

ANNUAL REPORT

2024/2025



Bishan-Toa Payoh
Town Council



Chairperson's Review 2024/2025

Looking Back 2024-2025: A Year of Growth Together

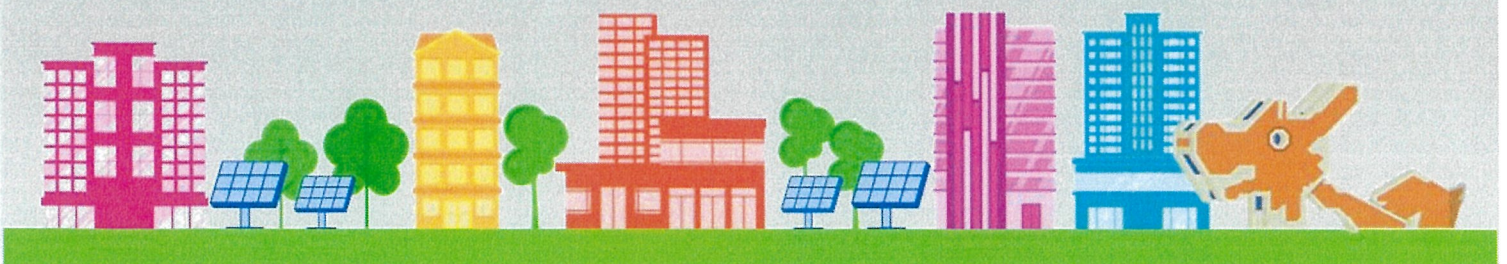
What a year it has been! Walking through our neighbourhoods today, I see the remarkable progress we have made together in Bishan-Toa Payoh GRC and Marymount SMC. From refreshed common spaces through our Neighbourhood Renewal Programmes to upgraded lifts that make daily life easier for our seniors, every improvement reflects our shared commitment to building a better community. But what moves me most is not just the physical transformations—it is witnessing how we have grown closer as neighbours, supporting one another and actively shaping our shared future.

Our vision of becoming a sustainable and inclusive community by 2030 is not just words on paper; it is something we are building together every day. Through our ongoing R&R projects, Lift Renewal Programmes, and the countless conversations we share, we are revitalizing our aging neighbourhood with purpose and care. Your thoughtful feedback during community sessions and your enthusiastic participation in our initiatives give me tremendous confidence that we are on the right path forward.

Thank you for being such an engaged and caring community. At BTPTC, we remain committed to listening to your voices, implementing innovative solutions, and working hand in hand to create a living environment we can all be proud of. Together, we are not just improving infrastructure, we are building a legacy of community care that will benefit generations to come.



Ms Gan Siow Huang
Chairperson



Chairperson's Review 2024/2025



Co-creating A Green Community

As we step into the new fiscal year, we are excited to embark on revitalizing our living spaces with fresh developments aimed at creating a greener, more sustainable home for everyone. In line with the Singapore Green Plan 2030, residents can anticipate more sustainability features with community partners coming our way in the neighbourhood. These include solar panels, cool paint, EV chargers, smart recycling machines and more. By working together, we can transform our town into a more vibrant, connected, accessible, and sustainable place we call Home!



Town Improvements FY2024-2025

Shelter & Connectivity

With residents' safety and comfort at heart, BTPTC has made significant improvements in providing shelter and accessibility in rain or shine. These facilities include new covered linkways, passenger drop-off points, barrier-free access ramps, awnings and more!

Shelter & Ramp



Construction of Shelter over Existing BFA Ramp near Blk(s) 403 Sin Ming Avenue



Construction of Shelter over Existing BFA Ramp near Blk(s) 449 Sin Ming Avenue



Construction of BFA Ramp at Existing High Linkway at Blk(s) 301 Shunfu Road

Awning



Construction of Fixed Awning at Ground Floor Corridor of Blk(s) 103 Lorong 1 Toa Payoh



Construction of Fixed Awning at Ground Floor Corridor of Blk(s) 104 Lorong 1 Toa Payoh



Construction of Fixed Awning at Ground Floor Corridor of Blk(s) 105 Lorong 1 Toa Payoh



Construction of Fixed Awning at Ground Floor Corridor of Blk(s) 106 Lorong 1 Toa Payoh



Town Improvements FY2024-2025

Shelter & Connectivity

With residents' safety and comfort at heart, BTPTC has made significant improvements in providing shelter and accessibility in rain or shine. These facilities include new covered linkways, passenger drop-off points, barrier-free access ramps, awnings and more!



Construction of Low and High Linkway over Pedestrian Crossing from Blk(s) 21 to 14A Lorong 7 Toa Payoh



Construction of High and Low covered linkway from Blk(s) 138 Lorong 1A Toa Payoh MSCP to Covered Plaza at State Land near Blk(s) 127 Lorong 1 Toa Payoh



Construction of Low Linkway from existing shelter over BFA Ramp near Blk(s) 25 Sin Ming Road to Bus Stop



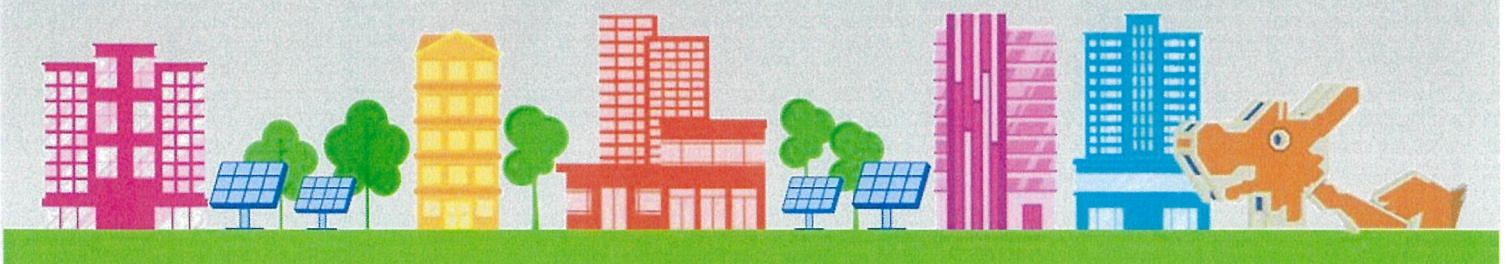
Proposed New Covered Linkway Connecting MSCP Blk(s) 212A to Blk(s) 215, 219 and 220 Bishan with New BFA Ramp



Proposed New Covered High and Low Linkway Connecting Blk(s) 215 and 216 Bishan with New BFA Ramp



Construction of Drop-off Point Between Blk(s) 109 and 111 Lorong 1 Toa Payoh



Town Improvements FY2024-2025

Amenities & Facilities

From beautiful Town Centres to bustling precincts, BTPTC has continually created vibrant community spaces, bonding residents in strong neighbourliness and kampong spirit over the years. These amenities, facilities and recreational hotspots include fitness corners, sports courts, playgrounds, community gardens and the latest, dog run for pets!

Playground & Fitness Corner



Upgrading of Badminton Court at Blk(s) 194 Kim Keat Avenue



Proposed Upgrading of Existing Elderly Fitness Corner near Blk(s) 146 Bishan St 11



Upgrading of Children Playground at Blk(s) 181 Bishan St 13



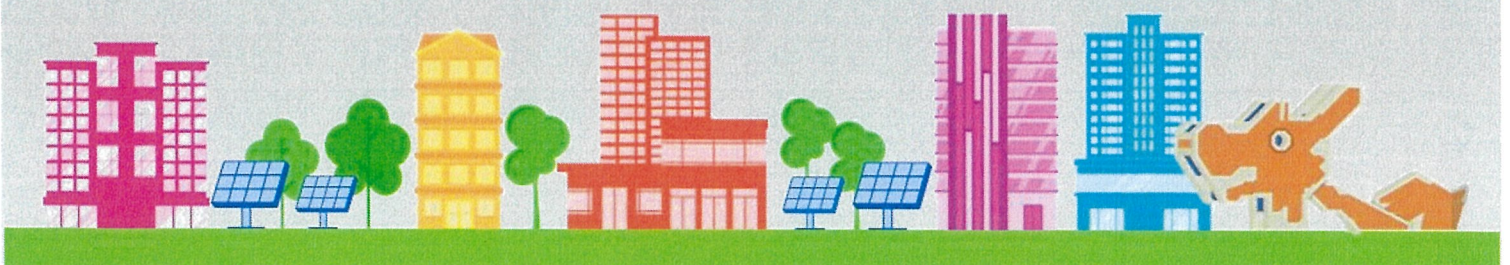
Upgrading of 3G integrated family playground and fitness corner at Blk(s) 301 Shunfu Road



Upgrading of Children Playground at Blk(s) 303 Shunfu Road



Construction of Playground near Blk(s) 128 Lorong 1 Toa Payoh



Town Improvements FY2024-2025

Amenities & Facilities

From beautiful Town Centres to bustling precincts, BTPTC has continually created vibrant community spaces, bonding residents in strong neighbourliness and kampong spirit over the years. These amenities, facilities and recreational hotspots include fitness corners, sports courts, playgrounds, community gardens and the latest, dog run for pets!



