

ANNUAL REPORT

2023 - 2024

Marsiling-Yew Tee
Town Council

My HOME
HEART
HOPE



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Our Town MPs



Mr Lawrence Wong

Prime Minister
Minister for Finance

MP for Marsiling-Yew Tee
GRC (Limbang)



Mr Zaqy Mohamad

Senior Minister of
State for Defence &
Manpower

MP for Marsiling-Yew Tee
GRC (Marsiling)



Mr Alex Yam

Mayor of North West
District

MP for Marsiling-Yew
Tee GRC (Yew Tee)

Chairman of Marsiling-
Yew Tee Town Council



Ms Hany Soh

MP for Marsiling-Yew
Tee GRC (Woodgrove)

Vice-Chairman of
Marsiling-Yew Tee
Town Council

Our Town Councillors

Audit and Risk Management Committee

CHAIRMAN

Mr Chew Boon Yeow

MEMBERS

Mr Ian Wong Kin Kok

Ms Jessica Lim Chui Lan

Mr Tay Boon Sin, PBM

Mr George Lim Han Li, PBM

Ms Molly Yeo Suan Gek, PBM

Tenders & Contracts Committee

CHAIRMAN

Mr Lim Tai Sun, BBM (L)

CO-CHAIRMAN

Mr Steven Tan Yong Cheng, PBM

MEMBERS

Er Yeo Swee Khiank, BBM

Mr Ng Si Hiong, PBM

Ms Rohini Ravichandran

Community Improvement Project Committee

CHAIRMAN	Mr Jacob Wong San Ta
CO-CHAIRMAN	Mr Yong Wee Huat, PBM
MEMBERS	Mr Desmond Tan Peng Yaow, PBM
	Mr Eric Lim Chin Heng, BBM
	Ms Chew Siew Yin
	Mr Alex Lim Wee Jek
	Mr Abdul Wahab Bin Ahmad
	Ms Meghan Tan Sock Peng

Communications and Service Quality Committee

CHAIRMAN	Mr Adrian Liew Chong Boon, PBM
MEMBERS	Mr Aloysius Kwan Weng Tat
	Ms Jeslin Sin Lay Ping, PBM
	Ms Jerlynn Soh Chu Yen
	Ms Celine Ng Mei Ling
	Mr Adrian Lim Kim Hoe, JP, BBM

Finance Committee

CHAIRMAN	Mr Ng Poh Wah, BBM
CO-CHAIRMAN	Mr Lim Hock Chee, BBM
MEMBERS	Ms Cincelia Tan Chiew Pheng, PBM
	Mr Johnny Lim Peng Siah, PBM
	Mr Dickson Chua Teck Seng, PBM

Estate Amenities Committee

CHAIRMAN	Mr Corwin Chew Huang Jia, PBM
CO-CHAIRMAN	Mr David Neo Watt Heng, BBM
MEMBERS	Ms Noor Banu Bte Mohamed Elias, PBM
	Mr Alvin Tan Choon Hwa, PBM
	Ms Noor Rita Bte Mohamad Rajab
	Mr Lim Jun Hui
	Mr Dave Ong Eng Hwa

Honorary Legal Counsel

Mr Selvarajan Balamurugan

Chairman's message

In FY23/24, we launched several new town projects and oversaw the completion of many town improvements. The next batch of 180 lifts under the Lift Replacement Programme (LRP) has commenced, replacing identified lifts in Limbang, Yew Tee and Woodgrove as part of our commitment to ensure the safety of our residents.

Residents celebrated the rejuvenation of Limbang Shopping Centre with its official grand opening held in Feb 2024. In addition, the Limbang Green Spine continues to be developed with new amenities, truly promoting an active and healthy lifestyle for our residents.

The Groundbreaking ceremony of "Heart of Yew Tee" Integrated Hub was the culmination of our many years of effort. Residents will get to enjoy the convenience of having both a polyclinic and dialysis centre, along with the first hawker centre for Choa Chu Kang town and new community club built within a HDB development with flexi flats.

Not forgetting, we also did the groundbreaking for the Yew Tee Lifestyle Corridor a few months later. I am glad to officially open the first two sections (Part 2 & Part 3) of the Yew Tee Lifestyle Corridor on 17 August 2024. Stretching 800m from Yew Tee MRT to Pang Sua Canal, residents can enjoy a range of facilities that pay homage to the history of Yew Tee – Street Soccer Court, Kampong Pavilion, open-air Amphitheatre, Fruits & Vegetable Playground etc. The last remaining section is targeted to be opened by the end of 2024.

The Neighbourhood Renewal Programmes (NRPs) continue to see great progress. NRP Batch 11 & Batch 12 in Woodgrove will be completed by 2Q2025, while Batch 12 & 13 in Limbang will commence work by the end of 2024. A new combined NRP for Marsiling and Woodgrove is also in the pipeline. This will complement the Remaking our Heartland (ROH) project by HDB for Marsiling Town Centre and Woodgrove Town Centre. While 2 of the 5 linkways under Marsiling special projects have commenced works on-site, the team is also working to get the necessary clearance and approvals for the remaining 3 linkways.

As we continue with the Action for Green Town (AGT) initiative, the Town Council continues to adopt energy-saving programmes such as installation of EV-charging stations, solar panels and smart LED lightings. Together with the recycling efforts from our residents, we are on track to achieve zero waste, energy efficient and greener towns by 2025.

We always start from the heart in all that we do in Marsiling-Yew Tee. May we continue to espouse the values of "My Home, My Heart, My Hope" within our community.

Yours Sincerely,

Mr Alex Yam Ziming
Chairman



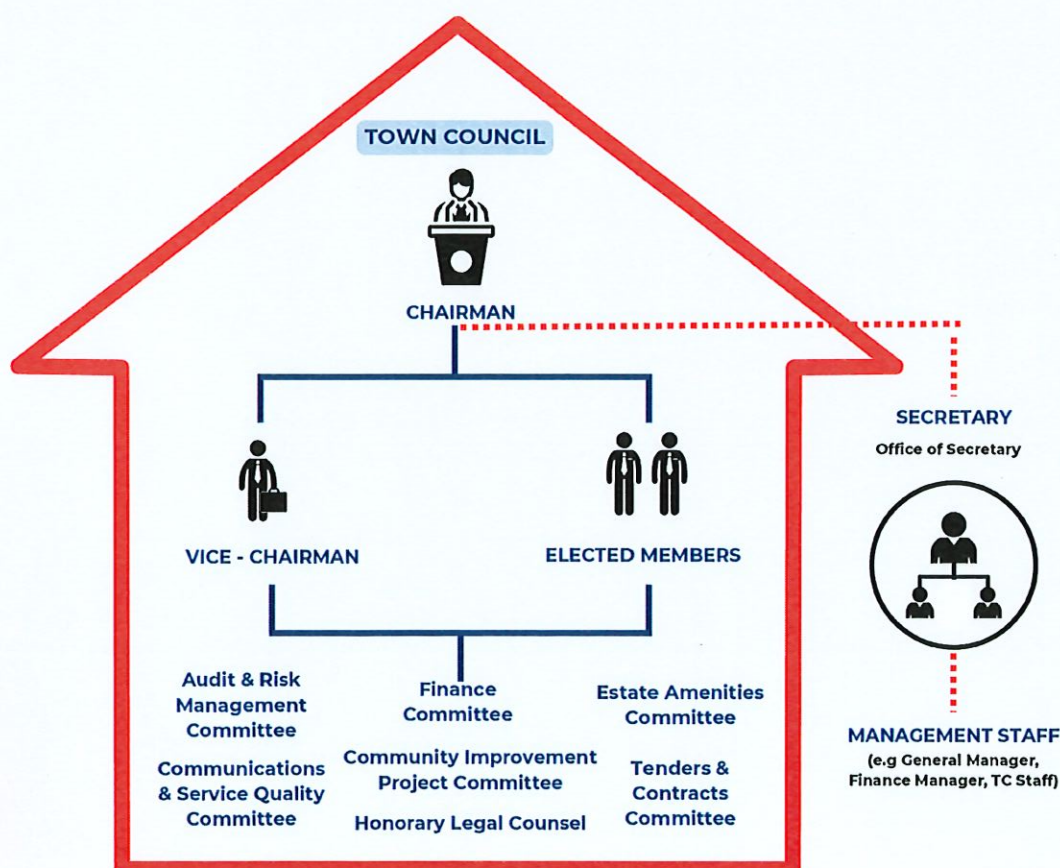
Composition and Structure

Town Councillors play a crucial role in overseeing the daily operations of the Town Council. They have weaved the principles and practices of good governance, carrying out their duties for the residents' best interests.

The appointment of each member is decided on their individual skills and experience. From project management to financial auditing and communications skill sets, they contribute to ensuring the Town Council's success.

It is required that at least two-thirds of the appointed Town Councillors must be residents of the HDB housing estates within the Town. This ensures that they have a vested interest in the decision-making process.

While the structure of Town Councils can vary to suit their specific needs, a typical organisational structure for a Town Council is as follows:



Risk Management Framework

The Code of Governance for Town Councils was implemented by the Ministry of National Development in April 2020, and our Town Council has been complying ever since.

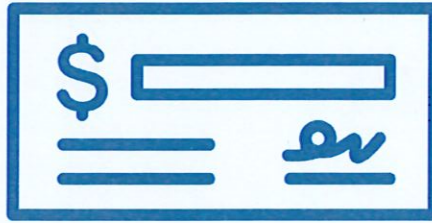
An external consultant was appointed to assess the Risk Management Framework - financial, operational, compliance, information and technology risks. Identified areas of concern were rectified with preventive measures and highlighted to the Council.

This is consistently reviewed on an annual basis, to identify potential new or emerging risks arising from the ever-changing circumstances.

This also includes an enhanced business continuity plan (BCP) to ensure that our provision of essential services remains uninterrupted, even during emergencies.



Our Finance



The Town Council takes pride in ensuring our funds are well managed through stringent practices and insightful projection.

For FY23/24, the Town Council reports a modest surplus of \$0.98 million after mandatory fund transfers. As of 31 March 2024, we have registered a sinking fund of \$101.63 million, a lift replacement fund of \$42.26 million and an accumulated surplus of \$2 million.

The Town Council has consistently managed to maintain a low amount of arrears. With our enhanced engagement efforts and early intervention, our figures have further improved this year.

