

FY2024-2025 ANNUAL REPORT

Sembawang Town Council

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CHAIRMAN'S REVIEW

FY2024/2025 has been a year of growth and meaningful progress for Sembawang Town Council. Our priority has always been to create a safe, clean, and welcoming home for all residents, and I am grateful for the continued support and trust from the community as we work together to enhance our estates.

During the financial year, we continued to carry out essential cyclical works under the Sinking Funds, including reroofing, electrical rewiring, redecoration, and upgrading of estate facilities. In addition, under the Lift Enhancement Programme, we successfully modernised 111 lifts, bringing the total upgraded to 450 across our estates, thereby enhancing safety and reliability for residents.

Beyond essential maintenance, we made improvements to the living environment. New covered walkways and barrier-free access facilities were constructed, while senior citizens' corners and community spaces were added to bring people closer together. We are committed to creating an inclusive town where residents of all ages can feel at home.

All these were achieved while exercising prudence in the use of residents' contributions and government grants. The Town Council continues to build reserves in our Lift Replacement and Sinking Funds, ensuring that we are financially prepared to meet future estate needs. This balance between improvements for today and safeguarding resources for tomorrow underpins our accountability to residents.

Looking ahead, we will continue to face rising costs and evolving needs, but our commitment remains the same: to manage resources responsibly, deliver quality services, and improve the well-being of residents. By working together with grassroots leaders, community partners, and residents, I am confident we can keep building Sembawang into a caring, sustainable, and future-ready town.

With this review, I am pleased to present our report to provide more details of the various aspects of our operations.



FINANCIAL SUMMARY



In FY2024/2025, Sembawang Town Council had an operating surplus of \$7.5 million. As of 31 March 2025, our Town Council's Sinking Funds, Lift Replacement Funds and Accumulated Surplus stood at \$170.5 million, \$120.7 million, and \$25.1 million respectively.

This surplus was partly due to our effective management of arrears. Notably, arrears cases extending beyond three months accounted for only 2.85% of the total residential units under our care. We would like to express our gratitude to the residents for their timely and consistent monthly payments, which have greatly contributed to our financial health. We also appreciate the invaluable contributions of our Town Councillors, Grassroots Leaders, agencies, and staff. Their commitment to conducting house visits and providing assistance to households with arrears has been instrumental in achieving these favourable results.



CODE OF GOVERNANCE



The Code of Governance for Town Councils launched by the Ministry of National Development (MND), took effect from 1 April 2020. It aims to promote greater transparency and accountability, thus raising governance standards in town councils.

The Code of Governance consists of four main parts - Council Effectiveness, Internal Control & Process, Financial Management, and Vendor Management.

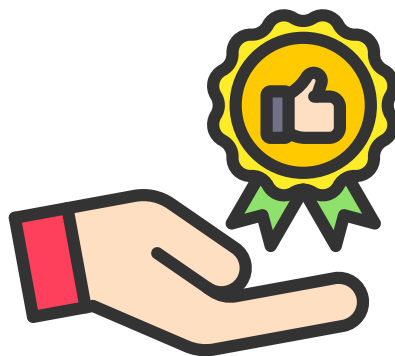
Risk Management Framework is an important feature in the Code of Governance. With the help of external consultants and guidance of our Audit Committee, Sembawang Town Council had implemented our own comprehensive framework for Enterprise Risk Management (ERM). Through our annual risk assessment, we have identified 21 key risks which was reported to the Council. The effectiveness of our internal controls has also been assessed.

Our Council is of the opinion that the Risk Management Framework and the supporting internal control policies and procedures are adequate to address the risks of the Town Council.

On the selection and appointment of Town Councillors, the elected members nominated candidates based on their relevant experience, skills, understanding of the residents' needs, involvement and contributions to the community. They would then be appointed and placed in the five standing committees ensuring that each committee has the necessary core skills and competencies to carry out the duties and responsibilities of the respective committees. In addition, two-thirds of members must be residents staying in HDB housing estates within the town in accordance with Town Council Act.



TOWN COUNCIL MANAGEMENT REPORT (TCMR)



The Town Council's core responsibility is to ensure that our estates remain clean, safe, and well-maintained for all residents. This continues to be one of our top priorities, even as we seek new ways to improve and enhance our services. These efforts were affirmed in this year's Town Council Management Report (TCMR), where Sembawang Town Council achieved Green Bands in all four assessed categories: Lift Performance, Estate Cleanliness, Estate Maintenance and S&CC Arrears Management.



