvements to be provided in their precincts. Blocks built up to 1989 and have not undergone the Main Upgrading Programme ("MUP") or Interim Upgrading Programme ("IUP") are eligible for NRP.

The Town Council receives funding from the government to cover NRP expenditure. If the cost of project works incurred exceeds the funding provided, the Town Council has to bear the cost of excess expenditure.

14 Receivables for Selective Lift Replacement ("SLRP") and Lift Enhancement Programme ("LEP")

	2024	2023
	\$	Restated \$
Receivable for Selective Lift Replacement Programme	4,051,698	4,051,698
Receivable for Lift Enhancement Programme	4,813,197	2,885,985
Total	8,864,895	6,937,683

(a) Receivable for SLRP

SLRP was introduced to help replace old lifts with modern lifts that come with more energy-efficient motors, vision panels and infra-red doors with motion safety sensors for added energy efficiency, safety and security. These old lifts were installed between 1987 and 1997, and are in blocks that are already barrier-free and do not need upgrading under the Lift Upgrading Programme ("LUP"). However, they lack certain safety and security features that come with modern lifts. HDB will help co-pay 50% for the replacement of these lifts (capped at \$125,000 per lift) when the Town Council is ready to replace them.

14 Receivables for Selective Lift Replacement ("SLRP") and Lift Enhancement Programme ("LEP") (cont'd)**(b) Receivable for LEP**

	2024	2023
	\$	Restated \$
Balance at beginning of year	2,885,985	2,093,555
Government funds received	(1,128,745)	(1,017,693)
Co-funding from HDB	3,055,957	1,810,123
Balance at end of year	4,813,197	2,885,985

LEP was introduced in September 2016 for HDB to support the Town Council in its enhancements to existing lifts which have been in operation for 18 years or less (based on April 2017) and are not yet equipped with all the recommended lift components. With the LEP, HDB will co-fund 92.5% of the lift cost or 92.5% of actual LEP cost, whichever is lower.

Consistent with accounting policy adopted for Government Grants, where the conditions on the co-funding are met and that the funds from the co-funding will be received, the Town Council has adopted the policy where the co-funding from HDB for SLRP and LEP are recognised over the periods necessary to match them with related expenditure that they are intended to co-fund.

15 Fixed deposits with financial institutions

	2024	2023
	\$	\$
Fixed deposits with financial institutions (Note 16)	73,008,501	93,268,964

Fixed deposits with financial institutions mature on varying dates within 12 months (2023: 12 months) from the end of the financial year. Interest rates at the reporting date were between 2.72% and 3.70% (2023: between 2.10% and 4.11%) per annum. Fixed deposits are also callable on demand by the Town Council without incurring any significant penalties and interest costs.

16 Cash and bank balances

	2024	2023
	\$	\$
Cash and bank balances	20,578,032	13,447,424

For the purpose of statement of cash flows, the cash and cash equivalents comprise the following:

	2024	2023
	\$	\$
Cash and bank balances	20,578,032	13,447,424
Fixed deposits with financial institutions (Note 15)	73,008,501	93,268,964
Cash and cash equivalents in statement of cash flows	93,586,533	106,716,388

17 Payables and accrued expenses

	2024	2023	2022
	\$	\$	Restated
			\$
Refundable deposits	604,348	472,103	368,620
Payables to contractors	2,256,739	3,307,671	6,126,798
Accrued operating expenses	12,227,229	8,196,607	8,268,950
Other creditors	162,533	124,835	9,450
	15,250,849	12,101,216	14,773,818

	2024	2023	
	\$	\$	
Current			
- Due within one year	15,182,809	11,994,296	14,628,018
Non-current			
- Due after one year but within five years	68,040	106,920	145,800
	15,250,849	12,101,216	14,773,818

18 Lease liabilities

Town Council has leases for office premises. The lease term for office premises are 3 years, with further 3 years' renewal option. Town Council exercises significant judgement (as disclosed in Note 2(ii)(b)) in determining whether the renewal options for lease of office premises are reasonably certain to be exercised. The carrying amount of lease liabilities for office premises are as follows:

	2024	2023
	\$	\$
Current		
- Due within one year	141,885	257,933
Non-current		
- Due after one year but within five years	-	141,885
	141,885	399,818

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

	Beginning of financial year	Financing cash flows		Non-cash changes	End of financial year
	\$	Repayments made	Interest paid	Interest expenses	\$
		\$	\$	\$	
2024					
Lease liabilities	399,818	(257,933)	(8,467)	8,467	141,885
2023					
Lease liabilities	650,137	(250,319)	(16,081)	16,081	399,818

19 Conservancy and service fees received in advance

Conservancy and service fees received in advance is a contract liability relating to the Town Council's obligation to transfer goods or services to customers for which the Town Council has received advances from customers for goods or services to be delivered. Contract liabilities are recognised as income as the Town Council performs under the contract.

Conservancy and service fee recognised during the financial year ended 31 March 2024 included in contract liabilities at the beginning of the year was S\$924,211 (2023: S\$825,690).

20 Agency fees

These are fees received for routine maintenance of HDB carparks in the Town.

21 Other income

	2024 \$	2023 \$
Agency fees	1,590	2,027
Late payment fees	143,931	153,603
Liquidated damages	472,841	368,557
Sale of tender documents	28,600	10,100
Sundry fines	18,998	7,700
Sundry income	529,443	111,933
Temporary occupation licences	1,194,938	1,334,220
Use of void decks and common property	55,666	53,377
Use of water and electricity	126,981	109,287
	2,572,988	2,150,804

22 General and administrative expenditure

	2024 \$	2023 \$
Advertising, publicity and public relations	180,164	185,400
Computer services	311,760	351,460
Conservancy and service fees receivables		
- (reversal)/allowance for impairment (Note 9)	(73,586)	159,387
- bad debts written off	1,024	-
Depreciation of property, plant and equipment (Note 7)	469,690	515,401
Employee remuneration and Town Councillors' allowances (Note 28)	6,408,821	5,631,565
Office expenses	208,300	186,956
Others	264,885	267,331
Professional fees	180,151	200,052
Property tax	108,161	131,076
Unclaimable GST	433,350	391,457
Interest on lease liabilities	8,467	16,081
Conservancy and service fee rebate	45,667	32,037
Allocation of general and administrative expenditure to:		
- Sinking Fund (Note 25 (ii))	(514,308)	(384,506)
- Town Improvement and Project Fund (Note 26)	(88,568)	(78,395)
- Lift Replacement Fund (Note 27)	(159,203)	(233,725)
	7,784,775	7,371,577

23 Income tax

	2024 \$	2023 \$
Current tax expense		
- Current year	961,401	591,301
- Over provision in respect of previous years	(64,389)	-
	<u>897,012</u>	<u>591,301</u>
Taken up in:		
Accumulated surplus (Note 3)	194,966	141,552
Sinking Fund (Note 4)	509,975	357,119
Lift Replacement Fund (Note 6)	192,071	92,630
	<u>897,012</u>	<u>591,301</u>

The tax expense on income differs from the amount determined by applying the Singapore standard rate of income tax due to the following:

	2024 \$	2023 \$
Government grants	17,434,616	13,532,742
Investment and interest income	5,617,973	3,459,970
Other income	1,045,866	791,710
	<u>24,098,455</u>	<u>17,784,422</u>
Tax calculated at Singapore tax rate of 17% (2023 - 17%)	4,096,737	3,023,352
Income taxed at concession tax rate of 10%	(168,046)	(128,743)
Singapore statutory stepped income exemption	(17,425)	(17,425)
Tax remission of government grants under Section 92(2) of Singapore Income Tax Act	(2,949,883)	(2,285,778)
Over provision in respect of previous years	(64,389)	-
Others	18	(105)
	<u>897,012</u>	<u>591,301</u>

Movements in income tax payable are as follows:

	2024 \$	2023 \$
Balance at beginning of year	949,832	746,100
Payments during the year	(298,735)	(387,569)
Income tax refund from IRAS	9,802	-
Over provision in respect of previous years	(64,389)	-
Tax expense on income for current year	961,401	591,301
Balance at end of year	<u>1,557,911</u>	<u>949,832</u>