We will continue to help households with financial difficulties, be it through instalment plans or application for financial aid via Government agencies e.g. MSF to ensure that the numbers remain low.

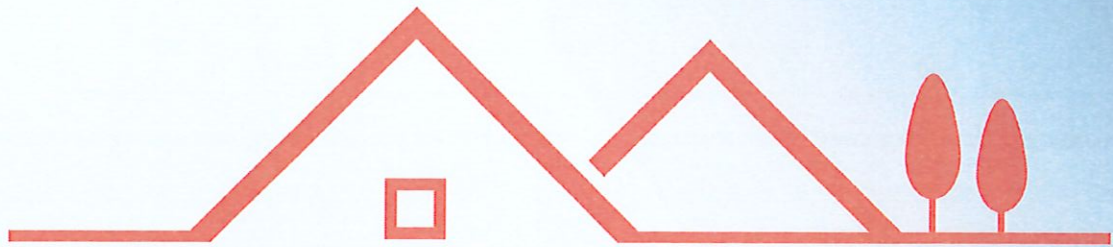
Town Council Management Report



Since its introduction in 2009, the annual TCMR report has provided insight of how the respective Town Councils have performed, based on the management of five key components: Estate Cleanliness, Estate Maintenance, Lift Performance, S&CC Arrears Management, and Corporate Governance. These indicators are graded using three respective bands: green, amber and red.

Marsiling-Yew Tee Town Council has consistently worked hard and the results are a testament to our commitment. In our Town Council Management Report (TCMR) for FY2023/2024, we proudly announce that we have once again received top ratings by scoring green bands for 4 indicators, pending the result announcement for Corporate Governance.





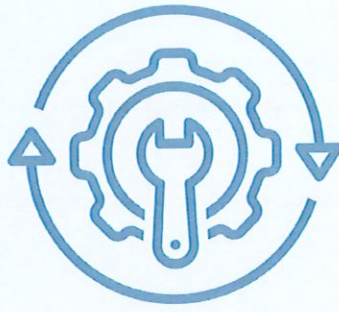
Estate Maintenance

An essential and crucial aspect of the Town Council's operations, we remain focused on the daily estate maintenance and upkeep.

Sweeping of common areas daily, ensuring electrical and water supply remain uninterrupted, allows our residents to return home to a welcoming environment.

Our operational team remains steadfast in their roles, while being accommodating to the evolving needs of our residents. We thank residents for their recognition and appreciation of our cleaning staff's hard work and efforts.





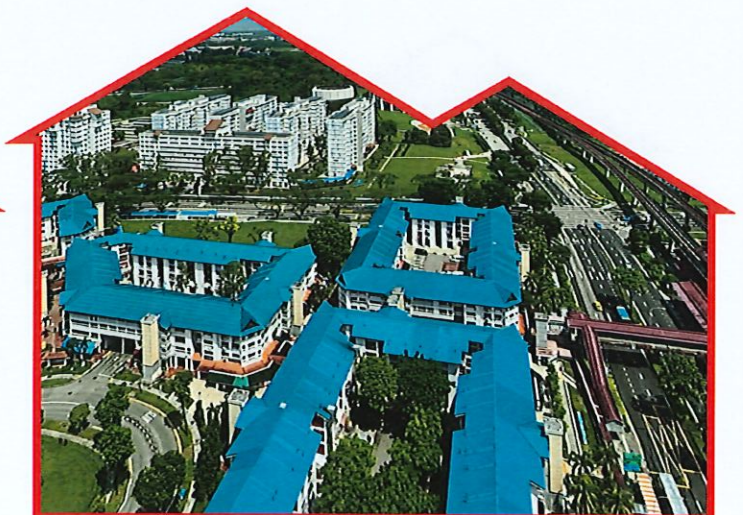
Cyclical Works

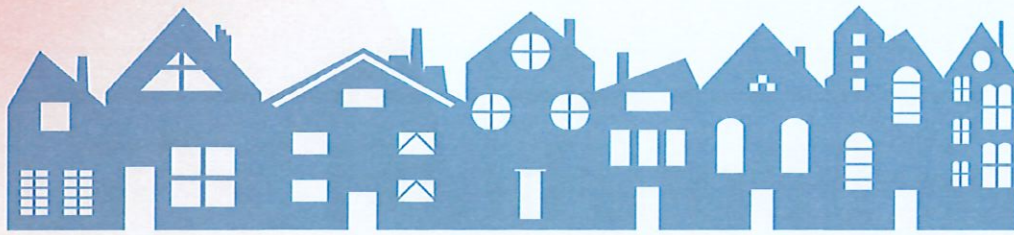
Cyclical works help to address wear and tear over time. Lift repairs, R&R, replacement of water pump sets, water pipes and water tanks are some of these works.

They are scheduled once every few years to ensure that the condition of these structures remain safe and optimal, while also introducing new technological improvements.

Residents' Committee (RCs) and Residents' Network (RNs) help to facilitate discussions with residents to gather feedback before implementing these works.

In FY23/24, a total of \$28.69 million was invested in cyclical works where \$4.51 million has been catered for lift works and another \$24.18 million was used on other works such as repainting, rewiring, reroofing, replacement of water pumping and piping systems, lamp post and more.





Town Improvement Projects

In addition to routine and cyclical maintenance, Town Improvement Projects allow the Town Council to plan essential enhancements strategically, improving accessibility and convenience for our residents.

Some project examples include the construction of new sheltered linkways, drop-off porches, barrier free access ramps, new playgrounds, fitness corners, game courts, and more.

Bigger projects comprise of the Large-Scale Town Wide (LSTW) construction of “Yew Tee Lifestyle Corridor” the “Limbang Green Spine”, both utilising the space under the MRT viaduct.



Neighbourhood Renewal Programmes



The Neighbourhood Renewal Programmes (NRP) are centred around resident engagement and feedback for desired facilities and upgradings within their estates.

Public consultations and consensus gathering with residents are part this inclusive process.

The NRP refreshes the older estates, with new facilities like a drop-off porch for convenience and new playgrounds or fitness corners for recreational activities.

There are currently five ongoing NRP initiatives within Marsiling-Yew Tee Town, with three located in Limbang and two in Woodgrove.



Sustainable Town



As part of the Singapore Green Plan 2030, the Town Council is fully dedicated to supporting the Action for Green Town (AGT) initiatives, making our town zero waste, energy efficient and greener by 2025.

Our sustainability Champion, Ms Hany Soh and her committee are hard at work. Commemorating LKY100, our Town Council exceeded our target by planting a total of 6,277 trees and shrubs.

More residents are participating in recycling as well. Working with SGRecycle and ALBA, we have collected a total of 36,148 kg worth of recycled paper, 492 kg worth of recycled textiles and 24,138 kg worth of recycled electronics.

To-date, 150 blocks in our Town have installed solar panel systems to harness the power of solar energy. This allows our HDB blocks to achieve net-zero energy consumption in the common areas.

We are proud to announce that there are 112 Electric Vehicle (EV) charging lots installed within our town to cater for the increasing need, to make MYTTC EV-ready.





Estate Cleanliness

Our dedicated cleaners have been working hard to maintain the estate's cleanliness. We thank residents who have shown their appreciation by joining us at our Cleaners' Appreciation Day and even just encouraging them when they see our cleaners.

Despite manpower challenges and rising costs, our cleaners have consistently ensured that residents return to a clean and well-kept estate every day. The Town Council also appreciates our residents for their contributions to keeping our estates clean and green.



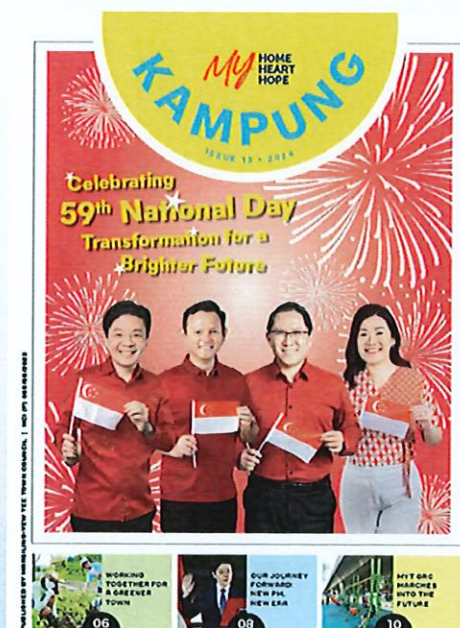
Communications with Residents



The use of noticeboards along with the digital display panels (DDPs) installed at the void deck lift lobby area allows us to reach out to our residents effectively.

Coupled with our team's presence on social media - Facebook, Instagram & Telegram, residents are kept updated of the Town's latest happenings.

Keep a look out for our "My Kampung" newsletter and follow us on our various social media platforms as we continue to share relatable stories and updates.



Financial Statements

For the period of 1 April 2023 to 31 March 2024



Financial statements

MARSILING-YEW TEE 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 MARSILING-YEW TEE 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 Marsiling-Yew Tee Town Council ("the Town Council"), which comprise the statement of financial position as at 31 March 2024, and the statement of income and expenditure and other comprehensive income, the statement of changes in Town Council funds and statement of cash flows for the 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 present fairly, in all material respects, the financial position of the Town Council as at 31 March 2024 and the financial performance, changes in 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 comprises the "Our Finance" and "Cyclical Works" sections 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 MARSILING-YEW TEE 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 and fair presentation of the financial statements in accordance with the provisions of the Act and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

A Town Council is established under the Act and may 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.

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.
- 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.

Independent auditor's report to the members of MARSILING-YEW TEE TOWN COUNCIL (Cont'd)

(Established under the Town Councils Act 1988)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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,

- 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
- proper accounting and other records have been kept, including records of all assets of the Town Council whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Compliance Audit section of our report. We are independent of the 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.

Independent auditor's report to the members of MARSILING-YEW TEE TOWN COUNCIL (Cont'd)

(Established under the Town Councils Act 1988)

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 provisions of the Act.