CYCLICAL WORKS



The Town Council oversees a range of cyclical works to ensure our estates remain in optimal condition for our residents. These essential activities include redecoration and repainting (R&R), re-roofing, replacement of lift parts, pumps and pipes.

During the financial year, Lift Enhancement Programme had been carried out for a total of 111 lifts. In addition, a dedicated Lift Replacement Fund had been set up to ensure that adequate funds are set aside for the replacement of old lifts. An additional 132 lifts were called through a tender in FY 2024/2025 at a cost of \$13.0 million.

In FY2024/2025, we spent a total of \$35.0 million on these cyclical works. Specifically, \$13.0 million was allocated to R&R and \$6.6 million to electrical re-wiring works.

With these works done to vastly enhance our estates, residents are able to enjoy the upgraded facilities around their homes.



TOWN IMPROVEMENT PROJECTS

Town Improvement Projects play a crucial role in enhancing each town by providing essential amenities and recreational facilities that meet residents’ needs. These projects typically begin with consultations with grassroots organisations and gathering residents’ feedback on the facilities that would most benefit the community. Sembawang Town Council spent a total of \$2.5 million on town improvement projects in FY2024/2025. Of this expenditure, \$1.1 million and \$304,000 were spent on the construction of covered linkways and upgrading of open spaces.

Notable achievements this year include the new Linkway at Blk 824 Woodlands Street 81 and the new Drop Of Point at Blk 628A Woodlands Drive 62, both of which exemplify our dedication to creating a more connected and vibrant town. As we continue to seek feedback and collaborate with grassroots organisations, we remain focused on delivering meaningful improvements that enrich the lives of all residents.



MAKING SEMBAWANG GREEN



Sembawang Town Council remains committed to promote a clean and green environment through collaborative initiatives with residents, community partners, and agencies.

We support the Public Hygiene Council's quarterly SG Clean Day, organised events like 'Keep Clean Singapore' and 'Tree Planting Day', and participate in the Action Green Town Plan aligned with the Singapore Green Plan 2030.

Continued efforts include litter-picking, tree planting, converting rooftops into Urban Farms and Community Gardens, and installing solar panels under the SolarNova programme.

These initiatives not only engage the community in maintaining cleanliness and greenery but also recognise the contributions of our cleaners and conservancy partners, reinforcing Sembawang as a sustainable and welcoming home for everyone.



ENGAGING OUR RESIDENTS



We remain dedicated to continually strengthening our connection with residents. By using performance metric, we strive to better serve the community by ensuring timely and effective responses to their needs and concerns.

In FY 2024/2025, Sembawang Town Council continued to enhance our communication channels, with a strong social media presence forming a central part of our outreach strategy. Our Facebook pages, “Sayang Sembawang” and “Sembawang Town Council,” together have 63,110 followers. In addition, residents can stay informed through the “Sayang Sembawang” Instagram page, our Telegram channel, and a bi-weekly digital newsletter. We consistently update these platforms to foster active dialogue and maintain close engagement with our community.



SAYANG OUR FUTURE

This past year has been a meaningful one for our Town, with new facilities, enhancements, and national projects shaping Sembawang's future.

We marked the first anniversary of Woodlands Health, which has brought advanced healthcare closer to home. At Bukit Canberra, the opening of Phase 3 introduced new amenities such as Canberra Cove, Forest Gym and the Dog Run.

Looking ahead, major developments promise to transform connectivity and opportunities in our region. The Rapid Transit System (RTS) Link, targeted for completion around 2027–2028, will significantly enhance cross-border travel. The Woodlands Checkpoint expansion, part of broader plans for the Johor-Singapore Special Economic Zone, will also reinforce Woodlands' role as a regional hub. At the same time, new concepts for Sembawang's waterfront are being studied, with plans to introduce fresh options for dining, shopping, and housing.

Closer to our estates, the Neighbourhood Renewal Programme (NRP) upgrades for Woodlands and Sembawang West will further refresh our living environment and strengthen the bonds of our neighbourhoods.

As we move forward, the Town Council remains committed to improving amenities, ensuring sustainability, and enhancing the quality of life for residents. These achievements are only possible with your continued support and feedback. Together, we will make Sembawang an even more vibrant and connected Town.