Construction of PLAZA@128



Construction of Dog run at the State Land in front of Blk(s) 128 Lorong 1 Toa Payoh



Upgrading of Community Garden at Blk(s) 6 Lorong 7 Toa Payoh



Upgrading of Community Garden near Blk(s) 15 Lorong 7 Toa Payoh



Upgrading of Community Garden near Blk(s) 228 Lorong 8 Toa Payoh



Sustainability Initiatives FY2024-2025

Zero Waste. Greener Environment. Energy Efficient.



Zero Waste

In encouraging residents to practise proper waste management, BTPTC enables our residents to do their part in recycling by providing and improving the recycling infrastructure.

- 512 recycling bins in our estate with an average of one at each block
- 24 E-waste collection points across the GRC and SMC
- 10 food waste lockers – a pilot project in Bishan East-Sin Ming
- 10 smart recycling bins – a pilot project in Bishan East-Sin Ming



Sustainability Initiatives FY2024-2025

Zero Waste. Greener Environment. Energy Efficient.



Greener Environment



BTPTC aims to increase the variety of greenscape and provide more green spaces for residents to enjoy. Injecting rooftop greenery, community farming and urban farms at more multi-storey carparks as well as planting more trees and vertical farming at void decks are part of initiatives to add greenery to our environment.

- 1,600 more trees have been planted in our estates over the last 4 years
- 30 community gardens till date.
- 3 new rooftop urban farming at MSCP rooftops were successfully piloted.



Sustainability Initiatives FY2024-2025

Zero Waste. Greener Environment. Energy Efficient.



Energy Efficient

As part of our collective move towards a greener future, BTPTC has launched projects that support the shift to cleaner energy and lowering our community's carbon footprint. Initiatives include adoption of energy-saving LED lamps and smart lighting, encouraging cycling by building more bicycle racks, replace old lifts with energy efficient ones, etc will help us achieve an estimated 20-25% reduction in annual energy consumption for our town.



- Solar Panels have been installed till date, with a total of 203 by 2026. Smart Lighting will be implemented across 300 blocks in our estate to further cut energy cost. Together, there is an estimated annual saving of \$2.2M per year. Such substantial saving could be utilised in areas to further improve the environment for our residents.
- Cool Paints for application on block façade to reduce the ambient temperature within residential flats. This was implemented under the recent R&R projects for 96 blocks in 2025 and some 405 blocks in the next 4 years.
- Over 200 EV chargers have been installed across carparks, encouraging the switch to electric vehicles and providing greater convenience for residents.



Our Estate. Our Home. Our Green Future.

🌱 In 2025-26, BTPTC will continue to build meaningful projects and shape a sustainable future together with you, right here in our heartlands. Our Estate is more than just a collection of homes — it's a vibrant, shared space where families grow, neighbors connect, and the clean and safe environment we take pride in. Our Home is where the heart is, and every doorstep, garden, and street is part of a community we care for deeply. Our Green Future lies in our hands and the future generations we nurture. Through recycling, energy-saving, green spaces, and various sustainability initiatives, we encourage more residents to Go Green with BTPTC!

Together with my fellow Members of Parliament and Town Councillors, I would like to express a heartfelt Thank You to the dedicated #OneBTPTC staff team, our community partners and residents for the dedication, teamwork and support in enhancing and enriching the quality of life for the residents of Bishan-Toa Payoh and Marymount.



Code of Governance Practices

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

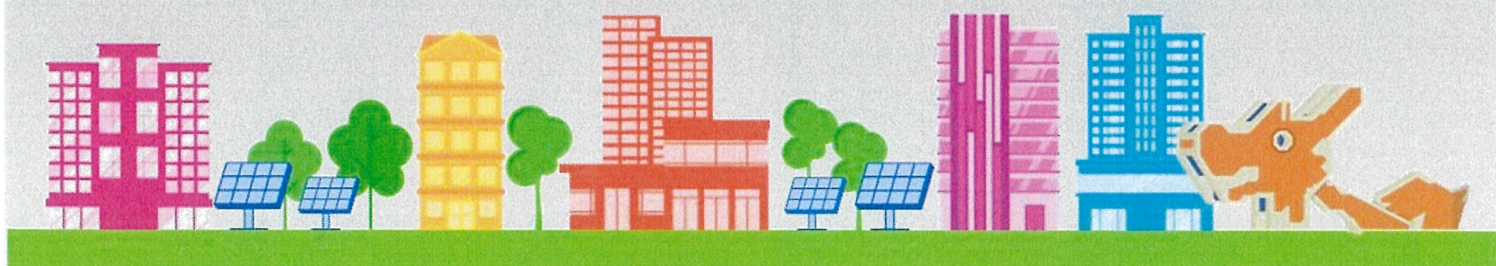
Selection and Appointment Process

The selection, appointment and re-appointment process of Bishan-Toa Payoh Town Council members takes into consideration the composition of the Council and the relevant experience, skills and/or competencies of the members. In appointing the Town Council members:

- (a) The Council utilises a referral process to search for potential candidates;
- (b) The Council considers a variety of factors, including audit and financial skills, time commitment, and prior experience; and
- (c) At least two-thirds of the appointed Town Council members must be residents of the HDB housing estates within the Town.

Risk Management and Internal Controls

Bishan-Toa Payoh Town Council has implemented a comprehensive Risk Management Framework where key risks are identified and reported to the Town Council members. An annual risk assessment has been performed and the effectiveness of internal control has been assessed. The Town Council members are of the opinion that the Risk Management Framework and supporting internal control policies and procedures are adequate to address the risks of the Town Council.



Financial statements

BISHAN-TOA PAYOH TOWN COUNCIL

(Established under the Town Councils Act 1988)

For the year ended 31 March 2025

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

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Bishan-Toa Payoh Town Council ("the Town Council"), which comprise the statement of financial position as at 31 March 2025, and the statement of income and expenditure and other comprehensive income, statement of changes in Town Council funds and statement of cash flows of the Town Council for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Town Councils Act 1988 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Town Council as at 31 March 2025, and of the financial performance, changes in Town Council funds and cash flows of the Town Council for the financial year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

A Town Council is established under the Act and may be dissolved by the Minister's order published in the Gazette. In preparing the financial statements, management is responsible for assessing the Town Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Town Council or for the Town Council to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion,

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

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

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

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

A handwritten signature in blue ink that reads 'AT ADLER'.

AT ADLER
Public Accountants and
Chartered Accountants

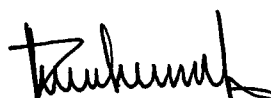
Singapore, 20 September 2025

Statement of financial position
as at 31 March 2025

| | Note | 31 March 2025 \$ | 31 March 2024 \$ |
|---|------|---------------------|---------------------|
| TOWN COUNCIL FUNDS | | | |
| Residential Property | | | |
| Accumulated surplus | 3 | 3,378,554 | 3,395,299 |
| Sinking Funds | | | |
| - Ordinary Sinking Fund | 4 | 79,590,763 | 85,951,651 |
| - Lift Replacement Fund | 6 | 52,368,433 | 44,651,413 |
| | | 131,959,196 | 130,603,064 |
| Town Improvement and Project Fund | 5 | 10,000 | 10,000 |
| | | 135,347,750 | 134,008,363 |
| Commercial Property | | | |
| Accumulated surplus | 3 | 4,719,022 | 4,113,187 |
| Sinking Funds | | | |
| - Ordinary Sinking Fund | 4 | 34,216,221 | 34,875,976 |
| - Lift Replacement Fund | 6 | 14,286,549 | 13,130,880 |
| | | 48,502,770 | 48,006,856 |
| Town Improvement and Project Fund | 5 | 10,000 | 10,000 |
| | | 53,231,792 | 52,130,043 |
| Carpark | | | |
| Accumulated surplus | 3 | - | - |
| | | 188,579,542 | 186,138,406 |
| REPRESENTED BY: | | | |
| Non-Current Assets | | | |
| Property, plant and equipment | 7 | 1,175,812 | 558,861 |
| Investments at amortised cost | 8 | 91,524,903 | 85,529,543 |
| | | 92,700,715 | 86,088,404 |
| Current Assets | | | |
| Investments at amortised cost | 8 | 14,504,430 | 4,912,000 |
| Conservancy and service fees receivables | 9 | 906,926 | 916,793 |
| Other receivables | 10 | 2,478,590 | 1,906,930 |
| Interest receivable | | 1,950,235 | 1,601,446 |
| Grants receivable | 11 | 8,583,975 | 5,779,237 |
| Receivable for Electrical Load Upgrading Programme | 12 | 647,762 | 215,106 |
| Receivable for Neighbourhood Renewal Programme | 13 | 6,599,233 | 2,045,791 |
| Receivables for Selective Lift Replacement and Lift Enhancement Programme | 14 | 3,463,494 | 8,864,895 |
| Fixed deposits with financial institutions | 15 | 72,006,993 | 73,008,501 |
| Cash and bank balances | 16 | 15,560,613 | 20,578,032 |
| | | 126,702,251 | 119,828,731 |
| Total Assets | | 219,402,966 | 205,917,135 |
| Less: | | | |
| Non-Current Liabilities | | | |
| Payables and accrued expenses | 17 | 29,160 | 68,040 |
| Lease liabilities | 18 | 399,818 | - |
| Provision of reinstatement cost | | 202,153 | - |
| | | 631,131 | 68,040 |
| Current Liabilities | | | |
| Conservancy and service fees received in advance | 19 | 964,799 | 1,000,422 |
| Advances for Electrical Load Upgrading Programme | 12 | - | 27,297 |
| Advances for Neighbourhood Renewal Programme | 13 | 1,401,038 | 1,800,365 |
| Payables and accrued expenses | 17 | 25,567,219 | 15,182,809 |
| Lease liabilities | 18 | 250,319 | 141,885 |
| Income tax payable | 23 | 2,008,918 | 1,557,911 |
| | | 30,192,293 | 19,710,689 |
| Total Liabilities | | 30,823,424 | 19,778,729 |
| NET ASSETS | | 188,579,542 | 186,138,406 |