Auditor's Responsibilities for the Compliance Audit

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

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

Foo Kon Tan LLP

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
6 September 2024

Statement of financial position

as at 31 March 2024

	Note	2024 \$	2023 \$
TOWN COUNCIL FUNDS			
Residential property			
Accumulated Surplus	3	-	-
Sinking Funds	4	77,790,673	85,611,147
Lift Replacement Funds	5	36,570,033	27,910,954
Town Improvement and Project Funds	6	5,518,387	4,276,828
		119,879,093	117,798,929
Commercial property			
Accumulated Surplus	3	1,966,978	1,632,028
Sinking Funds	4	23,842,020	23,893,822
Lift Replacement Funds	5	5,693,724	5,418,605
Town Improvement and Project Funds	6	29,845	54,580
		31,532,567	30,999,035
Carpark			
Accumulated Surplus	3	35,250	1,366,190
		151,446,910	150,164,154
REPRESENTED BY:			
Non-current assets			
Plant and equipment	7	60,131	53,087
Right-of-use assets	8	537,092	741,620
Investments at amortised cost	9	20,000,000	10,000,000
		20,597,223	10,794,707
Current assets			
Investments at amortised cost	9	-	10,000,000
Conservancy and service fees receivables	10	1,101,678	1,015,618
Receivables for Neighbourhood Renewal Programme	11	9,483,488	-
Other receivables	12	14,590,714	10,659,473
Cash and bank balances	13	122,164,713	127,201,430
		147,340,593	148,876,521
Total assets		167,937,816	159,671,228
Less:			
Non-current liabilities			
Lease Liabilities	14	199,218	403,559
Current liabilities			
Lease liabilities	14	204,341	191,610
Advances received for Neighbourhood Renewal Programme	11	-	496,964
Conservancy and service fees received in advance	15	1,325,427	1,048,187
Other payables	16	12,897,001	6,201,920
Income tax payable	21	1,864,919	1,164,834
		16,291,688	9,103,515
Total liabilities		16,490,906	9,507,074
NET ASSETS		151,446,910	150,164,154

MR ALEX YAM ZIMING
Chairman

MR LIM TAI SUN
Secretary

Dated: 6 September 2024

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

	Note	2024 \$	2023 \$
Operating income			
Conservancy and service fees	3	41,300,257	39,204,368
Less:			
Operating income transfer to Sinking Funds (26% transferred to Sinking Funds)	3, 4	(10,738,077)	(10,193,148)
Operating income transfer to Lift Replacement Funds (14% transferred to Lift Replacement Funds)	3, 5	(5,782,041)	(5,488,627)
		24,780,139	23,522,593
Agency fees	3, 17	3,703,452	3,550,094
Other income	3, 18	2,489,062	2,458,371
		30,972,653	29,531,058
Less:			
Operating expenditure			
Cleaning works		(7,295,785)	(6,193,058)
Managing agent's fees	20	(5,160,674)	(4,845,254)
Lift maintenance		(7,011,306)	(6,524,927)
Other works and maintenance		(4,900,470)	(4,577,326)
Water and electricity		(8,351,593)	(8,276,314)
General and administrative expenditure	19	(2,713,059)	(2,758,985)
	3	(35,432,887)	(33,175,864)
Operating deficit		(4,460,234)	(3,644,806)
Add: Interest income	3	290,522	246,965
Deficit before taxation and government grants		(4,169,712)	(3,397,841)
Less: Income tax	3, 21	(324,907)	(291,858)
Deficit before government grants		(4,494,619)	(3,689,699)
Add: Government grants	3, 26	18,643,875	10,715,618
Less: Transfer to			
- Sinking Funds	3, 4	(2,372,473)	(1,765,218)
- Lift Replacement Funds	3, 5	(4,853,760)	(4,158,099)
- Town Improvement and Project Funds	3, 6	(5,942,700)	(718,730)
		5,474,942	4,073,571
SURPLUS FOR THE YEAR UNDER ACCUMULATED SURPLUS		980,323	383,872
Add:			
Surplus/(deficit) for the year from:			
- Sinking Funds	4	(7,872,276)	(1,896,290)
- Lift Replacement Funds	5	8,934,198	1,005,274
- Town Improvement and Project Funds	6	(759,489)	(632,736)
TOTAL COMPREHENSIVE INCOME/(EXPENDITURE) FOR THE YEAR		1,282,756	(1,139,880)

MR ALEX YAM ZIMING
Chairman

MR LIM TAI SUN
Secretary

Dated: 6 September 2024

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

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

	Note	Residential property \$	Commercial property \$	Carpark \$	Total \$
Balance at 1 April 2022		119,122,342	30,485,996	1,695,696	151,304,034
Accumulated Surplus	3	(617,652)	349,529	651,995	383,872
Sinking Funds	4	(1,944,173)	47,883	-	(1,896,290)
Lift Replacement Funds	5	867,750	137,524	-	1,005,274
Town Improvement and Project Funds	6	(610,839)	(21,897)	-	(632,736)
Surplus/(deficit) for the year, representing total comprehensive income/(expenditure) for the year		(2,304,914)	513,039	651,995	(1,139,880)
Accumulated Surplus transferred from Carpark to Residential Property	3	981,501	-	(981,501)	-
Appropriation from Accumulated Surplus	6	2,863,570	70,115	-	2,933,685
Appropriation to Town Improvement and Project Funds	3	(2,863,570)	(70,115)	-	(2,933,685)
Balance at 31 March 2023		117,798,929	30,999,035	1,366,190	150,164,154
Accumulated Surplus	3	(163,681)	381,986	762,018	980,323
Sinking Funds	4	(7,820,474)	(51,802)	-	(7,872,276)
Lift Replacement Funds	5	8,659,079	275,119	-	8,934,198
Town Improvement and Project Funds	6	(687,718)	(71,771)	-	(759,489)
Surplus/(deficit) for the year, representing total comprehensive income/(expenditure) for the year		(12,794)	533,532	762,018	1,282,756
Accumulated Surplus transferred from Carpark to Residential Property	3	2,092,958	-	(2,092,958)	-
Appropriation from Accumulated Surplus	6	1,929,277	47,036	-	1,976,313
Appropriation to Town Improvement and Project Funds	3	(1,929,277)	(47,036)	-	(1,976,313)
Balance at 31 March 2024		119,879,093	31,532,567	35,250	151,446,910

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 \$
Cash Flows from Operating Activities			
Deficit before taxation and government grants	3	(4,169,712)	(3,397,841)
Adjustments for:			
(Write-back)/allowance for impairment of conservancy and service fees receivables	10, 19	(215,917)	96,413
Depreciation of plant and equipment	7, 19	50,156	62,451
Depreciation of right-of-use asset	8, 19	204,528	212,633
Gain on disposal of plant and equipment	18	(13,400)	(210)
Interest expense	14, 19	32,790	7,172
Interest income	3	(290,522)	(246,965)
Operating income transfer to Sinking Funds	4	10,738,077	10,193,148
Operating income transfer to Lift Replacement Funds	5	5,782,041	5,488,627
Operating surplus before working capital changes		12,118,041	12,415,428
Changes in conservancy and service fees receivables		407,097	6,548
Changes in other receivables		(114,410)	407,416
Changes in other payables		6,118,431	(10,165,434)
Cash generated from operations before income tax		18,529,159	2,663,958
Government grants received	26(ii)	14,756,433	10,422,099
Funding received for Neighbourhood Renewal Programme	11	2,732,189	4,100,278
Neighbourhood Renewal Programme Funds expenditure	11	(12,712,641)	(3,361,120)
Funding received for Lift Enhancement Programme	24(a)	1,934,892	3,822,318
Lift Replacement Funds expenditure	24(b)	(4,513,969)	(12,966,604)
Sinking Funds expenditure	23(b)	(24,178,377)	(15,892,479)
Town Improvement and Project Funds expenditure	25	(6,702,189)	(1,351,466)
Goods and services tax claim		193,752	125,187
Income tax paid	21	(417,297)	(480,582)
Net cash used in operating activities		(10,378,048)	(12,918,411)
Cash Flows from Investing Activities			
Purchase of plant and equipment	7	(57,200)	-
Proceeds from sale of plant and equipment		13,400	210
Maturity/(placement) of fixed deposits		14,259,554	(5,064,691)
Maturity of bonds		10,000,000	10,000,000
Placement of bonds		(10,000,000)	-
Interest and investment income received		5,609,531	2,421,180
Net cash generated from investing activities		19,825,285	7,356,699
Cash Flows from Financing Activities			
Principal repayment of lease liabilities (Note A)		(191,610)	(221,325)
Interest expense paid (Note A)		(32,790)	(7,172)
Net cash used in financing activities		(224,400)	(228,497)
Net increase/(decrease) in cash and cash equivalents		9,222,837	(5,790,209)
Cash and cash equivalents at beginning of year		5,033,580	10,823,789
Cash and cash equivalents at end of year	13	14,256,417	5,033,580

Statement of cash flows (Cont'd)

for the financial year ended 31 March 2024

Note A

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.

	Note	At 1 April \$	Cash flows		Non-cash flows		At 31 March \$
			Principal repayment \$	Interest paid \$	New leases \$	Interest expenses \$	
2024							
Liabilities							
Lease liabilities	14	595,169	(191,610)	(32,790)	-	32,790	403,559
2023							
Liabilities							
Lease liabilities	14	202,910	(221,325)	(7,172)	613,584	7,172	595,169

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

Marsiling-Yew Tee Town Council (the “Town Council”) was formed on 1 October 2015 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 units, other commercial properties and market and food centres in the housing estates of the Housing & Development Board (“HDB”) within the Town.

The registered office is at Blk 306A Woodlands Street 31, #02-00, Singapore 731306.

The financial statements of the Town Council for the financial year ended 31 March 2024 were authorised for issue by the Town Council on the date of this report.

2(a) 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 as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar which is the Town Council’s functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

The accounting policies have been applied consistently to all periods presented in these financial statements.

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 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 judgements or complexity are described below

(a) Significant judgements in applying accounting policies

(i) Income tax (Note 21)

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 determination is made.

2(a) Basis of preparation (Cont'd)**Significant accounting estimates and judgements (Cont'd)****(a) Significant judgements in applying accounting policies (Cont'd)****(ii) Software-as-a-Service ("SaaS") arrangement**

The Town Council enters into a SaaS cloud computing arrangement with a third-party IT cloud provider to implement a management system for operational purposes. Under the arrangement, the customer is provided with a right to access the vendor's software application on the cloud over the contract period, and the vendor performs configuration and customisation to the customer's specifications. The Town Council does not control the software intangible asset because it is unable to run the software on its own hardware or contract with another party unrelated to the vendor to host the software without having to incur significant costs. The SaaS arrangement between the Town Council and the IT cloud provider is assessed to be a service contract. Significant judgement is also applied in determining that the configuration and customisation service provided by the vendor is not distinct from the access to the cloud software over the contract period as there is a significant degree of integration, modification and interdependency. As a result, fee for use of the cloud software is expensed as the service is provided; configuration and customisation costs are recognised as prepayment and expensed over the period of access to the cloud software; cost of the data conversion software developed for the Town Council is capitalised and amortised over its useful life; and testing and training costs are expensed as incurred.