Vikram Nair

Chairman, Sembawang Town Council





FY2024/2025

ANNUAL FINANCIAL STATEMENTS

31 MARCH 2025

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Independent auditor's report to the members of SEMBAWANG 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 Sembawang Town Council (the "Town Council"), which comprise the statement of financial position as at 31 March 2025, the statement of income and expenditure, statement of comprehensive income, statement of changes in Town Council funds and statement of cash flows of the Town Council for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements of the Town Council 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 comprises the "Chairman's Review", "Financial Summary" and "Cyclical Works" 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 SEMBAWANG TOWN COUNCIL

(Established under the Town Councils Act 1988)

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

Management is responsible for the preparation and fair presentation of financial statements 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 Town Councils Act 1988 and may be dissolved by the Singapore Minister's order published in the Gazette of Singapore. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the members of SEMBAWANG TOWN COUNCIL

(Established under the Town Councils Act 1988)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management and 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 ended 31 March 2025 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.

Basis for Opinion

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

Independent auditor's report to the members of SEMBAWANG TOWN COUNCIL

(Established under the Town Councils Act 1988)

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

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

Other Matter

The financial statements for the financial year ended 31 March 2024 were audited by another auditor whose report dated 20 September 2024 expressed an unmodified opinion on those financial statements.



Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 16 September 2025

Sembawang Town Council

**Statement of Income and Expenditure
For the financial year ended 31 March 2025**

	Note	2025 \$'000	2024 \$'000
OPERATING INCOME			
Conservancy and service fees		59,499	55,999
Less: Operating income transfer to Ordinary Sinking Funds		(15,469)	(14,560)
Operating income transfer to Lift Replacement Funds		(8,330)	(7,840)
		<u>35,700</u>	<u>33,599</u>
Agency fees	6	6,097	5,788
Other income	10(a)	2,884	2,621
		<u>44,681</u>	<u>42,008</u>
Less: Operating expenditure			
Cleaning work		(10,706)	(9,275)
Managing agents' fees	5	(6,587)	(6,368)
Lift maintenance		(7,852)	(7,673)
Other works and maintenance		(7,346)	(5,671)
Water and electricity		(10,353)	(10,574)
General and administrative expenditure	7	(2,452)	(2,420)
		<u>(45,296)</u>	<u>(41,981)</u>
OPERATING (DEFICIT)/SURPLUS		(615)	27
NON-OPERATING INCOME			
Add: Interest income		<u>588</u>	<u>576</u>
(DEFICIT)/SURPLUS BEFORE TAXATION AND GOVERNMENT GRANTS		(27)	603
Less: Income tax expense	8(a)	<u>(375)</u>	<u>(376)</u>
(DEFICIT)/SURPLUS BEFORE GOVERNMENT GRANTS		(402)	227
Add: Government Grants	9	20,487	20,482
Less: Transfer to Ordinary Sinking Funds	9,11	(3,416)	(3,244)
Transfer to Lift Replacement Funds	9,12	(6,903)	(8,527)
Transfer to Town Improvement and Project Funds	9,13	(2,288)	(1,224)
	9	<u>7,880</u>	<u>7,487</u>
SURPLUS FOR THE FINANCIAL YEAR UNDER ACCUMULATED SURPLUS		<u>7,478</u>	<u>7,714</u>



Vikram Nair
Chairman



Dr. Ting Seng Kiong
Secretary

Singapore
16 September 2025

The annexed notes form an integral part of and should be read in conjunction with these financial statements

Sembawang Town Council

**Statement of Comprehensive Income
For the financial year ended 31 March 2025**

	Note	2025 \$'000	2024 \$'000
SURPLUS FOR THE FINANCIAL YEAR UNDER ACCUMULATED SURPLUS	10	7,478	7,714
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR UNDER:			
Ordinary Sinking Funds	11	(123)	(9,141)
Lift Replacement Funds	12	12,903	13,067
Town Improvement and Project Funds	13	(169)	(219)
		20,089	11,421
OTHER COMPREHENSIVE GAIN/(LOSS)			
Item that may not be reclassified to income and expenditure statement			
Fair value gain/(loss) on equity investments	20	43	(411)
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ATTRIBUTABLE TO TOWN COUNCIL FUNDS		20,132	11,010



Vikram Nair
Chairman

Singapore
16 September 2025



Dr. Ting Seng Kiong
Secretary

The annexed notes form an integral part of and should be read in conjunction with these financial statements