GAN SIOW HUANG
Chairperson
Date: 20 September 2025



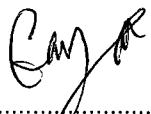
NG KHENG HEONG, ERNEST
Secretary

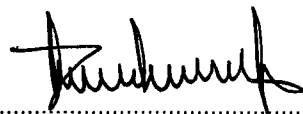
The accompanying notes form an integral part of and should be read in conjunction with the financial statements.

Statement of income and expenditure and other comprehensive income

for the financial year ended 31 March 2025

| | Note | 2025 \$ | 2024 \$ |
|--|--------|---------------------|---------------------|
| Operating income | | | |
| Conservancy and service fees | 3 | 46,003,663 | 43,778,917 |
| Less: Operating transfer to ordinary sinking fund (minimum required by law) | 3,4 | (11,960,961) | (11,382,565) |
| Less: Operating transfer to lift replacement fund (minimum required by law) | 3,6 | (6,440,520) | (6,129,075) |
| | | 27,602,182 | 26,267,277 |
| Agency fees | 20 | 3,339,093 | 3,151,685 |
| Other income | 21 | 2,547,753 | 2,572,988 |
| | | 33,489,028 | 31,991,950 |
| Less: Operating expenditure | | | |
| Cleaning works | | 7,429,446 | 6,961,489 |
| Lift maintenance | | 8,660,988 | 6,506,509 |
| Other works and maintenance | | 5,896,944 | 5,581,047 |
| Water and electricity | | 8,657,909 | 9,967,294 |
| General and administrative expenditure | 22 | 8,122,777 | 7,784,775 |
| | | (38,768,064) | (36,801,114) |
| Operating deficit | | (5,279,036) | (4,809,164) |
| Add: Interest income | 3 | 99,536 | 74,043 |
| Deficit before taxation and government grants | | (5,179,500) | (4,735,121) |
| Less: Income tax | 3, 23 | (329,696) | (194,966) |
| Deficit before government grants | | (5,509,196) | (4,930,087) |
| Add: | | | |
| Government grants | 24 | 20,853,309 | 17,434,616 |
| Less: Transfer to | | | |
| - Ordinary Sinking fund | 3,4,24 | (2,949,688) | (2,943,408) |
| - Town Improvement and Project fund | 3,5,24 | (5,496,329) | (2,263,279) |
| - Lift Replacement fund | 3,6,24 | (5,600,321) | (5,435,463) |
| | | 6,806,971 | 6,792,466 |
| SURPLUS FOR THE YEAR FROM ROUTINE FUND | | 1,297,775 | 1,862,379 |
| Add: | | | |
| Surplus/(deficit) for the year from: | | | |
| - Ordinary Sinking fund | 4 | (7,020,643) | (3,543,799) |
| - Town Improvement and Project fund | 5 | (708,685) | (1,665,637) |
| - Lift Replacement fund | 6 | 8,872,689 | 9,393,885 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 2,441,136 | 6,046,828 |


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GAN SIOW HUANG
Chairperson
Date: 20 September 2025


.....
NG KHENG HEONG, ERNEST
Secretary

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

Statement of changes in funds
for the financial year ended 31 March 2025

| | Residential property \$ | Commercial property \$ | Carpark \$ | Total \$ |
|--|-------------------------------|------------------------------|---------------|--------------------|
| 31 March 2025 | | | | |
| Balance at 1 April 2024 | 134,008,363 | 52,130,043 | - | 186,138,406 |
| Total comprehensive income for the year | 314,918 | 1,101,749 | 1,024,469 | 2,441,136 |
| Accumulated Surplus transfer from carpark to residential property | 1,024,469 | - | (1,024,469) | - |
| Balance at 31 March 2025 | 135,347,750 | 53,231,792 | - | 188,579,542 |
| 31 March 2024 | | | | |
| Balance at 31 March 2023 | 129,058,955 | 51,032,623 | - | 180,091,578 |
| Total comprehensive income for the year | 4,060,620 | 1,097,420 | 888,788 | 6,046,828 |
| Accumulated Surplus transfer from car park to residential property | 888,788 | - | (888,788) | - |
| Balance at 31 March 2024 | 134,008,363 | 52,130,043 | - | 186,138,406 |

The surplus/(deficit) for the financial year comprised the following:

| | Note | 2025 \$ | 2024 \$ |
|-------------------------------|------|------------------|------------------|
| Accumulated surplus | 4 | 1,297,775 | 1,862,379 |
| Ordinary sinking fund | 5 | (7,020,643) | (3,543,799) |
| Town improvement project Fund | 6 | (708,685) | (1,665,637) |
| Lift replacement fund | | 8,872,689 | 9,393,885 |
| | | <u>2,441,136</u> | <u>6,046,828</u> |

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 2025

| | Note | 2025 \$ | 2024 \$ |
|---|-------|---------------------|---------------------|
| Cash Flows from Operating Activities | | | |
| Deficit before taxation and government grants | 3 | (5,179,500) | (4,735,121) |
| Adjustments for: | | | |
| Operating income transfer to Ordinary Sinking Fund | 3,4 | 11,960,961 | 11,382,565 |
| Operating income transfer to Lift Replacement Fund | 3,6 | 6,440,520 | 6,129,075 |
| Depreciation of property, plant and equipment | 7,22 | 391,100 | 469,690 |
| Amortisation of investments - Bonds | | 5,768 | 5,113 |
| Allowance/(Reversal) for impairment in conservancy and service fee receivables | 9,22 | 48,043 | (73,586) |
| Bad debts written off | 22 | 58 | 1,024 |
| Interest expenses on lease liabilities | 18,22 | 9,364 | 8,467 |
| Interest income | 3 | (99,536) | (74,043) |
| Operating surplus before working capital changes | | 13,576,778 | 13,113,184 |
| Decrease in operating receivables | | (559,069) | (719,206) |
| Increase in operating payables | | 10,345,530 | 3,149,633 |
| Cash generated from operations before income tax | | 23,363,239 | 15,543,611 |
| Ordinary Sinking Fund expenditure | 4 | (25,505,930) | (21,689,673) |
| Town Improvement and Project Fund expenditure | 5 | (6,217,134) | (3,928,916) |
| Lift Replacement Fund expenditure | 6 | (4,535,096) | (3,236,016) |
| Electrical Load Upgrading expenditure | 12 | (453,118) | (1,133,698) |
| Neighbourhood Renewal Programme expenditure | 13 | (4,952,769) | (1,435,148) |
| Selective lift replacement programme expenditure | 14(a) | (9,490) | - |
| Lift Enhancement Programme expenditure | 14(b) | (1,837,947) | (3,055,957) |
| Income tax paid | 23 | (453,145) | (288,933) |
| Net cash used in operations before government grants | | (20,601,390) | (19,224,730) |
| Lift Replacement Fund Matching Grant received | | 3,955,585 | 3,811,114 |
| Selective lift replacement programme fund received | 14(a) | 4,061,188 | - |
| Lift Enhancement Programme Fund received | 14(b) | 3,187,650 | 1,128,745 |
| Government grants received | | 11,694,736 | 11,503,485 |
| GST subvention received | | 2,323,922 | 1,853,007 |
| Government funds (refunded)/received for Electrical Load Upgrading Programme projects | 12 | (6,835) | 667,774 |
| Government funds received for Neighbourhood Renewal Programme projects | 13 | - | 4,383,060 |
| Net cash generated from operating activities | | 4,614,856 | 4,122,455 |
| Cash Flows from Investing Activities | | | |
| Purchase of property, plant and equipment | 7 | (40,610) | (434,714) |
| Purchase of bonds and treasury bills | | (20,505,558) | (24,665,500) |
| Maturity of treasury bills | | 4,912,000 | 2,940,300 |
| Interest and investment income received | | 5,266,785 | 5,174,004 |
| Net cash used in investing activities | | (10,367,383) | (16,985,910) |
| Cash Flows used in Financing Activities | | | |
| Repayment of lease liabilities | 18 | (257,036) | (257,933) |
| Interest paid on lease liabilities | 18 | (9,364) | (8,467) |
| Net cash used in financing activities | | (266,400) | (266,400) |
| Net decrease in cash and cash equivalents | | (6,018,927) | (13,129,855) |
| Cash and cash equivalents at beginning of year | | 93,586,533 | 106,716,388 |
| Cash and cash equivalents at end of year | 16 | 87,567,606 | 93,586,533 |

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 2025

1 General

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

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

These financial statements for the financial year ended 31 March 2025 were authorized for issue in accordance with a resolution of the Town Council on 20 September 2025.