BISHAN-TOA PAYOH TOWN COUNCIL

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2024

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24 Government grants

Note		Service and conservancy charge operating grant		GST Subvention grant		Payment from Citizens' Consultative Committee		Lift Maintenance Grant		Lift Replacement Fund Matching Grant		Special Funding Support Grant		Total
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
	Government grants received/receivable during the year	6,209,538	6,246,980	1,967,362	1,535,824	2,263,279	1,395,493	810,000	816,600	3,850,552	3,537,845	2,333,885	-	17,434,616
														13,532,742
Less:														
	Transfer to Sinking Fund	(1,614,480)	(1,624,215)	(511,518)	(399,317)	-	-	(210,600)	(212,316)	-	-	(606,810)	-	(2,943,408)
	Transfer to Town Improvement and Project Fund	-	-	-	-	(2,263,279)	(1,395,493)	-	-	-	-	-	-	(2,263,279)
	Transfer to Lift Replacement Fund	(869,335)	(874,577)	(275,432)	(215,016)	-	-	(113,400)	(114,324)	(3,850,552)	(3,537,845)	(326,744)	-	(5,435,463)
		3,725,723	3,748,188	1,180,412	921,491	-	-	486,000	489,960	-	-	1,400,331	-	6,792,466
														5,159,639

The total amount of grants received (including grants received in advance) since the formation of the Town Council are as follows:

	2024	2023
	\$	\$
Total grants received as at beginning of year	339,294,009	326,870,698
Grants received during the year	17,167,606	12,423,311
Total grants received as at end of year	356,461,615	339,294,009

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

25 Sinking Fund income and expenditure

(i) Income

	2024	2023
	\$	\$
Interest income from bank deposits	2,077,196	1,152,611
Interest income from quoted bonds	2,209,300	1,624,763
Others	43,380	637
	4,329,876	2,778,011

(ii) Expenditure

	2024	2023
	\$	\$
Other works	624,307	195,170
Replacement of generator and water pumpset	3,185,927	4,203,680
Replacement of water pipes	5,642	(41,293)
Replacement of booster pump	336,600	-
Re-decoration and repainting works	15,486,870	5,906,096
Re-roofing works	1,277,475	784,990
Unclaimable GST	258,544	148,056
General and administrative expenditure (Note 22)	514,308	384,506
	21,689,673	11,581,205

26 Town Improvement and Project Fund expenditure

	2024	2023
	\$	\$
Covered linkways	1,804,848	1,045,306
Construction/upgrading of playground and fitness corner	333,900	117,600
Open Space improvement	1,361,320	753,091
Construction of facilities and other amenities	340,280	38,412
General and administrative expenditure (Note 22)	88,568	78,395
	3,928,916	2,032,804

27 Lift Replacement Fund expenditure

	2024	2023
	\$	Restated \$
Replacement of main sheaves/ropes	1,648,319	2,103,405
Replacement of ARD/EBOPS battery	295,485	216,585
Other lift related works and unclaimable GST*	1,133,009	3,577,887
General and administrative expenditure (Note 22)	159,203	233,725
	3,236,016	6,131,602

* Net of co-funding for LEP of S\$3,055,957 (2023: S\$1,810,123).

28 Employees' remuneration and Town Councillors's allowances

	2024 \$	2023 \$
Councillors' allowance	168,000	169,200
Salaries and related costs	5,448,339	4,890,873
Contributions to CPF	792,482	664,517
Job Growth Incentive and Wage Credit Scheme	-	(93,025)
	6,408,821	5,631,565

Employees' remuneration includes the following:

	2024 \$	2023 \$
Key management personnel remuneration		
- Councillors' allowance*	168,000	169,200
- Salaries and related costs	682,001	645,651
- Contribution to CPF	29,834	27,576
	879,835	842,427

* The Town Councillors consist of elected members and other members appointed by the Chairperson. The Town Councillors receive a monthly allowance.