Sembawang Town Council

**Statement of Financial Position
As at 31 March 2025**

	Note	2025 \$'000	2024 \$'000
TOWN COUNCIL FUNDS			
Residential Property			
Accumulated Surplus	10	15,085	10,610
Ordinary Sinking Funds	11	158,044	158,281
Lift Replacement Funds	12	115,425	102,774
Town Improvement and Project Funds	13	2,058	1,225
		<u>290,612</u>	<u>272,890</u>
Commercial Property			
Accumulated Surplus	10	1,652	1,394
Ordinary Sinking Funds	11	12,037	11,923
Lift Replacement Funds	12	5,226	4,974
Town Improvement and Project Funds	13	25	15
		<u>18,940</u>	<u>18,306</u>
Carpark			
Accumulated Surplus	10	8,332	6,599
Fair Value Reserve			
Ordinary Sinking Funds	11, 25	456	413
Total Town Council Funds		<u>318,340</u>	<u>298,208</u>
Represented by:			
Current Assets			
Cash and cash equivalents	15	185,121	224,424
Interest receivables		1,788	3,250
Financial assets at fair value through profit or loss	16	125,792	60,995
Conservancy and service fee receivables	18	1,447	1,253
Other receivables and prepayments	19	11,632	11,047
Debt investments at amortised cost	21	-	5,150
Receivables from Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	28	3,241	1,318
Receivables from Sport-in-Precinct Programme	29	697	659
		<u>329,718</u>	<u>308,096</u>
Non-Current Assets			
Equity investments at fair value through other comprehensive income	20	2,305	2,277
Debt investments at amortised cost	21	844	851
Plant and equipment	22	37	45
Right-of-use assets	23	664	1,236
		<u>3,850</u>	<u>4,409</u>
Total Assets		<u>333,568</u>	<u>312,505</u>

Sembawang Town Council

Statement of Financial Position
As at 31 March 2025

	Note	2025 \$'000	2024 \$'000
Current Liabilities			
Conservancy and service fee received in advance	24	1,777	1,554
Creditors and accrued expenses	26	9,743	8,936
Current income tax liabilities	8(b)	3,193	2,770
Lease liabilities	27	310	510
		<u>15,023</u>	<u>13,770</u>
Non-Current Liabilities			
Creditors and accrued expenses	26	2	15
Lease liabilities	27	203	512
		<u>205</u>	<u>527</u>
Total liabilities		<u>15,228</u>	<u>14,297</u>
Net Assets		<u>318,340</u>	<u>298,208</u>



Vikram Nair
Chairman



Dr. Ting Seng Kiong
Secretary

Singapore
16 September 2025

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

Sembawang Town Council

Statement of Changes in Town Council Funds
For the financial year ended 31 March 2025

	Note	Residential property \$'000	Commercial property \$'000	Carpark \$'000	Fair value reserve \$'000	Total \$'000
Balance as at 1 April 2023		263,767	17,754	4,853	824	287,198
Accumulated Surplus	10	5,692	276	1,746	-	7,714
Ordinary Sinking Funds	11	(9,138)	(3)	-	-	(9,141)
Lift Replacement Funds	12	12,787	280	-	-	13,067
Town Improvement and Project Funds	13	(218)	(1)	-	-	(219)
Surplus for the financial year		9,123	552	1,746	-	11,421
Other comprehensive loss						
Fair value loss on equity investments	25	-	-	-	(411)	(411)
Total comprehensive income/(loss) for the financial year		9,123	552	1,746	(411)	11,010
Balance as at 31 March 2024		272,890	18,306	6,599	413	298,208
Accumulated Surplus	10	5,478	267	1,733	-	7,478
Ordinary Sinking Funds	11	(237)	114	-	-	(123)
Lift Replacement Funds	12	12,651	252	-	-	12,903
Town Improvement and Project Funds	13	(170)	1	-	-	(169)
Surplus for the financial year		17,722	634	1,733	-	20,089
Other comprehensive income						
Fair value gain on equity investments	25	-	-	-	43	43
Total comprehensive income for the financial year		17,722	634	1,733	43	20,132
Balance as at 31 March 2025		290,612	18,940	8,332	456	318,340