2(i) Basis of preparation

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

Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Town Council has adopted all the new and amended standards which are relevant to the Town Council and are effective for annual financial periods beginning on 1 April 2024. The adoption of these standards did not have any material effect on the disclosures or on the accounts reported in these financial statements.

2(ii) Significant accounting estimates and judgements

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

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

(a) Income tax

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

2(ii) Significant accounting estimates and judgements (cont'd)

(b) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of property, plant and equipment to be between 3 to 5 years. The right-of-use asset of office premises are included in property, plant and equipment and depreciated over the remaining lease term of 26 months and 32 months. The carrying amount of property, plant and equipment as at 31 March 2025 was S\$1,175,812 (2024: S\$558,861). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(c) Town Improvement Project Grants

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

(d) Expected credit loss ("ECL") on receivables

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

The Town Council has also considered the impact of other factors such as economic outlook when making estimates on the recoverability of its conservancy and service fee receivables based on currently available information. During the year ended 31 March 2025, the Town Council provided conservancy and service fee rebates to the commercial properties managed by the Town Council, totaling S\$33,955 (2024: S\$45,667). This has helped to cushion the adverse economic impact arising from the increase of 1% GST in 2024, and the closure of the properties due to repairs & redecoration works.

Together with the rebates, the Town Council has assessed the allowance for impairment for conservancy and service fee receivables as at 31 March 2025 to be adequate. The ECLs for conservancy and service fees receivables amounted to S\$1,619,472 (2024: S\$1,571,429). The carrying amount of the Town Council's conservancy and service fees receivables (net of ECL) as at 31 March 2025 was S\$906,926 (2024: S\$916,793).

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

2(iii) Standards issued but not yet effective

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

| Description | Effective for annual periods beginning on or after |
|--|---|
| Amendments to FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments | 1 January 2026 |
| Annual Improvements to FRSs – Volume 11 | 1 January 2026 |
| FRS 118: Presentation and Disclosures in Financial Statements | 1 January 2027 |

The Town Council has performed a preliminary assessment and management expects that the adoption of the standards above will have no material impact on the financial statements in the period of initial application, except for FRS 118. The Town Council will further assess the impact of FRS 118 on the financial statements in detail as it is currently impracticable to disclose further information on the known or reasonably estimated impact to the financial statements in the period of initial application.

2(iv) Material accounting policy information

(a) Funds

Town Council Funds

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

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

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

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

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

Ordinary Sinking Fund

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

2(iv) Material accounting policy information (cont'd)

(a) Funds (cont'd)

Ordinary Sinking Fund (cont'd)

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

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

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

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

Lift Replacement Fund

Lift Replacement Fund ("LRF") are established with effect from 1 April 2017. These Lift Replacement Funds are maintained as part of the Town Council Funds. The establishment of the LRF is a standalone fund to be carved out from the Ordinary Sinking Fund and ring-fenced specifically for lift replacements and other life-related replacement works.

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

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

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

Town Improvement and Project Fund

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

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

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

2(iv) Material accounting policy information (cont'd)

(b) Allocation of General Overheads

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

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

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

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

(c) Government grants

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

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

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

2(iv) Material accounting policy information (cont'd)

(d) Property, plant and equipment

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

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

The right-of-use of office has been included in property, plant and equipment and depreciated over the remaining lease term of 26 months and 32 months.

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

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

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

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

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

(e) Impairment of non-financial assets

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

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

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

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

2(iv) Material accounting policy information (cont'd)

(f) Financial assets

Initial recognition and measurement

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

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

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

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Town Council's business model and the contractual cash flow characteristics of the asset. The Town Council only has debt instruments, at amortised cost and the measurement and classifications are as follows:

Amortised cost

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

Derecognition

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

(g) Impairment of financial assets

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

2(iv) Material accounting policy information (cont'd)**(g) Impairment of financial assets (cont'd)**

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

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

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

(h) Cash and cash equivalents

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

(i) Financial liabilitiesInitial recognition and measurement

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

All financial liabilities are recognised initially at fair value, minus transaction costs, except for those financial liabilities classified at fair value through profit or loss, which are initially measured at fair value.

Subsequent measurement

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

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

(j) Offsetting of financial assets and financial liabilities

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

2(iv) Material accounting policy information (cont'd)

(k) Provisions

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

(l) Employee benefits

Defined contribution plan

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

Employee leave entitlements

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

Short-term employee benefits

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

Key management personnel

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

(m) Revenue recognition

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

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

(i) Conservancy and service fees

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

2(iv) 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 on a time-proportion basis for the period when the services is rendered.

(iii) Interest and investment income

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

(iv) Other income

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

(n) Income tax

Income tax is provided on the following income:

(i) Income derived from investments and bank deposits;

(ii) Agency fee derived from acting as agents for HDB;

(iii) Fees, rents and other charges received from non-residents or non-owners of properties in the Town; and

(iv) Donations from non-residents or non-owners of properties in the Town.

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

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

(o) Leases

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

Town Council, as lessee

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

2(iv) Material accounting policy information (cont'd)**(o) Leases (cont'd)****Right-of-use assets**

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

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

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

Lease liabilities

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

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

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

Short-term leases and leases of low-value assets

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

(p) Inter-fund transfer

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

2(iv) Material accounting policy information (cont'd)**(q) Functional currency**

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2025

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3 Accumulated surplus

| | Note | Residential property | | Commercial property | | Carpark | | Total | |
|--|-------|----------------------|--------------|---------------------|-------------|-------------|-------------|--------------|--------------|
| | | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| OPERATING INCOME | | | | | | | | | |
| Conservancy and service fees | | 40,591,867 | 38,692,799 | 5,411,796 | 5,086,118 | - | - | 46,003,663 | 43,778,917 |
| Less: | | | | | | | | | |
| Operating income transfer to Ordinary Sinking Fund | 4 | (10,553,893) | (10,060,125) | (1,407,068) | (1,322,440) | - | - | (11,960,961) | (11,382,565) |
| Operating income transfer to Lift Replacement Fund | 6 | (5,682,868) | (5,416,992) | (757,652) | (712,083) | - | - | (6,440,520) | (6,129,075) |
| Agency fees and other income | 20,21 | 1,748,184 | 1,575,624 | 663,645 | 839,096 | 3,475,017 | 3,309,953 | 5,886,846 | 5,724,673 |
| | | 26,103,290 | 24,791,306 | 3,910,721 | 3,890,691 | 3,475,017 | 3,309,953 | 33,489,028 | 31,991,950 |
| Less: | | | | | | | | | |
| Operating Expenditure | | (33,168,557) | (31,248,040) | (3,169,479) | (3,142,588) | (2,430,028) | (2,410,486) | (38,768,064) | (36,801,114) |
| Operating (Deficit)/Surplus | | (7,065,267) | (6,456,734) | 741,242 | 748,103 | 1,044,989 | 899,467 | (5,279,036) | (4,809,164) |
| Add: | | | | | | | | | |
| Non-Operating Income - Interest income | | 84,730 | 63,083 | 5,984 | 4,440 | 8,822 | 6,520 | 99,536 | 74,043 |
| (Deficit)/Surplus before taxation and government grants | | (6,980,537) | (6,393,651) | 747,226 | 752,543 | 1,053,811 | 905,987 | (5,179,500) | (4,735,121) |
| Less: | | | | | | | | | |
| Income Tax | 23 | (280,582) | (166,066) | (19,772) | (11,701) | (29,342) | (17,199) | (329,696) | (194,966) |
| (Deficit)/Surplus after taxation but before government grants | | (7,261,119) | (6,559,717) | 727,454 | 740,842 | 1,024,469 | 888,788 | (5,509,196) | (4,930,087) |
| Add: | | | | | | | | | |
| Government grants | 24 | 20,123,097 | 17,074,567 | 730,212 | 360,049 | - | - | 20,853,309 | 17,434,616 |
| Less: Transfer to: | | | | | | | | | |
| Ordinary Sinking Fund | 4,24 | (2,948,128) | (2,941,848) | (1,560) | (1,560) | - | - | (2,949,688) | (2,943,408) |
| Town Improvement and Project Fund | 5,24 | (5,151,493) | (2,263,279) | (344,836) | - | - | - | (5,496,329) | (2,263,279) |
| Lift Replacement Fund | 6,24 | (5,220,105) | (5,080,574) | (380,216) | (354,889) | - | - | (5,600,321) | (5,435,463) |
| | | 6,803,371 | 6,788,866 | 3,600 | 3,600 | - | - | 6,806,971 | 6,792,466 |
| Surplus for the financial year | | (457,748) | 229,149 | 731,054 | 744,442 | 1,024,469 | 888,788 | 1,297,775 | 1,862,379 |
| Add: | | | | | | | | | |
| Accumulated surplus at beginning of year | | 3,395,299 | 3,745,816 | 4,113,187 | 3,565,928 | - | - | 7,508,486 | 7,311,744 |
| Accumulated surplus transferred from carpark to residential property | | 1,024,469 | 888,788 | - | - | (1,024,469) | (888,788) | - | - |
| Less: Appropriation to town improvement and project fund | 5 | (583,466) | (1,468,454) | (125,219) | (197,183) | - | - | (708,685) | (1,665,637) |
| Accumulated surplus at end of year | | 3,378,554 | 3,395,299 | 4,719,022 | 4,113,187 | - | - | 8,097,576 | 7,508,486 |