29 Expenditure and capital commitments

Expenditure and capital commitments approved by the Town Council but not provided for in the financial statements are as follows:

	2024 \$	2023 \$
Amount approved and contracted for	35,916,115	37,323,329
Amount approved but not contracted for	67,803,549	56,657,596

30 Financial instruments and financial risks

The main risks arising from the Town Council's financial instruments are credit risk and market risk. The Town Council is not exposed to foreign exchange risk. There is no significant liquidity risk as sufficient cash is maintained. Risks management policies and systems are reviewed regularly to reflect changes in the operational environment and market conditions.

30.1 Credit risk

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its contractual obligations to the Town Council when they fall due. Financial assets that are potentially subject to credit risk consist principally of fixed deposits and bank balances, conservancy and service fees receivables, other receivables, grants receivable and investments. The maximum exposure to credit risk is the fair value of the financial instruments as at the end of the reporting period.

Bank balances and fixed deposits are placed with Singapore-regulated financial institutions.

Investments comprised of bonds, real estates investment trust and treasury bills issued by statutory boards and corporations with good credit standing.

30 Financial instruments and financial risks (cont'd)

30.1 Credit risk (cont'd)

For receivables, an ongoing credit evaluation is performed on the financial conditions of the receivables and losses on impairment are recognised in income or expenditure. The allowance for doubtful conservancy and service fees receivables totalling S\$1,571,429 (2023: S\$1,645,015) has been made at the reporting date. There are no concentrations of credit risk with respect to conservancy and service fees receivables as the exposure is spread over a large number of residents.

The tables below detail the credit quality of the Town Council's receivables as well as maximum exposure to credit risk by credit risk rating grades:

Town Council	Internal credit rating	12-month/ Lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
2024					
<u>Financial assets</u>					
Conservancy and service fees receivables (Note 9)	(1)	Lifetime ECL (Simplified approach)	2,488,222	(1,571,429)	916,793
Other receivables (Note 10)	(2)	12-month ECL	1,906,930	-	1,906,930
Grants receivable (Note 11)	(2)	Performing	5,779,237	-	5,779,237
Receivables for Electrical Load Upgrading Programme (Note 12)	(2)	Performing	215,106	-	215,106
Receivables for Neighbourhood Renewal Programme (Note 13)	(2)	Performing	2,045,791	-	2,045,791
Receivables for Selective Lift Replacement and Lift Enhancement Programme (Note 14)	(2)	Performing	8,864,895	-	8,864,895
2023					
<u>Financial assets</u>					
Conservancy and service fees receivables (Note 9)	(1)	Lifetime ECL (Simplified approach)	2,368,046	(1,645,015)	723,031
Other receivables (Note 10)	(2)	12-month ECL	1,190,176	-	1,190,176
Grants receivable (Note 11)	(2)	Performing	5,554,764	-	5,554,764
Receivables for Electrical Load Upgrading Programme (Note 12)	(2)	Performing	76,268	-	76,268
Receivables for Neighbourhood Renewal Programme (Note 13)	(2)	Performing	4,459,898	-	4,459,898
Receivables for Selective Lift Replacement and Lift Enhancement Programme (Note 14)	(2)	Performing	6,937,683	-	6,937,683

30 Financial instruments and financial risks (cont'd)

30.1 Credit risk (cont'd)

- (1) For conservancy and service fees receivables, the Town Council has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Town Council determines the expected credit losses on these receivables by reference to their historical credit loss experience based on the past due status of the debtors, adjusted for forward looking factors specific to the receivables and the economic conditions.

There are no other material classes of financial assets that are past due except for the conservancy and service fees receivables. The age analysis of conservancy and service fees receivables is disclosed in Note 9.

The impaired conservancy and service fees receivables arise mainly from residents who are facing significant financial hardships and have difficulties in paying their conservancy and service fees despite reminders and notices sent.

- (2) Counterparties with a low risk of default.

30.2 Market risk

Interest rate risk

The exposure in interest rate risk mainly arises from changes in interest rates as disclosed in Notes 8 and 15.

There is no exposure to equity price risk as the Town Council has no investment in equity shares or similar instruments.

30.3 Liquidity risk

Liquidity risk is the risk that the Town Council will not be able to meet its financial obligations from shortage of funds. The Town Council manages the liquidity risk by maintaining sufficient cash and internally generated cash flows. Besides, the Town Council's operations are partially supported by various grants from the government and the Town Council is satisfied that funds for operations are available when required.