(b) Critical assumptions and accounting estimates used in applying accounting policies**Allowance for expected credit losses (ECL) of conservancy and service fees receivables (Note 10), receivables for Neighbourhood Renewal Programme (NRP) (Note 11) and other receivables (Note 12)**

The Town Council assesses at the end of each reporting period whether there is any expected credit loss of conservancy and service fees, receivables for Neighbourhood Renewal Programme and other receivables based on assumptions about risk of default and expected loss rates. The Town Council considers factors such as past collection history, existing market conditions as well as forward looking estimates at each reporting period. The assessment of the correlation between historical observed default, economic conditions and expected credit loss is a significant estimate. Notwithstanding the above, the Town Council evaluates the expected credit loss on receivables in financial difficulties separately. The carrying amount of the Town Council's conservancy and service fees receivables, receivables for Neighbourhood Renewal Programme and other receivables as at 31 March 2024 were \$1,101,678 (2023 - \$1,015,618), \$9,483,488 (2023 - Nil) and \$14,590,714 (2023 - \$10,659,473) respectively. The decrease of 10% in the estimated future cash flows will not lead to further allowance for impairment on the Town Council's conservancy and service fees receivables, receivables for Neighbourhood Renewal Programme and other receivables.

2(b) Adoption of new and revised standards

On 1 April 2023, the Town Council has adopted all the new and revised FRS, FRS interpretations ("FRS INT") and amendments to FRS, effective for the current financial year that are relevant to them. The adoption of these new and revised FRS pronouncements does not result in significant changes to the Town Council's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to FRS 117	<i>Insurance Contracts</i>	1 January 2023
Amendments to FRS 1 and FRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to FRS 8	<i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to FRS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to FRS 12	<i>International Tax Reform – Pillar Two Model Rules</i>	1 January 2023

2(c) FRS issued but not yet effective

At the date of authorisation of these financial statements, the Town Council has not early adopted the new and revised FRS, FRS INT and amendments to FRS that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised FRS pronouncements in future periods will not have a material impact on the Town Council's accounting policies in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to FRS 1	<i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to FRS 1	<i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to FRS 116	<i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to FRS 107 and FRS 7	<i>Supplier Finance Arrangement</i>	1 January 2024
Amendments to FRS 21	<i>Lack of Exchangeability</i>	1 January 2025
Amendments to FRS 110 and FRS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined

2(d) Material accounting policy information**(a) Funds****Town Council Funds**

In accordance with section 47(1) of the Town Councils Act 1988, 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 funds related to properties under management, together with Sinking Funds, Lift Replacement Funds and Town Improvement and Project Funds form the Town Council funds.

All monies received by the Town Council are paid into and related expenditures are paid 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 Funds

In accordance with section 47(4) of the Town Councils Act 1988, separate Sinking Funds are established for the improvement to, management and maintenance of residential property and commercial property. The Sinking Funds are maintained as part of the Town Council funds.

Under the Town Councils Act 1988, 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 Sinking Funds.

The minimum amounts that are paid by each property type into the Sinking Funds for every quarter of the financial year starting 1 April 2017, and for every quarter of any subsequent financial year end, are as follows:

- (a) At least 26% of all conservancy and service charges which are levied by the Town Council for residential property and for commercial property, respectively, and are paid or due and payable, or both, to the Town Council in that quarter; and
- (b) At least 26% of -
 - (i) the total grants-in-aid received by the Town Council in that relevant quarter for residential property and commercial property, respectively; less
 - (ii) the Lift Replacement Funds matching grant-in-aid received by the Town Council in that same relevant quarter for that same property.

These minimum contributions are treated as operating income transfers and are deducted from conservancy and service fees and government grants in the statement of income and expenditure and other comprehensive income.

2(d) Material accounting policy information (Cont'd)**(a) Funds (Cont'd)****Sinking Funds (Cont'd)**

The Sinking Funds are utilised for cyclical works, including major repainting, renewal or replacement of roofing system, water tanks, pumps and water supply system, lightning protection system, 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 as defined under the Housing and Development Act.

Lift Replacement Funds

Lift Replacement Funds ("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 Funds.

Under the Town Councils Act 1988, 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 Funds.

The minimum amounts that are paid by each property type into the Lift Replacement Funds for every quarter of the financial year starting 1 April 2017, and for every quarter of any subsequent financial year end, are as follows:

- (a) At least 14% of all conservancy and service charges which are levied by the Town Council for residential property and for commercial property, respectively, and are paid or due and payable, or both, to the Town Council in that quarter; and
- (b) At least 14% of -
 - (i) the total grants-in-aid received by the Town Council in that relevant quarter for residential property and commercial property, respectively; less
 - (ii) the Lift Replacement Funds matching grant-in-aid received by the Town Council in that same relevant quarter for that same property.

These minimum contributions are treated as operating income transfers and are deducted from conservancy and service fees and government grants in the statement of income and expenditure and other comprehensive income.

Town Improvement and Project Funds

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

The funds comprise the amounts set aside for projects to be carried out in the next financial year. All expenditures on town improvement and projects are appropriated from these reserves.

The funds are 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").

2(d) Material accounting policy information (Cont'd)**(b) Inter-funds transfer**

Under Section 47(12) of the Town Councils Act 1988 and Rule 11A(1) of the Town Council Financial Rules, if there is a surplus in an operating fund or a surplus in an ordinary sinking fund of the Town Council at the end of the financial year, the Town Council may transfer the whole or part of the surplus in the operating fund to a lift replacement fund or an ordinary sinking fund, or transfer the whole or part of the surplus in an ordinary sinking fund to a lift replacement fund, but only to make good any deficit in the lift replacement fund.

Under Section 57(1)(i) of the Town Councils Act 1988, the Minister may make rules for the circumstances under which a surplus in an operating fund, sinking fund or lift replacement fund established for residential property, may be transferred to the same fund established for commercial property, and vice versa.

Under Rule 11A(2) and (3) of the Town Council Financial Rules, a surplus in an operating fund, sinking fund or lift replacement fund established for residential property, may be transferred to the same fund established for commercial property, and vice versa, to make good any deficit.

(c) Neighbourhood Renewal Programme

Neighbourhood Renewal Programme (NRP) is established in respect of the neighbourhood renewal programme works carried out on the qualifying properties. This upgrading scheme was entered into between the Town Council and HDB. The funding for the programme comes from the Government and is for the specific use of projects under the programme.

(d) 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 not applied to Town Improvement and Project Funds.

(e) Government grants

The Town Council receives six types of grants from the government:

- (i) Service and Conservancy Charge operating grant to meet the 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 Goods and Service Tax ("GST") subvention is given as grants-in-aid and is granted to assist the Town Councils for absorbing the GST increases in service and conservancy charges for HDB residential flats.

2(d) Material accounting policy information (Cont'd)**(e) Government grants (Cont'd)**

- (iv) The Lift Maintenance grant is given to help the Town Councils cope with higher lift-related servicing and maintenance costs, with a disbursement of \$600 annually for each lift maintained by the Town Council.
- (v) The Lift Replacement Funds ("LRF") matching grant is given to encourage Town Councils to set aside sufficient funds for the replacement of their existing lifts and lift parts, with disbursements to Town Councils made every quarter, matching 50% of the Town Council's quarterly contribution to its LRF.
- (vi) The Special Funding Support grant is given to buffer Town Councils from the full impact of increased costs of estate maintenance, with a periodical rise of Service and Conservancy Charge. The funding is computed based on Town Council's gazetted S&CC rate increases (for each flat type excluding GST) multiplied by the number of residential units managed by the Town Council as at 3 April 2023. The total amount of funding will be the sum of all the eligible flat types, subject to the cap.

Government grants are recognised at fair value when there are 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 unless the accounting treatment is specified.

(f) Plant and equipment and depreciation

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:

Office equipment	3 years
Furniture, fixtures and fittings	5 years
Data processing equipment	3 - 6 years
(including equipment for TCMS 3.0)	
Office renovation	5 years

The cost of 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 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 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.

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 plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual lives are reviewed and adjusted as appropriate at the end of each reporting period as a change in estimates.

2(d) Material accounting policy information (Cont'd)**(g) 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 other than goodwill 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.

(h) Financial instruments

Financial instruments carried on the statements of financial position include cash and bank balances, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Financial assets and financial liabilities are recognised when, only when the entity becomes party to the contractual provisions of the instruments. They are derecognised if the entity's rights or obligations specified in the contract expire or are discharged or cancelled.

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

Disclosures on financial risk management are provided in Note 30.

(i) Financial assets**Measurement****Initial recognition and measurement**

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Town Council's business model for managing them. With the exception of conservancy and service fee receivables that do not contain a significant financing component or for which the Town Council has applied the practical expedient, the Town Council initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Conservancy and service fees receivables are measured at the amount of consideration to which the Town Council expects to be entitled in exchange for transferring promised services to a resident. Refer to the accounting policies in this section **Revenue Recognition**.

2(d) Material accounting policy information (Cont'd)**(h) Financial instruments (Cont'd)****(i) Financial assets (Cont'd)****Measurement (Cont'd)****Initial recognition and measurement (Cont'd)**

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income ("OCI"), it needs to give rise to cash flows that are "solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Town Council's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Town Council commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments).
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments).
- Financial assets designated as fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity investments).
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

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 and expenditure when the assets are derecognised or impaired, and through the amortisation process.

The Town Council's financial assets at amortised cost include investments at amortised cost (bonds), conservancy and service fees receivables, receivables for Neighbourhood Renewal Programme, other receivables, and cash and bank balances.

2(d) Material accounting policy information (Cont'd)**(h) Financial instruments (Cont'd)****(i) Financial assets (Cont'd)****Measurement (Cont'd)****Subsequent measurement (Cont'd)****Financial assets designated as fair value through other comprehensive income ("FVOCI") (debt instruments)**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in income and expenditure statement and computed in the same manner as for financial assets measured at amortised cost. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to income and expenditure statement as a reclassification adjustment when the financial asset is de-recognised. The Town Council does not hold such financial assets.