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2025

22

4 Ordinary Sinking Fund

| | Note | Residential property | | Commercial property | | Total | |
|---|---------------|----------------------------|----------------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ |
| Balance at beginning of year | | 85,951,651 | 88,923,147 | 34,875,976 | 35,448,279 | 120,827,627 | 124,371,426 |
| Add: | | | | | | | |
| Operating income transfer from conservancy and service fees (minimum required by law) | 3 | 10,553,893 | 10,060,125 | 1,407,068 | 1,322,440 | 11,960,961 | 11,382,565 |
| Transfer from government grants | | | | | | | |
| - Other Government Grants | | 2,441,122 | 2,335,038 | 1,560 | 1,560 | 2,442,682 | 2,336,598 |
| - Special Funding Support Grant | | 507,006 | 606,810 | - | - | 507,006 | 606,810 |
| Other income | 3,24 25(i) | 2,948,128 3,650,165 | 2,941,848 4,046,754 | 1,560 259,685 | 1,560 283,122 | 2,949,688 3,909,850 | 2,943,408 4,329,876 |
| Less: Expenditure | 25(ii) | 17,152,186 (23,199,987) | 17,048,727 (19,543,860) | 1,668,313 (2,305,943) | 1,607,122 (2,145,813) | 18,820,499 (25,505,930) | 18,655,849 (21,689,673) |
| Less: Income tax | 23 | (313,087) | (476,363) | (22,125) | (33,612) | (335,212) | (509,975) |
| Deficit for the financial year | | (6,360,888) | (2,971,496) | (659,755) | (572,303) | (7,020,643) | (3,543,799) |
| Balance at end of year | | 79,590,763 | 85,951,651 | 34,216,221 | 34,875,976 | 113,806,984 | 120,827,627 |

Represented by:

Non-Current asset

Investments at amortised cost 73,764,946 72,270,961

Current assets

| | | |
|--|--------------------|--------------------|
| Investments at amortised cost | 10,562,070 | - |
| Conservancy and service fees receivables | 235,802 | 238,366 |
| Other receivables | 908,257 | 795,033 |
| Interest receivable | 1,182,190 | 1,259,549 |
| Grants receivable | 157,438 | 152,778 |
| Amount due from accumulated surplus | 149,563 | 483,086 |
| Fixed deposits with financial institutions | 30,000,000 | 48,486,978 |
| Cash and bank balances | 3,243,434 | 3,549,779 |
| | 46,438,754 | 54,965,569 |
| Total assets | 120,203,700 | 127,236,530 |

Less:

Current liabilities

| | | |
|-------------------------------|--------------------|--------------------|
| Payables and accrued expenses | 5,344,986 | 5,478,609 |
| Income tax payable | 1,051,730 | 930,294 |
| Total liabilities | 6,396,716 | 6,408,903 |
| Net assets | 113,806,984 | 120,827,627 |

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2025

5 Town Improvement and Project Fund

| | Note | Residential property | | Commercial property | | Total | |
|---|------|----------------------|-------------|---------------------|------------|-------------|-------------|
| | | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ | 2025 \$ | 2024 \$ |
| Balance at beginning of year | | 10,000 | 10,000 | 10,000 | 10,000 | 20,000 | 20,000 |
| Add: | | | | | | | |
| Transfer from Government Grants | 3,24 | 5,151,493 | 2,263,279 | 344,836 | - | 5,496,329 | 2,263,279 |
| Other income | | 12,048 | - | 72 | - | 12,120 | - |
| Less: Expenditure | 26 | (5,747,007) | (3,731,733) | (470,127) | (197,183) | (6,217,134) | (3,928,916) |
| Deficit for the financial year | | (583,466) | (1,468,454) | (125,219) | (197,183) | (708,685) | (1,665,637) |
| Add: Appropriation from accumulated surplus | 3 | 583,466 | 1,468,454 | 125,219 | 197,183 | 708,685 | 1,665,637 |
| Balance at end of year | | 10,000 | 10,000 | 10,000 | 10,000 | 20,000 | 20,000 |

Represented by:

Current assets

| | | |
|------------------------|------------------|------------------|
| Grants receivable | 7,121,625 | 4,391,255 |
| Other receivables | 741,618 | 594,657 |
| Cash and bank balances | 352,129 | 779,077 |
| Total assets | 8,215,372 | 5,764,989 |

Less:

Current liabilities

| | | |
|-----------------------------------|------------------|------------------|
| Payables and accrued expenses | 2,842,927 | 1,545,837 |
| Amount due to accumulated surplus | 5,352,445 | 4,199,152 |
| Total liabilities | 8,195,372 | 5,744,989 |
| Net assets | 20,000 | 20,000 |

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

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2025

24

6 Lift Replacement Fund

| Note | Residential property | | Commercial property | | Total | |
|---|----------------------|-------------|---------------------|------------|------------|-------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at beginning of year | 44,651,413 | 36,379,992 | 13,130,880 | 12,008,416 | 57,782,293 | 48,388,408 |
| Add: | | | | | | |
| Operating income transfer from conservancy and service fees (minimum required by law) | 3 | 5,682,868 | 5,416,992 | 757,652 | 712,083 | 6,440,520 |
| Transfer from Government Grants | | | | | | |
| - Other Government Grant | | 1,314,451 | 1,257,327 | 840 | 840 | 1,315,291 |
| - Lift Replacement Fund Matching Grant | | 3,632,651 | 3,496,503 | 379,376 | 354,049 | 4,012,027 |
| - Special Funding Support Grant | | 273,003 | 326,744 | - | - | 273,003 |
| Other income – Interest income | 3, 24 | 5,220,105 | 5,080,574 | 380,216 | 354,889 | 5,600,321 |
| | | 1,500,403 | 1,174,692 | 105,785 | 82,742 | 1,606,188 |
| | | 12,403,376 | 11,672,258 | 1,243,653 | 1,149,714 | 13,647,029 |
| Less: Expenditure | 27 | (4,462,885) | (3,221,434) | (72,211) | (14,582) | (4,535,096) |
| Less: Income tax | 23 | (223,471) | (179,403) | (15,773) | (12,668) | (239,244) |
| Surplus for the financial year | | 7,717,020 | 8,271,421 | 1,155,669 | 1,122,464 | 8,872,689 |
| Balance at end of year | | 52,368,433 | 44,651,413 | 14,286,549 | 13,130,880 | 66,654,982 |

Represented by:

Non-Current asset

Investments at amortised cost 17,759,957 13,258,582

Current assets

| | | |
|---|-------------------|-------------------|
| Investments at amortised cost | 3,942,360 | 4,912,000 |
| Conservancy and service fees receivables | 126,970 | 128,352 |
| Other receivable | 179,614 | - |
| Interest receivable | 766,252 | 341,896 |
| Grant receivables | 941,591 | 882,640 |
| Receivables for Selective Lift Replacement and Lift Enhancement Programme | 3,463,494 | 8,864,896 |
| Amount due from accumulated surplus | 1,075,718 | 1,077,481 |
| Fixed deposits with financial institutions | 41,000,000 | 24,521,523 |
| Cash and bank balances | 3,813,493 | 6,721,330 |
| | 55,309,492 | 47,450,118 |
| Total assets | 73,069,449 | 60,708,700 |

Less:

Current liabilities

| | | |
|-------------------------------|-------------------|-------------------|
| Payables and accrued expenses | 5,976,465 | 2,635,011 |
| Income tax payable | 438,002 | 291,396 |
| Total liabilities | 6,414,467 | 2,926,407 |
| Net assets | 66,654,982 | 57,782,293 |