The normal credit period for settlement of payables and accrued expenses is 30 days (2023: 30 days). It is expected that all the liabilities will be paid when due with cash inflows from operating activities and government grants.

30 Financial instruments and financial risks (cont'd)**30.3 Liquidity risk (cont'd)**

The following are the contractual maturities of financial assets and financial liabilities, based on contractual undiscounted cash flows:-

	Carrying amount	Contractual cash flows	One year or less	Two to five years	After five years
	\$	\$	\$	\$	\$
2024					
<u>Financial assets</u>					
Investments at amortised cost	90,441,543	102,936,268	7,776,168	62,499,715	32,660,385
Conservancy and service fees receivables	916,793	916,793	916,793	-	-
Other receivables, excluding prepaid expenses	1,868,813	1,868,813	1,868,813	-	-
Interest receivable	1,601,446	1,601,446	1,601,446	-	-
Grants receivable	5,779,237	5,779,237	5,779,237	-	-
Receivables for ELU	215,106	215,106	215,106	-	-
Receivables for NRP	2,045,791	2,045,791	2,045,791	-	-
Receivables for SLRP and LEP	8,864,895	8,864,895	8,864,895	-	-
Fixed deposits with financial institutions	73,008,501	73,008,501	73,008,501	-	-
Cash and bank balances	20,578,032	20,578,032	20,578,032	-	-
	205,320,157	217,814,882	122,654,782	62,499,715	32,660,385
<u>Financial liabilities</u>					
Payables and accrued expenses	15,250,849	15,250,849	15,182,809	68,040	-
Advances for ELU	27,297	27,297	27,297	-	-
Advances for NRP	1,800,365	1,800,365	1,800,365	-	-
Lease liabilities	141,885	143,400	143,400	-	-
	17,220,396	17,221,911	17,153,871	68,040	-

30 Financial instruments and financial risks (cont'd)

30.3 Liquidity risk (cont'd)

The following are the contractual maturities of financial assets and financial liabilities, based on contractual undiscounted cash flows:- (cont'd)

	Carrying amount	Contractual cash flows	One year or less	Two to five years	After five years
	\$	\$	\$	\$	\$
2023 (Restated)					
<u>Financial assets</u>					
Investments at amortised cost	68,721,456	80,162,667	5,068,221	44,737,803	30,356,643
Conservancy and service fees receivables	723,031	723,031	723,031	-	-
Other receivables, excluding prepaid expenses	1,153,273	1,153,273	1,153,273	-	-
Interest receivable	1,114,097	1,114,097	1,114,097	-	-
Grants receivable	5,554,764	5,554,764	5,554,764	-	-
Receivables for ELU	76,268	76,268	76,268	-	-
Receivables for NRP	4,459,898	4,459,898	4,459,898	-	-
Receivables for SLRP and LEP	6,937,683	6,937,683	6,937,683	-	-
Fixed deposits with financial institutions	93,268,964	93,268,964	93,268,964	-	-
Cash and bank balances	13,447,424	13,447,424	13,447,424	-	-
	195,456,858	206,898,069	131,803,623	44,737,803	30,356,643
<u>Financial liabilities</u>					
Payables and accrued expenses	12,101,216	12,101,216	11,994,296	106,920	-
Advances for ELU	354,383	354,383	354,383	-	-
Advances for NRP	1,266,560	1,266,560	1,266,560	-	-
Lease liabilities	399,818	409,800	266,400	143,400	-
	14,121,977	14,131,959	13,881,639	250,320	-

31 Funds management

The Town Council's objectives when managing its funds are:

- (i) To maintain the value of the funds;
- (ii) To safeguard against the impact of inflation; and
- (iii) To reduce the future financial burden on residents.

The Town Council actively and regularly reviews and manages its funding structure to ensure optimal funding structure, taking into consideration future funding requirements, projected operating cash flows and projected capital expenditures.

There were no changes in the Town Council's policies and procedures in the management of its surplus funds during the financial year. The Town Council is not subject to externally imposed capital requirements. As at the end of the reporting period, the Town Council's total funds amounted to S\$186,138,406 (2023: S\$180,091,578).