Financial assets designated as fair value through other comprehensive income ("FVOCI") (equity investments)

The Town Council subsequently measures all equity investments at fair value. On initial recognition of an equity instrument that is not held-for-trading, the Town Council may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument - by - instrument basis. Dividends from such investments are to be recognised in income and expenditure statement when the Town Council's right to receive payments is established.

Changes in fair value of financial assets at fair value through profit or loss are recognised in income and expenditure statement. Changes in fair value of financial assets at FVOCI recognised in OCI are never recycled to income and expenditure statement. Dividends are recognised as other income in the income and expenditure statement when the right of payment has been established, except when the Town Council benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity investments designated at FVOCI are not subject to impairment assessment. The Town Council does not hold such financial assets.

Financial assets at fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

2(d) Material accounting policy information (Cont'd)**(h) Financial instruments (Cont'd)****(i) Financial assets (Cont'd)****Measurement (Cont'd)****Subsequent measurement (Cont'd)****Financial assets at fair value through profit or loss (Cont'd)**

Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in income and expenditure statement in the period in which it arises. Interest income from these financial assets is included in the finance income. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of income and expenditure and other comprehensive income. The Town Council does not hold such financial assets.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Town Council has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the Town Council has transferred substantially all the risks and rewards of the asset, or (b) the Town Council has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Town Council has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Town Council continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Town Council also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Town Council has retained.

Continuing involvement that takes form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Town Council could be required to repay.

2(d) Material accounting policy information (Cont'd)**(h) Financial instruments (Cont'd)****(i) Financial assets (Cont'd)****Impairment of financial assets**

The Town Council assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt instrument assets carried at amortised cost. ECL 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 – months ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For conservancy and service fee receivables, the Town Council measures the loss allowance at an amount equal to the lifetime expected credit losses. 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 contractual payments are 90 days past due. However, in certain cases, the Town Council may also consider a financial asset to be 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.

(ii) Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition.

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. The Town Council's financial liabilities include other payables and lease liabilities.

2(d) Material accounting policy information (Cont'd)**(i) Cash and cash equivalents**

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

(j) 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.

(k) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Town Council have received consideration (or an amount of consideration is due) from customer. If a customer pays consideration before the Town Council transfer good or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Town Council perform under the contract. Contract liabilities include conservancy and service fee received in advance.

(l) Employee benefits**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 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 satisfied 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 collected to the satisfied performance obligation.

(i) Conservancy and service fees

Conservancy and service fees are recognised when due, i.e. when the service is rendered.

2(d) Material accounting policy information (Cont'd)**(m) Revenue recognition (Cont'd)****(ii) Agency fees**

Agency fees for routine maintenance of HDB's carparks are recognised when due, i.e. when the service is rendered.

(iii) Interest and investment income

Interest income from fixed deposits is recognised on a time-proportion basis using the effective interest method.

Interest income from bonds is recognised using the effective interest method.

(iv) Other income

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

(n) Income tax

Income tax is provided on the following income:

- (i) Income derived from investments and bank deposits;
- (ii) Agency fees 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.

Tax shall be payable at the rate of 10% on income derived from the operation of its approved Finance and Treasury Centre in respect of the provision of qualifying services and activities which have been approved under Section 43G(2) of the Income Tax Act 1947.

2(d) Material accounting policy information (Cont'd)**(o) 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").

(p) Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Town Council; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Town Council.

Contingent liabilities and assets are not recognised on the balance sheet of the Town Council, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

(q) Leases**The Town Council as lessee**

The Town Council assess whether a contract is or contains a lease, at inception of the contract. The Town Council recognise a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Town Council recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Town Council use the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

2(d) Material accounting policy information (Cont'd)**(q) Leases (Cont'd)**The Town Council as lessee (Cont'd)**(a) Lease liability (Cont'd)**

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

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

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Town Council shall recognise those lease payments in income and expenditure in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Town Council have elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position.

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

The Town Council remeasure the lease liability (with a corresponding adjustment to the related right-of-use asset or to income and expenditure if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or

2(d) Material accounting policy information (Cont'd)**(q) Leases (Cont'd)**The Town Council as lessee (Cont'd)**(a) Lease liability (Cont'd)**

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

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

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

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Office premises	over lease term of 3 years
-----------------	----------------------------

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Town Council expect to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position.

The Town Council apply FRS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

MARSILING-YEW TEE 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

The surplus for the year attributable to the various activities is carried forward as Accumulated Surplus in the respective funds as follows:

	Note	Residential property		Commercial property		Carparks		Total	
		2024	2023	2024	2023	2024	2023	2024	2023
		\$	\$	\$	\$	\$	\$	\$	\$
Operating income									
Conservancy and service fees		39,785,746	37,756,979	1,514,511	1,447,389	-	-	41,300,257	39,204,368
Less:									
Operating income transfer to Sinking Funds	4	(10,344,304)	(9,816,826)	(393,773)	(376,322)	-	-	(10,738,077)	(10,193,148)
Operating income transfer to Lift Replacement Funds	5	(5,570,009)	(5,285,991)	(212,032)	(202,636)	-	-	(5,782,041)	(5,488,627)
Agency fees	17	-	-	-	-	-	-	-	-
Other income	18	1,994,667	1,964,500	378,524	363,414	3,703,452	3,550,094	24,780,139	23,522,593
		25,866,100	24,618,662	1,287,230	1,231,845	115,871	130,457	3,703,452	3,550,094
Less: Operating expenditure		(31,465,006)	(29,260,535)	(914,046)	(890,928)	3,819,323	3,680,551	2,489,062	2,458,371
Operating (deficit)/surplus		(5,598,906)	(4,641,873)	373,184	340,917	(3,053,835)	(3,024,401)	30,972,653	29,531,058
Add: Interest income		256,008	217,537	6,244	5,380	765,488	656,150	(4,460,234)	(3,644,806)
(Deficit)/surplus before taxation and government grants		(5,342,898)	(4,424,336)	379,428	346,297	28,270	24,048	290,522	246,965
Less: Income tax	21	(286,181)	(257,343)	(6,986)	(6,312)	793,758	680,198	(4,169,712)	(3,397,841)
(Deficit)/surplus after taxation but before government grants		(5,629,079)	(4,681,679)	372,442	339,985	762,018	651,995	(4,494,619)	(3,689,699)
Add: Government grants	26	18,522,043	10,598,533	121,832	117,085	-	-	18,643,875	10,715,618
Less:									
Transfer to Sinking Funds	4, 26	(2,368,338)	(1,761,083)	(4,135)	(4,135)	-	-	(2,372,473)	(1,765,218)
Transfer to Lift Replacement Funds	5, 26	(4,745,607)	(4,054,693)	(108,153)	(103,406)	-	-	(4,853,760)	(4,158,099)
Transfer to Town Improvement and Project Funds	6, 26	(5,942,700)	(718,730)	-	-	-	-	(5,942,700)	(718,730)
		5,465,398	4,064,027	9,544	9,544	-	-	5,474,942	4,073,571
(Deficit)/surplus for the year		(163,681)	(617,652)	381,986	349,529	762,018	651,995	980,323	383,872
Accumulated Surplus at 1 April		-	2,499,721	1,632,028	1,352,614	1,366,190	1,695,696	2,998,218	5,548,031
Add/(Less):									
Accumulated Surplus transferred from									
Carpark to Residential Property		2,092,958	981,501	-	-	(2,092,958)	(981,501)	-	-
Appropriation to Town Improvement and Project Funds	6	(1,929,277)	(2,863,570)	(47,036)	(70,115)	-	-	(1,976,313)	(2,933,685)
Accumulated Surplus at 31 March		-	-	1,966,978	1,632,028	35,250	1,366,190	2,002,228	2,998,218

MARSILING-YEW TEE TOWN COUNCIL

(Established under the Town Councils Act 1988)

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

4 Sinking Funds

	Note	Residential property		Commercial property		Total	
		2024	2023	2024	2023	2024	2023
		\$	\$	\$	\$	\$	\$
Balance at 1 April		85,611,147	87,555,320	23,893,822	23,845,939	109,504,969	111,401,259
Add:							
Other income	23	3,814,088	2,402,520	-	-	3,814,088	2,402,520
Operating income transfer from conservancy and service fees (minimum required by law)	3	10,344,304	9,816,826	393,773	376,322	10,738,077	10,193,148
Transfer from Special Funding Support grant		449,336	-	-	-	449,336	-
Transfer from government grants	3, 26	1,919,002	1,761,083	4,135	4,135	1,923,137	1,765,218
		2,368,338	1,761,083	4,135	4,135	2,372,473	1,765,218
		16,526,730	13,980,429	397,908	380,457	16,924,638	14,360,886
Less:							
Expenditure	23	(23,873,900)	(15,640,393)	(304,477)	(252,086)	(24,178,377)	(15,892,479)
Income tax	21	(473,304)	(284,209)	(145,233)	(80,488)	(618,537)	(364,697)
(Deficit)/Surplus for the year		(7,820,474)	(1,944,173)	(51,802)	47,883	(7,872,276)	(1,896,290)
Balance at 31 March		77,790,673	85,611,147	23,842,020	23,893,822	101,632,693	109,504,969

Represented by:

Non-Current assets	9	16,000,000	10,000,000
Investments at amortised cost			
Current assets			
Investments at amortised cost	9	262,786	8,000,000
Conservancy and service fees receivables	10	1,086,382	244,501
Other receivables		444,831	817,732
Accrued interest		1,531,213	777,893
Amount due from accumulated surplus	12	3,754,222	1,595,625
Cash and bank balances	13	84,839,589	3,399,450
		90,387,810	87,291,812
Total assets		106,387,810	110,531,388
Less:			
Current liabilities			
Conservancy and service fees received in advance	15	316,157	252,341
Other payables	16	3,455,726	271,221
Income tax payable	21	983,234	502,857
Total liabilities		4,755,117	1,026,419
NET ASSETS		101,632,693	109,504,969

MARSILING-YEW TEE TOWN COUNCIL**(Established under the Town Councils Act 1988)****Notes to the financial statements for the financial year ended 31 March 2024****5 Lift Replacement Funds**