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

7 Property, plant and equipment

| | <u>Furniture, Fixtures and Fittings</u> \$ | <u>Office Equipment</u> \$ | <u>Data processing equipment/ software</u> \$ | <u>Office Premises</u> \$ | <u>Total</u> \$ |
|--|---|-----------------------------------|--|----------------------------------|--------------------|
| <u>Cost</u> | | | | | |
| At 31 March 2023 | 959,288 | 32,088 | 898,789 | 1,388,984 | 3,279,149 |
| Additions | 333,316 | 4,761 | 96,637 | - | 434,714 |
| Write-off | (816,227) | (2,920) | (39,924) | - | (859,071) |
| At 31 March 2024 | 476,377 | 33,929 | 955,502 | 1,388,984 | 2,854,792 |
| Additions | 7,637 | 7,002 | 25,971 | 967,441 | 1,008,051 |
| Write-off | - | (12,700) | (19,327) | - | (32,027) |
| At 31 March 2025 | 484,014 | 28,231 | 962,146 | 2,356,425 | 3,830,816 |
| <u>Accumulated depreciation</u> | | | | | |
| At 31 March 2023 | 944,647 | 31,660 | 698,299 | 1,010,706 | 2,685,312 |
| Depreciation for the year (Note 22) | 21,590 | 428 | 201,637 | 246,035 | 469,690 |
| Write-off | (816,227) | (2,920) | (39,924) | - | (859,071) |
| At 31 March 2024 | 150,010 | 29,168 | 860,012 | 1,256,741 | 2,295,931 |
| Depreciation for the year (Note 22) | 70,728 | 2,372 | 37,207 | 280,793 | 391,100 |
| Write-off | - | (12,700) | (19,327) | - | (32,027) |
| At 31 March 2025 | 220,738 | 18,840 | 877,892 | 1,537,534 | 2,655,004 |
| <u>Net book value</u> | | | | | |
| At 31 March 2024 | 326,367 | 4,761 | 95,490 | 132,243 | 558,861 |
| At 31 March 2025 | 263,276 | 9,391 | 84,254 | 818,891 | 1,175,812 |

| | 2025 S\$ | 2024 S\$ |
|---|---------------------|---------------------|
| Aggregate cost of property, plant and equipment acquired | 1,008,051 | 434,714 |
| Less: Additions of rights-of-use assets | (967,441) | - |
| Net cash outflows for purchase of property, plant and equipment | <u>40,610</u> | <u>434,714</u> |

Right-of-use assets from lease contracts are presented under office premises in the note above. The Town Council has made provisions for reinstatement costs based on the indicative estimates provided by the landlord during the year.

8 Investments at amortised cost

| | 2025 \$ | 2024 \$ |
|---|--------------------|-------------------|
| Investments at amortised cost | 106,029,333 | 90,441,543 |
| Comprising: | | |
| Quoted bonds and treasury bills issued by statutory boards | 54,264,093 | 41,673,197 |
| Quoted bonds issued by corporations and other non-governmental body/statutory boards | 51,765,240 | 48,768,346 |
| | 106,029,333 | 90,441,543 |
| Maturing: | | |
| Within one year | 14,504,430 | 4,912,000 |
| After one year but within five years | 71,011,182 | 54,513,578 |
| After five years | 20,513,721 | 31,015,965 |
| | 91,524,903 | 85,529,543 |
| | 106,029,333 | 90,441,543 |
| Market value | 106,416,156 | 88,567,993 |

Investments in quoted bonds and treasury bills have fixed interest rates ranging from 1.73% to 5.25% (2024: 1.73% to 5.00%) per annum and maturity dates ranging from July 2025 to October 2036 (2024: August 2024 to October 2036) as at reporting date.

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

9 Conservancy and service fees receivables

| | 2025 \$ | 2024 \$ |
|--|----------------|----------------|
| Conservancy and service fees receivables | 2,526,398 | 2,488,222 |
| Less: Allowance for impairment | (1,619,472) | (1,571,429) |
| | 906,926 | 916,793 |

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

| | 2025 \$ | 2024 \$ |
|---|--------------------|--------------------|
| Balance at beginning of year | (1,571,429) | (1,645,015) |
| (Allowance)/Reversal for the year (Note 22) | (48,043) | 73,586 |
| Balance at end of year | (1,619,472) | (1,571,429) |

| | 2025 \$ | 2024 \$ |
|--------------------------------|--------------------|--------------------|
| Not past due | 245,859 | 233,417 |
| Past due 1 - 3 months | 510,460 | 457,981 |
| Past due 4 - 5 months | 144,071 | 122,248 |
| More than 6 months | 1,626,008 | 1,674,576 |
| Total receivables | 2,526,398 | 2,488,222 |
| Less: Allowance for impairment | (1,619,472) | (1,571,429) |
| | 906,926 | 916,793 |

10 Other receivables

| | 2025 \$ | 2024 \$ |
|------------------------------------|------------------|------------------|
| Deposits | 218,669 | 238,842 |
| GST receivable from Inland Revenue | 101,656 | 477,727 |
| Recoverable from HDB/NEA | 8,201 | 9,174 |
| Prepaid expenses | 377,824 | 38,117 |
| Other receivables | 1,772,240 | 1,143,070 |
| | 2,478,590 | 1,906,930 |

11 Grants receivable

| | 2025 \$ | 2024 \$ |
|--|------------------|------------------|
| Receivable from Citizens' Consultative Committee | 7,121,625 | 4,391,255 |
| GST subvention receivable | 600,833 | 562,285 |
| Lift Replacement Fund Matching Grant | 856,817 | 800,375 |
| S&CC Grant Received in Advance | 4,700 | 25,322 |
| | 8,583,975 | 5,779,237 |

12 Receivable/(Advance) for Electrical Load Upgrading Programme

| | 2025 \$ | 2024 \$ |
|------------------------------------|----------------|----------------|
| Balance at beginning of year | 187,809 | (278,115) |
| Government funds refunded/received | 6,835 | (667,774) |
| Payments/payable to contractors | 453,118 | 1,133,698 |
| | 459,953 | 465,924 |
| Balance at end of year | 647,762 | 187,809 |

The balances comprise of:

| | 2025 \$ | 2024 \$ |
|----------------------|----------------|----------------|
| Receivables from HDB | 647,762 | 215,106 |
| Advances from HDB | - | (27,297) |
| | 647,762 | 187,809 |

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

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

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

13 Receivable/(Advance) for Neighbourhood Renewal Programme

| | 2025 \$ | 2024 \$ |
|---------------------------------------|------------|-------------|
| Balance at beginning of year | 245,426 | 3,193,338 |
| Government funds received/receivables | - | (4,383,060) |
| Payments/payables to contractors | 4,952,769 | 1,435,148 |
| | 4,952,769 | (2,947,912) |
| Balance at end of year | 5,198,195 | 245,426 |

The balances comprise of:

| | 2025 \$ | 2024 \$ |
|----------------------|-------------|-------------|
| Receivables from HDB | 6,599,233 | 2,045,791 |
| Advances from HDB | (1,401,038) | (1,800,365) |
| | 5,198,195 | 245,426 |

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

The funding of the NRP is provided by the government for the specified use of projects under the programme. However, if the cost of project works incurred exceeds the funding provided, the Town Council has to bear the cost of excess expenditure.

Since 2007, the grant is subject to a budget allocation of S\$3,400 per dwelling unit for NRP works, as well as S\$150 per dwelling unit or S\$125,000, whichever is higher for miscellaneous expenditure.

In 2014, the NRP budget allocation was increased from \$3,400 to \$4,700 per dwelling unit (DU) to support the expansion in the scope of NRP. This revision in allocation was implemented to projects selected for NRP from FY2015 onwards.

In 2022, HDB has increased the NRP budget from S\$4,700 to S\$5,550 for selected NRP works.

In 2024, the budget allocation was further revised to provide an additional one-off increase in budget of \$1,400 per DU for NRP block and precinct works. This increased the budget allocation to \$6,100 per DU for qualifying NRP works.

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

| | 2025 \$ | 2024 \$ |
|---|------------|------------|
| Receivable for Selective Lift Replacement Programme | - | 4,051,698 |
| Receivable for Lift Enhancement Programme | 3,463,494 | 4,813,197 |
| Total | 3,463,494 | 8,864,895 |

(a) Receivable for SLRP

| | 2025 \$ | 2024 \$ |
|--------------------------------------|-------------|------------|
| Balance at beginning of year | 4,051,698 | 4,051,698 |
| Government funds received/receivable | (4,061,188) | - |
| Payments/payable to contractors | 9,490 | - |
| Balance at end of year | - | 4,051,698 |

14 Receivables for Selective Lift Replacement (“SLRP”) and Lift Enhancement Programme (“LEP”) (cont'd)

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

(b) Receivable for LEP

| | 2025 | 2024 |
|--------------------------------------|------------------|------------------|
| | \$ | \$ |
| Balance at beginning of year | 4,813,197 | 2,885,985 |
| Government funds received/receivable | (3,187,650) | (1,128,745) |
| Payments/payable to contractors | 1,837,947 | 3,055,957 |
| Balance at end of year | 3,463,494 | 4,813,197 |

LEP was introduced in September 2016 for HDB to support the Town Council in its enhancements to existing lifts which have been in operation for 18 years or less (based on April 2017) and are not yet equipped with all the recommended lift components. Under the LEP, HDB will fund the enhancement cost for lifts eligible for LEP on a per-lift basis, capped at 92.5% of the cost, which is derived from summing the individual caps on each lift component.

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

15 Fixed deposits with financial institutions

| | 2025 | 2024 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Fixed deposits with financial institutions (Note 16) | 72,006,993 | 73,008,501 |

Fixed deposits with financial institutions mature on varying dates within 12 months (2024: 12 months) from the end of the financial year. Interest rates at the reporting date were between 2.39% and 3.62% (2024: between 2.72% and 3.70%) per annum. Fixed deposits are also callable on demand by the Town Council without incurring any significant penalties and interest costs.