32 Fair value measurements

The carrying amounts of current financial assets and liabilities approximate their respective fair values due to the short-term maturity of these financial instruments.

The Town Council classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. There are three fair value hierarchy level as follows:

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

The fair value of investments as disclosed in Note 8 is categorised as Level 1.

33 Prior year adjustments

(a) Restatement of Lift Replacement Fund

Prior year adjustments were made in the financial statements for the under recognition of co-funding of Lift Enhancement Programme from the HDB of S\$1,810,123 for financial year ended 31 March 2023.

There was also an overstatement of expenditure for Lift Enhancement Programme of S\$1,286,305 for financial year ended 31 March 2022 and the understatement of expenditure for Lift Enhancement Programme arising from the reversal of the same amount for the year ended 31 March 2023.

(b) Effects of the restatements

The combined effects of the above restatements to the statement of financial positions, statement of income and expenditure, statement of cash flows, statement of changes in funds and notes to the financial statements are reflected as follows:

Statement of financial position

	1 April 2022	1 April 2022
	Restated	Previously
	\$	Stated
		\$
TOWN COUNCIL FUND		
Residential Property		
Lift Replacement Fund	32,472,391	31,186,086
Current Liabilities		
Payables and accrued expenses	14,628,018	15,914,323

33 Prior year adjustments (cont'd)

(c) Effects of the restatements (cont'd)

Statement of financial position (cont'd)

	31 March 2023	31 March 2023
	Restated	Previously
	\$	Stated
		\$
TOWN COUNCIL FUND		
Residential Property		
Lift Replacement Fund	36,379,992	34,682,313
Commercial Property		
Lift Replacement Fund	12,008,416	11,895,972
Current Assets		
Receivables for Selective Lift Replacement and Lift Enhancement Programme	6,937,683	5,127,560

Statement of income and expenditure and other comprehensive income

	31 March 2023	31 March 2023
	Restated	Previously
	\$	Stated
		\$
Movement of various funds		
- Lift replacement fund	5,055,506	4,531,688
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	6,996,821	6,473,003

Statement of cash flows

	31 March 2023	31 March 2023
	Restated	Previously
	\$	Stated
		\$
Decrease in operating payables	(2,672,602)	(3,958,907)
Lift Replacement Fund expenditure	(6,131,602)	(6,655,420)
Lift Enhancement Programme receivable	(1,810,123)	-

Notes to the financial statements for the financial year ended 31 March 2024

33 Prior year adjustments (cont'd)

(c) Effects of the restatements (cont'd)

Note 6 – Lift Replacement Fund

	Residential property		Commercial property		Total
	Restated 31 March 2023	Previously Stated 31 March 2023	Currently Stated 31 March 2023	Previously Stated 31 March 2023	Restated 31 March 2023
	\$	\$	\$	\$	\$
Balance at beginning of year	32,472,391	31,186,086	10,860,511	10,860,511	43,332,902
Add:					
Operating income transfer from conservancy and service fees (minimum required by law)	5,220,435	5,220,435	681,564	681,564	5,901,999
Transfer from Government Grants					
- Other Government Grant			840	840	1,203,917
- Lift Replacement Fund Matching Grant			336,268	336,268	3,537,845
	1,203,077	1,203,077	840	840	1,203,917
	3,201,577	3,201,577	336,268	336,268	3,537,845
	4,404,654	4,404,654	337,108	337,108	4,741,762
	594,207	594,207	41,770	41,770	635,977
Other income – Interest income	10,219,296	10,219,296	1,060,442	1,060,442	11,279,738
Less: Expenditure	(6,225,148)	(6,636,522)	93,546	(18,898)	(6,131,602)
Less: Income tax	(86,547)	(86,547)	(6,083)	(6,083)	(92,630)
Surplus for the financial year	3,907,601	3,496,227	1,147,905	1,035,461	5,055,506
Balance at end of year	36,379,992	34,682,313	12,008,416	11,895,972	48,388,408
Non-Current asset					
Investments at amortised cost					8,259,168
Current assets					
Investments at amortised cost					2,940,300
Conservancy and service fees receivables					101,225
Other receivables					76,928
Interest receivables					262,281
Grant receivables					823,615
Receivables for Selective Lift Replacement and Lift Enhancement Programme					6,937,683
Amount due from accumulated surplus					2,241,467
Fixed deposits with financial institutions					25,823,908
Cash and bank balances					4,232,054
Total assets					43,439,461
					51,698,629
Less:					
Current liabilities					
Payables and accrued expenses					3,190,592
Income tax payable					119,629
Total liabilities					3,310,221
Net assets					48,388,408