	Note	Residential property 2024 \$	Residential property 2023 \$	Commercial property 2024 \$	Commercial property 2023 \$	2024 \$	2023 \$	Total
Balance at 1 April		27,910,954	27,043,204	5,418,605	5,281,081	33,329,559	32,324,285	
Add:								
Other income	24	2,977,296	4,358,945	9,008	57,189	2,986,304	4,416,134	
Operating income transfer from conservancy and service fees (minimum required by law)	3	5,570,009	5,285,991	212,032	202,636	5,782,041	5,488,627	
Transfer from Special Funding Support grant		241,950	-	-	-	241,950	-	
Transfer from government grants		1,033,313	948,277	2,226	2,226	1,035,539	950,503	
Lift Replacement Funds matching grant		3,470,344	3,106,416	105,927	101,180	3,576,271	3,207,596	
	3, 26	4,745,607	4,054,693	108,153	103,406	4,853,760	4,158,099	
		13,292,912	13,699,629	329,193	363,231	13,622,105	14,062,860	
Less:								
Expenditure	24	(4,483,272)	(12,756,819)	(30,697)	(209,785)	(4,513,969)	(12,966,604)	
Income tax	21	(150,561)	(75,060)	(23,377)	(15,922)	(173,938)	(90,982)	
Surplus for the year		8,659,079	867,750	275,119	137,524	8,934,198	1,005,274	
Balance at 31 March		36,570,033	27,910,954	5,693,724	5,418,605	42,263,757	33,329,559	

Represented by:

Non-Current assets	9	4,000,000	-					
Investments at amortised cost								
Current assets								
Investments at amortised cost	9			141,500			2,000,000	
Conservancy and service fees receivables	10			4,135,725		4,623,675	131,654	
Other receivables				175,305		177,864		
Accrued interest				4,311,030		4,801,539		
Amount due from accumulated surplus	12			3,851,065		1,513,472		
Cash and bank balances	13			31,822,191		28,513,658		
Total assets				39,925,786		36,960,323		
				43,925,786		36,960,323		
Less:								
Current liabilities								
Conservancy and service fees received in advance	15			170,238		135,876		
Other payables	16			1,226,871		3,365,362		
Income tax payable	21			264,920		129,526		
Total liabilities				1,562,029		3,630,764		
NET ASSETS				42,263,757		33,329,559		

6 Town Improvement and Project Funds

	Note	Residential property 2024 \$	Residential property 2023 \$	Commercial property 2024 \$	Commercial property 2023 \$	Total 2024 \$	Total 2023 \$
Balance at 1 April		4,276,828	2,024,097	54,580	6,362	4,331,408	2,030,459
Add/(Less):							
Transfer from government grants	3, 26	5,942,700	718,730	-	-	5,942,700	718,730
Expenditure	25	(6,630,418)	(1,329,569)	(71,771)	(21,897)	(6,702,189)	(1,351,466)
Deficit for the year		(687,718)	(610,839)	(71,771)	(21,897)	(759,489)	(632,736)
		3,589,110	1,413,258	(17,191)	(15,535)	3,571,919	1,397,723
Add:							
Appropriation from Accumulated Surplus	3	1,929,277	2,863,570	47,036	70,115	1,976,313	2,933,685
Balance at 31 March		5,518,387	4,276,828	29,845	54,580	5,548,232	4,331,408

Represented by:

Current assets			
Other receivables	12	7,135,273	2,694,812
Amount due from Accumulated Surplus		-	1,740,729
Total assets		7,135,273	4,435,541
Less:			
Current liabilities			
Other payables	16	1,248,449	104,133
Amount due to Accumulated Surplus		338,592	-
Total liabilities		1,587,041	104,133
NET ASSETS		5,548,232	4,331,408

7 Plant and equipment

	Office equipment \$	Furniture, fixtures and fittings \$	Data processing equipment \$	Office renovation \$	Total \$
Cost					
At 1 April 2022	237,146	612,954	290,800	413,795	1,554,695
Additions	-	-	-	-	-
Disposals	-	(1,100)	-	-	(1,100)
At 31 March 2023	237,146	611,854	290,800	413,795	1,553,595
Additions	57,200	-	-	-	57,200
Disposals	(28,412)	(159)	(70,162)	-	(98,733)
At 31 March 2024	265,934	611,695	220,638	413,795	1,512,062
Accumulated depreciation					
At 1 April 2022	236,089	607,932	187,081	408,055	1,439,157
Depreciation for the year (Note 19)	396	3,343	56,686	2,026	62,451
Disposals	-	(1,100)	-	-	(1,100)
At 31 March 2023	236,485	610,175	243,767	410,081	1,500,508
Depreciation for the year (Note 19)	17,874	1,679	28,577	2,026	50,156
Disposals	(28,412)	(159)	(70,162)	-	(98,733)
At 31 March 2024	225,947	611,695	202,182	412,107	1,451,931
Net book value					
At 31 March 2024	39,987	-	18,456	1,688	60,131
At 31 March 2023	661	1,679	47,033	3,714	53,087

8 Right-of-use assets

The Town Council has lease contracts for office premises.

The Town Council applies the 'short-term lease' recognition exemptions for certain leases with lease terms of 12 months or less.

	Office premises \$	Total \$
Cost		
At 1 April 2022	750,017	750,017
Additions	613,584	613,584
Disposals	(604,937)	(604,937)
At 31 March 2023	758,664	758,664
Additions	-	-
At 31 March 2024	758,664	758,664
Accumulated depreciation		
At 1 April 2022	409,348	409,348
Depreciation for the year (Note 19)	212,633	212,633
Disposals	(604,937)	(604,937)
At 31 March 2023	17,044	17,044
Depreciation for the year (Note 19)	204,528	204,528
At 31 March 2024	221,572	221,572
Net book value		
At 31 March 2024	537,092	537,092
At 31 March 2023	741,620	741,620

9 Investments at amortised cost

	Note	2024 \$	2023 \$
Investments in bonds classified as financial assets at amortised cost:			
- Quoted bonds issued by statutory boards		20,000,000	20,000,000
Maturing:			
Within 1 year		-	10,000,000
After one year but within five years		20,000,000	10,000,000
		20,000,000	20,000,000
Recorded in:			
Sinking Funds	4	16,000,000	18,000,000
Lift Replacement Funds	5	4,000,000	2,000,000
		20,000,000	20,000,000

The fair value of investments at amortised cost based on the closing bid price at the end of the financial year as follows:

	2024 \$	2023 \$
Quoted bonds	19,801,800	19,717,000

The fair value of the quoted bonds are within Level 1 of the fair value hierarchy.

The investments are denominated in Singapore Dollar. These funds are invested in accordance with The Town Councils Act 1988.

Investments in quoted bonds issued by statutory boards, with a fixed interest rate of 2.63% to 3.10% (2023 - 2.42% to 2.63%) per annum and maturity date of September 2025 to November 2028 (2023 - July 2023 to September 2025) as at reporting date.

10 Conservancy and service fees receivables

	Note	2024 \$	2023 \$
Conservancy and service fees receivables		2,119,475	2,267,903
Less: Allowance for impairment		(1,017,797)	(1,252,285)
		1,101,678	1,015,618
Recorded in:			
Accumulated surplus		697,392	639,463
Sinking Funds	4	262,786	244,501
Lift Replacement Funds	5	141,500	131,654
		1,101,678	1,015,618

Conservancy and service fees receivables are denominated in Singapore Dollar.

10 Conservancy and service fees receivables (Cont'd)Receivables that are impaired

The movements in allowance for impairment of conservancy and service fees receivables during the year are as follows:

	Note	2024 \$	2023 \$
Balance at 1 April		1,252,285	1,199,415
(Write-back)/allowance provided for the year	19	(215,917)	96,413
Allowance written off		(18,571)	(43,543)
Balance at 31 March		1,017,797	1,252,285

Conservancy and service fees receivables that are individually determined to be impaired at the end of the reporting year relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

11 (Receivables)/advances received for Neighbourhood Renewal Programme

	2024 \$	2023 \$
Balance at 1 April	496,964	(242,194)
Add/(less):		
Funding from Government	2,732,189	4,100,278
Payments to contractors	(12,712,641)	(3,361,120)
	(9,980,452)	739,158
Balance at 31 March	(9,483,488)	496,964

Neighbourhood Renewal Programme ("NRP") is established in respect of the neighbourhood renewal programme works carried out on the qualifying properties. This upgrading scheme was entered into between the Town Council and HDB. The funding for the programme comes from the Government and is for the specific use of projects under the programme.

The balances are denominated in Singapore Dollar.

12 Other receivables

	2024 \$	2023 \$
GST subvention receivable	578,429	453,414
Lift Replacement Funds Matching Grant	771,571	709,666
Receivables from Citizens' Consultative Committees	6,990,040	2,697,528
Conservancy and service grant receivables	-	15,340
	8,340,040	3,875,948
Recoverable from contractors	730,371	796,680
Deposits	272,427	271,235
Accrued interest on investments at amortised cost	118,202	53,164
Accrued interest on fixed deposits	503,292	1,021,839
Lift enhancement receivable	3,536,201	3,432,550
Others	128,317	34,056
At amortised cost	13,628,850	9,485,472
GST receivables	760,559	954,311
Prepayments	201,305	219,690
	14,590,714	10,659,473

12 Other receivables (Cont'd)

	Note	2024 \$	2023 \$
Recorded in:			
Accumulated surplus		1,613,198	1,567,497
Sinking Funds	4	1,531,213	1,595,625
Lift Replacement Funds	5	4,311,030	4,801,539
Town Improvement and Project Funds	6	7,135,273	2,694,812
		14,590,714	10,659,473

Other receivables are denominated in Singapore Dollar.

13 Cash and bank balances

	Note	2024 \$	2023 \$
Cash and bank balances		11,205,856	5,033,580
Fixed deposits		110,958,857	122,167,850
		122,164,713	127,201,430
Recorded in:			
Accumulated surplus:			
Cash and bank balances		4,177,652	3,208,530
Fixed deposits		1,525,281	8,187,430
		5,702,933	11,395,960
Sinking Funds:			
Cash and bank balances		2,152,124	89,895
Fixed deposits		82,687,465	87,201,917
	4	84,839,589	87,291,812
Lift Replacement Funds:			
Cash and bank balances		4,876,080	1,735,155
Fixed deposits		26,746,111	26,778,503
	5	31,622,191	28,513,658
		122,164,713	127,201,430

Cash and bank balances are denominated in Singapore Dollar.