16 Cash and bank balances

| | 2025 | 2024 |
|-------------------------------|-------------------|-------------------|
| | \$ | \$ |
| Cash and bank balances | 15,560,613 | 20,578,032 |

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

| | 2025 | 2024 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Cash and bank balances | 15,560,613 | 20,578,032 |
| Fixed deposits with financial institutions (Note 15) | 72,006,993 | 73,008,501 |
| Cash and cash equivalents in statement of cash flows | 87,567,606 | 93,586,533 |

17 Payables and accrued expenses

| | 2025 | 2024 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Refundable deposits | 542,543 | 604,348 |
| Payables to contractors | 12,992,675 | 2,256,739 |
| Accrued operating expenses | 11,898,891 | 12,227,229 |
| Other creditors | 162,270 | 162,533 |
| | 25,596,379 | 15,250,849 |
| | | |
| | 2025 | 2024 |
| | \$ | \$ |
| Current | | |
| - Due within one year | 25,567,219 | 15,182,809 |
| Non-current | | |
| - Due after one year but within five years | 29,160 | 68,040 |
| | 25,596,379 | 15,250,849 |

18 Lease liabilities

Town Council has leases for office premises. The lease term for office premises are 3 years. The carrying amount of lease liabilities for office premises are as follows:

| | 2025 | 2024 |
|--|----------------|----------------|
| | \$ | \$ |
| Current | | |
| - Due within one year | 250,319 | 141,885 |
| Non-current | | |
| - Due after one year but within five years | 399,818 | - |
| | 650,137 | 141,885 |

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

| | Beginning of financial year | Financing cash flows | | Non-cash changes | | End of financial year |
|-------------------|-----------------------------|----------------------|---------------|-------------------|--------------------|-----------------------|
| | | Repayments made | Interest paid | Interest expenses | Lease modification | |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2025 | | | | | | |
| Lease liabilities | 141,885 | (257,036) | (9,364) | 9,364 | 765,288 | 650,137 |
| 2024 | | | | | | |
| Lease liabilities | 399,818 | (257,933) | (8,467) | 8,467 | - | 141,885 |

19 Conservancy and service fees received in advance

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

Conservancy and service fee recognised during the financial year ended 31 March 2025 included in contract liabilities at the beginning of the year was S\$1,000,422 (2024: S\$924,211).

20 Agency fees

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

21 Other income

| | 2025 | 2024 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| Agency fees | 1,431 | 1,590 |
| Late payment fees | 136,217 | 143,931 |
| Liquidated damages | 379,405 | 472,841 |
| Sale of tender documents | 28,600 | 28,600 |
| Sundry fines | 23,926 | 18,998 |
| Sundry income | 549,445 | 529,443 |
| Temporary occupation licences | 1,270,156 | 1,194,938 |
| Use of void decks and common property | 54,248 | 55,666 |
| Use of water and electricity | 104,325 | 126,981 |
| | 2,547,753 | 2,572,988 |

22 General and administrative expenditure

| | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Advertising, publicity and public relations | 217,192 | 180,164 |
| Computer services | 328,677 | 311,760 |
| Conservancy and service fees receivables | | |
| - allowance/(reversal) for impairment (Note 9) | 48,043 | (73,586) |
| - bad debts written off | 58 | 1,024 |
| Depreciation of property, plant and equipment (Note 7) | 391,100 | 469,690 |
| Employee remuneration and Town Councillors' allowances (Note 28) | 6,459,319 | 6,408,821 |
| Office expenses | 209,625 | 208,300 |
| Others | 354,006 | 264,885 |
| Professional fees | 254,606 | 180,151 |
| Property tax | 126,763 | 108,161 |
| Unclaimable GST | 468,801 | 433,350 |
| Interest on lease liabilities | 9,364 | 8,467 |
| Conservancy and service fee rebate | 33,955 | 45,667 |
| Allocation of general and administrative expenditure to: | | |
| - Ordinary Sinking Fund (Note 25 (ii)) | (529,892) | (514,308) |
| - Town Improvement and Project Fund (Note 26) | (127,416) | (88,568) |
| - Lift Replacement Fund (Note 27) | (121,424) | (159,203) |
| | 8,122,777 | 7,784,775 |

23 Income tax

| | 2025 \$ | 2024 \$ |
|---|----------------|----------------|
| Current tax expense | | |
| - Current year | 987,241 | 961,401 |
| - Over provision in respect of previous years | (83,089) | (64,389) |
| | 904,152 | 897,012 |
| Taken up in: | | |
| Accumulated surplus (Note 3) | 329,696 | 194,966 |
| Ordinary Sinking Fund (Note 4) | 335,212 | 509,975 |
| Lift Replacement Fund (Note 6) | 239,244 | 192,071 |
| | 904,152 | 897,012 |

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

| | 2025 \$ | 2024 \$ |
|--|-------------------|-------------------|
| Government grants | 20,853,309 | 17,434,616 |
| Investment and interest income | 5,613,505 | 5,617,973 |
| Other income | 1,529,184 | 1,045,866 |
| | 27,995,998 | 24,098,455 |
| Tax calculated at Singapore tax rate of 17% (2024 - 17%) | 4,759,319 | 4,096,737 |
| Income taxed at concession tax rate of 10% | (224,247) | (168,046) |
| Singapore statutory stepped income exemption | (17,425) | (17,425) |
| Tax remission of government grants under Section 92(2) of Singapore Income Tax Act | (3,530,406) | (2,949,883) |
| Over provision in respect of previous years | (83,089) | (64,389) |
| Others | - | 18 |
| | 904,152 | 897,012 |

Movements in income tax payable are as follows:

| | 2025 \$ | 2024 \$ |
|---|------------------|------------------|
| Balance at beginning of year | 1,557,911 | 949,832 |
| Payments during the year | (596,510) | (298,735) |
| Income tax refund from IRAS | 143,365 | 9,802 |
| Over provision in respect of previous years | (83,089) | (64,389) |
| Tax expense on income for current year | 987,241 | 961,401 |
| Balance at end of year | 2,008,918 | 1,557,911 |

BISHAN-TOA PAYOH TOWN COUNCIL
(Established under the Town Councils Act 1988)
Notes to the financial statements for the financial year ended 31 March 2025

33

24 Government grants

| Note | <u>Service and conservancy charge operating grant</u> | | <u>GST Subvention grant</u> | | <u>Payment from Citizens' Consultative Committee</u> | | <u>Lift Maintenance Grant</u> | | <u>Lift Replacement Fund Matching Grant</u> | | <u>Special Funding Support Grant</u> | | <u>Total</u> | | |
|---|---|--------------------|-----------------------------|------------------|--|--------------------|-------------------------------|------------------|---|--------------------|--------------------------------------|------------------|--------------|--------------------|-------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| Government grants | | | | | | | | | | | | | | | |
| received/receivable during the year | 3 | 6,216,459 | 6,209,538 | 2,362,470 | 1,967,362 | 5,496,329 | 2,263,279 | 816,000 | 810,000 | 4,012,027 | 3,850,552 | 1,950,024 | 2,333,885 | 20,853,309 | 17,434,616 |
| Less: | | | | | | | | | | | | | | | |
| Transfer to Ordinary Sinking Fund | 3, 4 | (1,616,279) | (1,614,480) | (614,243) | (511,518) | - | - | (212,160) | (210,600) | - | - | (507,006) | (606,810) | (2,949,688) | (2,943,408) |
| Transfer to Town Improvement and Project Fund | 3, 5 | - | - | - | - | (5,496,329) | (2,263,279) | - | - | - | - | - | - | (5,496,329) | (2,263,279) |
| Transfer to Lift Replacement Fund | 3, 6 | (870,304) | (869,335) | (330,747) | (275,432) | - | - | (114,240) | (113,400) | (4,012,027) | (3,850,552) | (273,003) | (326,744) | (5,600,321) | (5,435,463) |
| | | 3,729,876 | 3,725,723 | 1,417,480 | 1,180,412 | - | - | 489,600 | 486,000 | - | - | 1,170,015 | 1,400,331 | 6,806,971 | 6,792,466 |

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

| | 2025 | 2024 |
|--|--------------------|-------------|
| | \$ | \$ |
| Total grants received as at beginning of year | 356,461,614 | 339,294,009 |
| Grants received during the year | 17,974,243 | 17,167,606 |
| Total grants received as at end of year | 374,435,857 | 356,461,615 |

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

25 Ordinary Sinking Fund income and expenditure**(i) Income**

| | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Interest income from bank deposits | 1,266,725 | 2,077,196 |
| Interest income from quoted bonds and treasury bills | 2,641,056 | 2,209,300 |
| Others | 2,069 | 43,380 |
| | 3,909,850 | 4,329,876 |

(ii) Expenditure

| | 2025 | 2024 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Other works | 12,000 | 367,807 |
| Replacement of generator and water pumpset | 4,924,354 | 3,442,427 |
| Replacement of water pipes | (19,250) | 5,642 |
| Replacement of booster pump | 319,600 | 336,600 |
| Re-decoration and repainting works | 13,679,963 | 15,486,870 |
| Re-roofing works | 5,664,728 | 1,277,475 |
| Unclaimable GST | 394,643 | 258,544 |
| General and administrative expenditure (Note 22) | 529,892 | 514,308 |
| | 25,505,930 | 21,689,673 |

26 Town Improvement and Project Fund expenditure

| | 2025 | 2024 |
|---|------------------|------------------|
| | \$ | \$ |
| Covered linkways | 2,091,275 | 1,804,848 |
| Construction/upgrading of playground and fitness corner | 509,750 | 333,900 |
| Open Space improvement | 3,371,775 | 1,361,320 |
| Construction of facilities and other amenities | 116,918 | 340,280 |
| General and administrative expenditure (Note 22) | 127,416 | 88,568 |
| | 6,217,134 | 3,928,916 |

27 Lift Replacement Fund expenditure

| | 2025 | 2024 |
|--|------------------|------------------|
| | \$ | \$ |
| Replacement of main sheaves/ropes | 1,662,395 | 1,648,319 |
| Replacement of ARD/EBOPS battery | 446,225 | 295,485 |
| Other lift related works and unclaimable GST* | 2,305,052 | 1,133,009 |
| General and administrative expenditure (Note 22) | 121,424 | 159,203 |
| | 4,535,096 | 3,236,016 |

* Net of co-funding for LEP of S\$1,837,947 (2024: S\$3,055,957).