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

Notes to the financial statements for the financial year ended 31 March 2024

33 Prior year adjustments (cont'd)

(c) Effects of the restatements (cont'd)

Note 6 – Lift Replacement Fund

	Residential property		Commercial property		Total
	Restated	Previously Stated	Currently Stated	Previously Stated	
	31 March 2022	31 March 2022	31 March 2022	31 March 2022	31 March 2022
	\$	\$	\$	\$	\$
Balance at beginning of year	28,948,300	28,948,300	9,862,322	9,862,322	38,810,622
Add:					
Operating income transfer from conservancy and service fees (minimum required by law)	5,231,620	5,231,620	681,737	681,737	5,913,357
Transfer from Government Grants					
- Other Government Grant			840	840	1,193,934
- Lift Replacement Fund Matching Grant			342,937	342,937	3,574,364
	1,193,094	1,193,094	343,777	343,777	4,768,298
	3,231,427	3,231,427	10,489	10,489	159,746
	4,424,521	4,424,521	1,036,003	1,036,003	10,841,401
Other income – Interest income	149,257	149,257	(36,075)	(36,075)	(7,578,923)
	9,805,398	9,805,398	(1,739)	(1,739)	(26,503)
Less: Expenditure	(6,256,543)	(7,542,848)	998,189	998,189	3,235,975
Less: Income tax	(24,764)	(24,764)			
Surplus for the financial year	3,524,091	2,237,786	10,860,511	10,860,511	43,332,902
Balance at end of year	32,472,391	31,186,086			42,046,597

Non-Current asset

Investments at amortised cost

8,259,745

8,259,745

Current assets

Conservancy and service fees receivables

Other receivables

Interest receivables

Grant receivables

Receivables for Selective Lift Replacement and Lift Enhancement Programme

Amount due from accumulated surplus

Fixed deposits with financial institutions

Cash and bank balances

Total assets

Less:

Current liabilities

Payables and accrued expenses

Income tax payable

Total liabilities

Net assets

94,936	94,936
147,088	147,088
82,050	82,050
815,199	815,199
6,145,253	6,145,253
1,305,912	1,305,912
23,033,061	23,033,061
6,214,188	6,214,188
37,837,687	37,837,687
46,097,432	46,097,432
2,715,610	4,001,915
48,920	48,920
2,764,530	4,050,835
43,332,902	42,046,597

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

33 Prior year adjustments (cont'd)

(c) Effects of the restatements (cont'd)

Other notes to the financial statements

	31 March 2023	31 March 2023
	Restated	Previously
	\$	Stated
		\$
Note 14(b) – Receivables for Lift Enhancement Programme (“LEP”)		
Co-funding from HDB	1,810,123	-
Note 27 – Lift replacement fund expenditure		
Other lift related works and unclaimable GST	3,577,887	4,101,705

34 Events occurring after the reporting period

(i) Increased in Service & conservancy charges (“S&CC”)

Due to the increased operating costs on estate maintenance (manpower costs, materials and energy costs) the Town Council has revised its S&CC for residential flats, commercial premises, and market/food stalls with effect from 1 July 2024.

(ii) Time-limited special funding support from the Ministry of National Development (“MND”)

In view of the impact of external factors on operational costs, the Town Council will receive a time-limited special funding support from MND to buffer the full impact of cost increases on residents and the Town Council. On 3 June 2024, the Town Council received the second tranche of the special funding of S\$1,950,024 from MND. The special funding support will be subject to the minimum contribution rates of 26% to the Sinking Fund and 14% to the Lift Replacement Fund and the existing regulations under the Town Councils Act.