The interest rate for the fixed deposits ranges between 3.15% and 3.95% (2023 - 3.65% and 4.50%) per annum, receivable one year in arrears. The effective interest rate is 4.04% (2023 - 3.26%) per annum.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	2024 \$	2023 \$
Cash and bank balances	122,164,713	127,201,430
Less:		
Short term fixed deposits with maturity more than 3 months	(107,908,296)	(122,167,850)
Cash and cash equivalents as per statement of cash flows	14,256,417	5,033,580

14 Lease Liabilities

	2024 \$	2023 \$
Undiscounted lease payments due:		
- Year 1	224,400	224,400
- Year 2	205,700	224,400
- Year 3	-	205,700
	430,100	654,500
Less: Unearned interest cost	(26,541)	(59,331)
Lease liabilities	403,559	595,169
Presented as:		
- Non-current	199,218	403,559
- Current	204,341	191,610
	403,559	595,169

Interest expense on lease liabilities of \$32,790 (2023 - \$7,172) is recognised within general and administrative expenditure in the statement of income and expenditure (Note 19).

Rental expenses not capitalised in lease liabilities but recognised within "general and administrative expenditure" in the statement of income and expenditure are set out below:

	2024 \$	2023 \$
Variable lease payments not dependent on an index or rate	35,052	33,518

Total cash outflows for all leases (including interest paid) in the year amount to \$224,400 (2023 \$228,497).

As at 31 March 2024, the Town Council's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Town Council's short-term lease expense for the year.

The Town Council's lease liabilities are secured by the lessors' title to the leased assets.

The lease liabilities are denominated in Singapore Dollar.

15 Conservancy and service fees received in advance

	Note	2024 \$	2023 \$
Contract liabilities		1,325,427	1,048,187
Recorded in:			
Accumulated surplus		839,032	659,970
Sinking Funds	4	316,157	252,341
Lift Replacement Funds	5	170,238	135,876
		1,325,427	1,048,187

15 Conservancy and service fees received in advance (Cont'd)

The contract liabilities primarily relate to the advance consideration received from customers for conservancy and service fees. The contract liabilities are recognised as revenue when the Town Council fulfils its performance obligation under the contract with the customers. The details are as follows:

	2024 \$	2023 \$
Revenue recognised that was included in contract liabilities at beginning of year	919,658	829,552
Increase due to cash received, excluding amounts recognised as revenue during the year	(1,196,898)	(940,403)

Contract liabilities are denominated in Singapore Dollar.

16 Other payables

	Note	2024 \$	2023 \$
Payables to contractors		5,964,019	1,227,311
Other creditors		1,264,833	1,220,957
Accrued operating expenses		4,996,455	3,573,295
Refundable deposits		95,044	180,357
At amortised cost		12,320,351	6,201,920
Conservancy and service grant received in advance		578	-
Special funding support (SFS) grant received in advance		576,072	-
		12,897,001	6,201,920
Recorded in:			
Accumulated surplus		6,965,955	2,461,204
Sinking Funds	4	3,455,726	271,221
Lift Replacement Funds	5	1,226,871	3,365,362
Town Improvement and Project Funds	6	1,248,449	104,133
		12,897,001	6,201,920

Included in payables to contractors is an amount of \$406,014 (2023 - \$639,277) due to managing agent of the Town Council.

Included in accrued operating expenses is an amount of \$145,080 (2023 - \$145,080) which is restoration costs of office leases.

Other payables are generally on 30 to 90 (2023 - 30 to 90) days' credit terms.

Other payables are denominated in Singapore Dollar.

17 Agency fees

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

18 Other income

	2024 \$	2023 \$
Jobs Growth Incentive	-	43,500
Late payment penalty	137,547	146,323
Liquidated damages	74,765	81,990
Sale of tender documents	23,592	20,333
Sundry fines	25,417	26,693
Sundry income	288,668	245,562
Temporary Occupational Licence ("TOL") income	1,380,782	1,376,789
Use of common property income	31,360	23,020
Use of void decks	4,350	300
Use of water and electricity at void decks	449,569	373,345
Gain on sale of plant and equipment	13,400	210
Others	59,612	120,306
	2,489,062	2,458,371

19 General and administrative expenditure

	Note	2024 \$	2023 \$
Advertising and public relations		240,842	330,081
Computer service		300,828	308,207
Depreciation of plant and equipment	7	50,156	62,451
Depreciation of right-of-use asset	8	204,528	212,633
Fees and charges		851,088	773,863
Interest expenses – lease liabilities	14	32,790	7,172
(Write-back)/allowance for impairment of conservancy and service fees receivables	10	(215,917)	96,413
Office rental and upkeep expenditure		152,963	150,425
Office supplies and stationery		169,197	128,705
Plant and equipment not capitalised		-	3,338
Professional fee		110,151	80,559
Property tax		135,055	141,754
Penalty fee written off		15,389	17,905
Staff cost and related costs (Key Management Personnel)	28	343,414	319,315
Town Councillors' allowance	28	115,764	107,467
Unclaimable goods and services tax	22	244,381	157,554
Others		25,675	41,874
		2,776,304	2,939,716
Expenses allocated to Sinking Funds			
- Write-back/(allowance for impairment) of receivables and bad debts written-off	23	56,138	(25,067)
- General and administrative expenses	23	(97,247)	(92,408)
Expenses allocated to Lift Replacement Funds			
- Write-back/(allowance for impairment) of receivables and bad debts written-off	24	30,228	(13,498)
- General and administrative expenses	24	(52,364)	(49,758)
		2,713,059	2,758,985

An amount of \$Nil (2023 - \$81,735) which relates to reimbursement for Safe Management Measure (SMM) at market from Ministry of National Development is offset with general and administrative expenses.

20 Managing agent's fees

Daily operations of Town Council has been outsourced to a managing agent for a fee of \$5,160,674 (2023 - \$4,845,254) for the financial year ended 31 March 2024.

21 Income tax

	Note	2024 \$	2023 \$
Current tax expense		1,117,376	747,537
Under-provision of tax in previous financial years		6	-
		1,117,382	747,537
Recorded in:			
Accumulated surplus	3	324,907	291,858
Sinking Funds	4	618,537	364,697
Lift Replacement Funds	5	173,938	90,982
		1,117,382	747,537

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the Town Council's (deficit)/surplus as a result of the following:

	2024 \$	2023 \$
Investment and interest income	5,156,006	3,243,285
Government grants and other income	20,267,062	12,367,235
Allowable expenses	(138,157)	(187,200)
	25,284,911	15,423,320
Tax calculated at a tax rate of 17% (2023 - 17%)	4,298,435	2,621,964
Tax effect of certain income taxed at concessionary tax rate	(31,398)	(50,639)
Tax remission of government grants under section 92(2) of Singapore Income Tax Act	(3,132,236)	(1,806,363)
Tax exempt income	(17,425)	(17,425)
Under-provision of tax in previous financial years	6	-
	1,117,382	747,537

The Town Council enjoys a concessionary tax rate of 10% for the income earned on investment in bonds.

Movements in provision for income taxes are as follows:

	Note	2024 \$	2023 \$
Balance as at 1 April		1,164,834	897,879
Current financial year's income tax expense		1,117,376	747,537
Under-provision of tax in previous financial years		6	-
		1,117,382	747,537
Payments during the year		(417,297)	(480,582)
Balance as at 31 March		1,864,919	1,164,834
Recorded in:			
Accumulated surplus		616,765	532,451
Sinking Funds	4	983,234	502,857
Lift Replacement Funds	5	264,920	129,526
		1,864,919	1,164,834

22 Goods and Services Tax ("GST")

Government grants received by the Town Council are considered non-taxable supplies. Therefore, input tax claimable is based on a formula determined by the Inland Revenue Authority of Singapore.

The unclaimed portion is charged to the Statement of Income and Expenditure and Other Comprehensive Income, Sinking Funds Statement and Lift Replacement Funds Statement, respectively, during the financial year.

23 Sinking Funds income and expenditure**(a) Other income**

	2024 \$	2023 \$
Interest income	3,814,088	2,402,520

(b) Expenditure

	Note	2024 \$	2023 \$
Reroofing works		3,073,635	4,669,125
Repairs and redecoration works		7,539,869	3,376,059
Replacement of water pipes		2,034,238	1,962,783
Project management Fees		860,126	588,236
Unclaimable GST	22	282,814	171,254
Electrical rewiring		6,564,875	2,234,031
Replacement of water pumpsets		1,162,509	323,221
Replacement of booster pumpsets		295,620	109,469
Replacement of refuse handling equipment		-	407,990
Replacement of alert alarm system		-	400,600
Safety provision at rooftop of HDB blocks		547,587	(10,570)
Replacement of stainless-steel tank lining		649,385	165,928
Replacement of lamp post		796,885	1,202,185
Periodic facade inspection		329,725	154,813
Replacement of FRP water tank		-	19,880
<u>Expenses allocated from Accumulated Surplus</u>			
- (Write-back)/allowance for impairment of receivables and bad debts written off	19	(56,138)	25,067
- General and administrative expenses	19	97,247	92,408
	4	24,178,377	15,892,479

24 Lift Replacement Funds income and expenditure**(a) Other income**

	2024 \$	2023 \$
Funding from Lift Enhancement programme	1,934,892	3,822,318
Interest income	1,051,412	593,816
	2,986,304	4,416,134

(b) Expenditure

	Note	2024 \$	2023 \$
Replacement of main sheaves/ropes		608,728	779,010
Replacement of ARD battery		191,767	345,857
Replacement of EBOPS battery		33,103	105,403
Lift overhauls/total replacement works		-	5,862,596
Replacement of lift position display panel		111,007	476,718
Replacement of inverter units		700,252	452,296
Replacement of lift lobby fire detector		70,927	9,420
Project management fees		177,548	519,137
Unclaimable GST	22	283,625	206,361
Lift enhancement programme expenses		2,314,876	4,146,550
<u>Expenses allocated from Accumulated Surplus</u>			
- (Write-back)/allowance for impairment of receivables and bad debts written off	19	(30,228)	13,498
- General and administrative expenses	19	52,364	49,758
	5	4,513,969	12,966,604