28 Employees' remuneration

| | 2025 \$ | 2024 \$ |
|----------------------------|------------------|------------------|
| Councillors' allowance | 168,000 | 168,000 |
| Salaries and related costs | 5,511,121 | 5,483,623 |
| Contributions to CPF | 780,198 | 757,198 |
| | 6,459,319 | 6,408,821 |

Employees' remuneration include the following:

| | 2025 \$ | 2024 \$ |
|---------------------------------------|----------------|----------------|
| Key management personnel remuneration | | |
| - Councillors' allowance* | 168,000 | 168,000 |
| - Salaries and related costs | 720,555 | 682,001 |
| - Contribution to CPF | 28,001 | 29,834 |
| | 916,556 | 879,835 |

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

29 Expenditure and capital commitments

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

| | 2025 \$ | 2024 \$ |
|--|------------|------------|
| Amount approved and contracted for | 43,955,728 | 35,916,115 |
| Amount approved but not contracted for | 56,493,817 | 67,803,549 |

30 Financial instruments and financial risks

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

30.1 Credit risk

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

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

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

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

For receivables, an ongoing credit evaluation is performed on the financial conditions of the receivables and losses on impairment are recognised in income or expenditure. The allowance for doubtful conservancy and service fees receivables totalling S\$1,619,472 (2024: S\$1,571,429) has been determined at the reporting date. There are no concentrations of credit risk with respect to conservancy and service fees receivables as the exposure is spread over a large number of residents.

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

| Town Council | Internal credit rating | 12-month/ Lifetime ECL | Gross carrying amount \$ | Loss allowance \$ | Net carrying amount \$ |
|---|------------------------|------------------------------------|-----------------------------|----------------------|---------------------------|
| 2025 | | | | | |
| <u>Financial assets</u> | | | | | |
| Conservancy and service fees receivables (Note 9) | (1) | Lifetime ECL (Simplified approach) | 2,526,398 | (1,619,472) | 906,926 |
| Other receivables (Note 10) | (2) | 12-month ECL | 2,478,590 | - | 2,478,590 |
| Grants receivable (Note 11) | (2) | Performing | 8,583,975 | - | 8,583,975 |
| Receivables for Electrical Load Upgrading Programme (Note 12) | (2) | Performing | 647,762 | - | 647,762 |
| Receivables for Neighbourhood Renewal Programme (Note 13) | (2) | Performing | 6,599,233 | - | 6,599,233 |
| Receivables for Selective Lift Replacement and Lift Enhancement Programme (Note 14) | (2) | Performing | 3,463,494 | - | 3,463,494 |

30 Financial instruments and financial risks (Cont'd)

30.1 Credit risk (Cont'd)

| Town Council | Internal credit rating | 12-month/ Lifetime ECL | Gross carrying amount \$ | Loss allowance \$ | Net carrying amount \$ |
|---|------------------------|------------------------------------|-----------------------------|----------------------|---------------------------|
| 2024 | | | | | |
| <u>Financial assets</u> | | | | | |
| Conservancy and service fees receivables (Note 9) | (1) | Lifetime ECL (Simplified approach) | 2,488,222 | (1,571,429) | 916,793 |
| Other receivables (Note 10) | (2) | 12-month ECL | 1,906,930 | - | 1,906,930 |
| Grants receivable (Note 11) | (2) | Performing | 5,779,237 | - | 5,779,237 |
| Receivables for Electrical Load Upgrading Programme (Note 12) | (2) | Performing | 215,106 | - | 215,106 |
| Receivables for Neighbourhood Renewal Programme (Note 13) | (2) | Performing | 2,045,791 | - | 2,045,791 |
| Receivables for Selective Lift Replacement and Lift Enhancement Programme (Note 14) | (2) | Performing | 8,864,895 | - | 8,864,895 |

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

(2) Counterparties with a low risk of default.

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

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

30.2 Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town Council has interest-bearing fixed deposits with financial institutions and investments held at amortised cost. The interest rates are disclosed in Notes 8 and 15 to the financial statements.

The Town Council does not expect any significant effect on interest income arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year and the interest-bearing instruments carry fixed interest rate.

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

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

The normal credit period for settlement of payables and accrued expenses is 30 days (2024: 30 days). It is expected that all the liabilities will be paid when due with cash inflows from operating activities and government grants.

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

| | Carrying amount | Contractual cash flows | One year or less | Two to five years | After five years |
|---|--------------------|---------------------------|---------------------|----------------------|---------------------|
| | \$ | \$ | \$ | \$ | \$ |
| 2025 | | | | | |
| <u>Financial assets</u> | | | | | |
| Investments at amortised cost | 106,029,333 | 117,936,919 | 17,758,579 | 78,451,507 | 21,726,833 |
| Conservancy and service fees receivables | 906,926 | 906,926 | 906,926 | - | - |
| Other receivables, excluding prepaid expenses | 2,100,766 | 2,100,766 | 2,100,766 | - | - |
| Interest receivable | 1,950,235 | 1,950,235 | 1,950,235 | - | - |
| Grants receivable | 8,583,975 | 8,583,975 | 8,583,975 | - | - |
| Receivables for ELU | 647,762 | 647,762 | 647,762 | - | - |
| Receivables for NRP | 6,599,233 | 6,599,233 | 6,599,233 | - | - |
| Receivables for LEP | 3,463,494 | 3,463,494 | 3,463,494 | - | - |
| Fixed deposits with financial institutions | 72,006,993 | 72,006,993 | 72,006,993 | - | - |
| Cash and bank balances | 15,560,613 | 15,560,613 | 15,560,613 | - | - |
| | 217,849,330 | 229,756,916 | 129,578,576 | 78,451,507 | 21,726,833 |
| <u>Financial liabilities</u> | | | | | |
| Payables and accrued expenses | 25,596,379 | 25,596,379 | 25,567,219 | 29,160 | - |
| Advances for NRP | 1,401,038 | 1,401,038 | 1,401,038 | - | - |
| Lease liabilities | 650,137 | 676,200 | 266,400 | 409,800 | - |
| | 27,647,554 | 27,673,617 | 27,234,657 | 438,960 | - |

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

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

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

31 Funds management

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

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

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

There were no changes in the Town Council's policies and procedures in the management of its surplus funds during the financial year. The Town Council is not subject to externally imposed capital requirements. As at the end of the reporting period, the Town Council's total funds amounted to S\$188,579,542 (2024: S\$186,138,406).

32 Fair value measurements

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

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

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

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

33 Subsequent Events

Transferable surpluses to sinking funds

Pursuant to Section 48 of the Town Councils Act, where a writ of election is issued, Town Councils are required to transfer the excess of revenue over expenditure (referred to as surpluses) in any fund (other than a sinking fund) established under Section 47 of the Act to the ordinary sinking fund and Lift Replacement Fund of the Town Council.

The surpluses are to be transferred to the respective Sinking Funds within 90 days from the date the Statement of Transferable Surpluses is audited but no later than 180 days from the date of issue of the writ of election. The Town Council transferred S\$1,773,098 and S\$954,745 respectively to the Ordinary Sinking Fund and the Lift Replacement Fund on 11 September 2025, based on the number of residential and commercial units under the management of the Town Council as at 14 April 2025.

34 Comparative information

Reclassification has been made to the prior year's Ordinary Sinking Fund expenditures and employee' remuneration to enhance comparability with the current year's financial statements. As a result, certain line items have been amended in Note 25(ii) and Note 28.

| | Currently presented 2023/2024 S\$ | Previously presented 2023/2024 S\$ |
|--|--|---|
| Ordinary Sinking Fund expenditures | | |
| Other works | 367,807 | 624,307 |
| Replacement of generator and water pumpset | 3,442,427 | 3,185,927 |
| Employees' remuneration | | |
| Salaries and related costs | 5,483,623 | 5,448,339 |
| Contributions to CPF | 757,198 | 792,482 |