25 Town Improvement and Project Funds expenditure

	Note	2024 \$	2023 \$
Construction of covered linkway		632,138	537,844
Large-scale town wide improvement		5,750,104	291,852
Minor improvements		85,812	57,705
Construction/upgrading of playgrounds/fitness corners		86,200	-
Consultancy fees and project management fees		145,807	462,193
General and administrative expenses		2,128	1,872
	6	6,702,189	1,351,466

(Established under the Town Councils Act 1988)

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

26 Government grants

(i) Government grants taken to the statement of income and expenditure and other comprehensive income during the year are as follows:

Note	Conservancy and Service Charge Operating Grant		Special Funding Support Grant		GST Subvention Grant		Payment from Citizens' Consultative Committee		Lift Maintenance Grant		Lift Replacement Funds Matching Grant		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Government grants received/receivable during the year	3	4,611,510	4,479,138	1,728,217	-	2,020,777	1,552,954	5,942,700	718,730	764,400	757,200	3,576,271	3,207,596	18,643,875
														10,715,618
Less: Transfer to Sinking Funds	3, 4	(1,198,992)	(1,164,578)	(449,336)	-	(525,401)	(403,768)	-	-	(198,744)	(196,872)	-	-	(2,372,473)
Transfer to Lift Replacement Funds														(1,765,218)
Transfer to Town Improvement and Project Funds	3, 5	(645,612)	(627,081)	(241,950)	-	(282,911)	(217,414)	-	-	(107,016)	(106,008)	(3,576,271)	(3,207,596)	(4,158,099)
	3, 6	-	-	-	-	-	-	(5,942,700)	(718,730)	-	-	-	-	(5,942,700)
		2,766,906	2,687,479	1,036,931	-	1,212,465	931,772	-	-	458,640	454,320	-	-	5,474,942
														4,073,571

(ii) 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/receivable to date at 1 April	76,462,303	66,040,204
Grants received during the year	14,756,433	10,422,099
Total grants received/receivable to date at 31 March	91,218,736	76,462,303

27 Capital commitments

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

	2024 \$	2023 \$
Amount approved and contracted for	48,399,172	39,834,722
Amount approved but not contracted for	76,941,792	88,542,825
	125,340,964	128,377,547

28 Key management personnel

Key management refers to the Town Councillors and directors appointed by Town Council. The remuneration paid to the Town Councillors and directors are disclosed in Note 19 to the financial statements.

29 Significant related party transactions

The Town Council is managed by the managing agent, EM Services Pte Ltd. Related party relates to the managing agent who manages the operations of the Town Council and provides key management personnel services to the Town Council.

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Town Council and the managing agent took place during the financial year.

	2024 \$	2023 \$
Managing Agent Fees	5,160,674	4,845,254
Energy Saving Project	1,204,173	1,368,172
Upgrading and Construction of Playground/Fitness Equipment	12,900	125,600
Project Management Fees	1,419,987	978,953
Lift Repairs, Servicing and Upgrading	396,167	6,504,048
Others	146,868	138,709

30 Financial instruments and financial risks

The Town Council's financial instruments comprise certain cash and bank balances, and various items including investment in financial assets, conservancy and service fees receivables, other receivables, accrued expenses and other payables that arise from its operations.

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. The financial assets of the Town Council comprise mainly conservancy and service fees receivables, other receivables, receivables for Neighbourhood Renewal Programme and cash and bank balances.

30 Financial instruments and financial risks (Cont'd)**30.1 Credit risk (Cont'd)**

Fixed and bank deposits are placed with Singapore-regulated financial institutions.

Investment in bonds comprising bonds issued by statutory boards and government-related agencies, that are considered to be of good credit standing.

Concentration of credit risk relating to conservancy and service fees receivables is limited due to the exposure is spread over a large number of households. The Town Council's historical experience in the collection of conservancy and service fees receivables indicates that no additional credit risk beyond amounts provided for collection losses is inherent in the Town Council's conservancy and service fee receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

There are no other material class of financial assets that are past due except for the conservancy and service fees receivables as disclosed below:

	Note	2024 \$	2023 \$
Not past due (less than 30 days)		5,637	59,318
Past due 30 to 90 days		354,758	308,315
Past due 91 to 180 days		169,793	129,201
Past due 181 to 360 days		227,535	206,110
Past due over 360 days		1,361,752	1,564,959
		2,119,475	2,267,903
Less: Impairment losses		(1,017,797)	(1,252,285)
	10	1,101,678	1,015,618

Conservancy and service fees receivables amounting to \$1,096,041 (2023 - \$956,300) are past due at the financial year end but not impaired, as the management believes that it will be collectible in the foreseeable future as a result of recovery efforts and historical experience.

The analysis of other receivables (excluding prepayments and GST receivables) and receivables for Neighbourhood Renewal Programme is at follows:

	Note	2024 \$	2023 \$
Not past due (less than 30 days)			
- Other receivables	12	13,628,850	9,485,472
- Receivables for Neighbourhood Renewal Programme	11	9,483,488	-
		23,112,338	9,485,472

30 Financial instruments and financial risks (Cont'd)**30.1 Credit risk (Cont'd)**Exposure to credit risk

The tables below detail the credit quality of the Town Council's financial assets and other items, as well as maximum exposure to credit risk by credit risk rating grades:

	Internal credit rating	12-month/ Lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
2024					
Conservancy and service fee receivables	(1)	Lifetime ECL	2,119,475	(1,017,797)	1,101,678
Receivables for Neighbourhood Renewal Programme	(2)	12-month ECL	9,483,488	-	9,483,488
Other receivables*	(3)	12-month ECL	13,628,850	-	13,628,850
2023					
Conservancy and service fee receivables	(1)	Lifetime ECL	2,267,903	(1,252,285)	1,015,618
Other receivables*	(3)	12-month ECL	9,485,472	-	9,485,472

* Exclude prepayments and GST receivables

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Town Council's maximum exposure to credit risk without taking into account of the value of any collateral obtained.

(1) Conservancy and service fee receivables

For conservancy and service fee receivables, the Town Council has applied the approach in FRS 109 to measure the loss allowance at lifetime ECL. The Town Council determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

(2) Receivables for Neighbourhood Renewal Programme

Receivables for this Programme are to be received from Housing & Development Board ("HDB") - a statutory board of the Singapore Government. No default of funding was noted in prior years and HDB is a government agency considered to be of high credit rating. At the reporting date, no loss allowance was required.

(3) Other receivables (excluding prepayments and GST receivables)

The ECL on other receivables (excluding prepayments and GST receivables) are estimated by reference to the age of debts, results of recovery efforts and historical experience, adjusted by forward-looking estimates. At the reporting date, no loss allowance was required.

30 Financial instruments and financial risks (Cont'd)**30.2 Market risk**Interest rate risk

The Town Council's exposure to interest rate risk relates primarily to interest-earning fixed deposits with financial institutions and investments in quoted government bonds. The Town Council's surplus funds are placed with reputable financial institutions or invested in Singapore government bonds.

As the fixed deposits and investment in quoted government bond bear fixed interest rates, the Town Council is not exposed to interest rate risk.

30.3 Liquidity risk

Liquidity risk refer to the risks in which the Town Council encounters difficulties in meeting its short-term obligations. The Town Council manages the liquidity risk by maintaining sufficient cash, internally generated cash flows, as well as on basis of expected payment dates of the financial liabilities.

The Town Council's operations are partially supported by various government grants from government and the Town Council is satisfied that funds for operations are available as and when required.

It is expected that all the liabilities will be paid when due. The Town Council expects to meet its cash commitments with cash inflows from operating activities and government grants.

The contractual undiscounted cash flows of financial assets and financial liabilities due within 12 months approximate their carrying amounts as the impact of discounting is not significant.

The table below analyses the maturity profile of the Town Council's financial liabilities based on contractual undiscounted cash flows:

	-----Contractual undiscounted cash flows-----				
	Carrying amount \$	Total \$	Less than 1 year \$	Between 2 and 5 years \$	Over 5 years \$
At 31 March 2024					
Lease liabilities (Note 14)	403,559	430,100	224,400	205,700	-
Other payables* (Note 16)	12,320,351	12,320,351	12,320,351	-	-
	12,723,910	12,750,451	12,544,751	205,700	-
At 31 March 2023					
Lease liabilities (Note 14)	595,169	654,500	224,400	430,100	-
Other payables* (Note 16)	6,201,920	6,201,920	6,201,920	-	-
	6,797,089	6,856,420	6,426,320	430,100	-

* Exclude conservancy and service grant and SFS grant received in advance

30 Financial instruments and financial risks (Cont'd)**30.4 Accounting classifications of financial assets and financial liabilities**

The carrying amounts of financial instruments by category other than those disclosed on the face of the statement of financial position and in notes to the financial statements are as follows:

	Note	Financial assets at amortised cost \$	Total \$
2024			
Financial assets			
Investments at amortised cost	9	20,000,000	20,000,000
Conservancy and service fees receivables	10	1,101,678	1,101,678
Other receivables*	12	13,628,850	13,628,850
Cash and bank balances	13	122,164,713	122,164,713
		156,895,241	156,895,241
Financial liabilities at amortised cost			
		\$	\$
Financial liabilities			
Lease liabilities	14	403,559	403,559
Other payables**	16	12,320,351	12,320,351
		12,723,910	12,723,910
2023			
Financial assets			
Investments at amortised cost	9	20,000,000	20,000,000
Conservancy and service fees receivables	10	1,015,618	1,015,618
Other receivables*	12	9,485,472	9,485,472
Cash and bank balances	13	127,201,430	127,201,430
		157,702,520	157,702,520
Financial liabilities at amortised cost			
		\$	\$
Financial liabilities			
Lease liabilities	14	595,169	595,169
Other payables**	16	6,201,920	6,201,920
		6,797,089	6,797,089

* Exclude prepayments and GST receivables

** Exclude conservancy and service grant and SFS grant received in advance

31 Funds management

The Town Council's objectives when managing funds are:

- (a) to safeguard the Town Council's ability to continue as going concern;
- (b) to provide resources to sustain future development; and
- (c) to provide funds for the purpose of strengthening the Town Council's risk management capability.

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

There were no changes in the Town Council's approach to funds management during the 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 \$151,446,910 (2023 - \$150,164,154).

32 Fair value measurements

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 levels, 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 at amortised cost in Note 9 are categorised as Level 1.

The carrying amounts of current financial assets and liabilities approximate their respective fair values due to the relatively short term nature of these financial instruments. The fair value of the various classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

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