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

Sembawang Town Council

Statement of Cash Flow

For the financial year ended 31 March 2025

	Note	2025 \$'000	2024 \$'000
Operating activities			
Deficit/(surplus) before taxation and government grants	10	(27)	603
Adjustments:			
Operating income transfer to Ordinary Sinking Funds	10,11	15,469	14,560
Operating income transfer to Lift Replacement Funds	10,12	8,330	7,840
Interest income		(588)	(576)
Allowance for impairment loss on receivables	7	5	63
Conservancy and service fee receivables written off	7	7	-
Depreciation of plant and equipment	7, 22	22	40
Depreciation of right-of-use assets	7, 23	573	577
Lease interest expense	7, 27	77	73
Operating surplus before changes in working capital		23,868	23,180
(Increase)/decrease in receivables		(3,562)	111
Decrease in payables		1,878	2,944
Cash flows generated from operations		22,184	26,235
Ordinary Sinking Funds expenditure		(27,218)	(36,786)
Town Improvement and Project Funds expenditure	13	(2,457)	(1,443)
Lift Replacement Funds expenditure	12	(7,708)	(7,743)
Neighbourhood Renewal Programme and Electrical Load Upgrading Programme expenditure	28	(2,444)	(2,080)
Sport-in-Precinct Programme expenditure	29	(38)	(9)
Funding received for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	28	521	582
Funding received for Lift Enhancement Programme		548	1,032
Funding received for Safety Provision and Façade Enhancement Programme		975	856
Taxes paid		(1,059)	(593)
Net cash flows used in operating activities		(16,696)	(19,949)
Investing activities			
Purchase of plant and equipment	22	(14)	(19)
Return of capital from equity investments	20	15	22
Proceeds from debt investments		5,105	2,781
Investment and interest income received		7,329	7,449
Direct cost and payment related to right-of-use assets		-	(1)
Increase in funds with Fund Managers		(60,000)	-
Net cash flows (used in)/generated from investing activities		(47,565)	10,232
Financing activities			
Government grants received	9	24,856	20,646
Repayment of lease liabilities	27	(587)	(592)
Cash flows generated from financing activities		24,269	20,054
Net (decrease)/increase in cash and cash equivalents		(39,992)	10,337
Cash and cash equivalent at the beginning of financial year		222,587	212,250
Cash and cash equivalents at the end of financial year	15	182,595	222,587

The annexed notes form an integral part of and should be read in conjunction with these financial statements

Sembawang Town Council

Notes to the financial statements

For the financial year ended 31 March 2025

1. General information

Sembawang Town Council was formed on 1 September 1990 under the Town Councils Act 1988 and has its registered office at Block 504C Canberra Link, #01-63, Singapore 753504.

The main functions of the Town Council are to control, manage, maintain and improve the common property of residential and commercial property in the housing estates of the Housing and Development Board ("HDB") within the Town. The HDB estates within Admiralty, Canberra, Sembawang Centre, Sembawang West and Woodlands divisions of Sembawang Group Representation Constituency ("GRC") make up Sembawang Town.

2. Material accounting policies

2.1 Basis of preparation

The financial statements of the Town Council have been prepared in accordance with the provisions of the Town Councils Act 1988 (the "Act") and Financial Reporting Standards in Singapore ("FRSs").

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

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

The financial statements are presented in Singapore Dollar which is the Town Council's functional currency. All financial information presented in Singapore Dollar has been rounded to the nearest thousand ("'\$'000"), unless otherwise stated.

2.2 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 effective for annual financial periods beginning on or after 1 April 2024. The adoption of these standards did not have any significant effect on the financial statements of the Town Council for the current or prior years except as below.

2.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, there are FRSs, INT FRSs and amendments to FRS that were issued which may be early adopted but are not yet effective. The management anticipates that the adoption of these FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Town Council in the period of their initial adoption.

**Notes to the financial statements
For the financial year ended 31 March 2025**

2. Material accounting policies (cont'd)

2.4 Plant and equipment

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

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture, fixtures and fittings	-	5 years
Office equipment	-	2 to 3 years
Data processing equipment	-	3 years
Leasehold improvement	-	5 years

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in Income and Expenditure Statement in the year the asset is derecognised.

Plant and equipment costing below \$1,000 each are charged to the Income and Expenditure Statement in the financial year of purchase. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

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

2.5 Funds

(a) Town Council Funds

In accordance with Section 47(1) of the Town Councils Act 1988, separate funds were established to account for the management of the various types of properties. The types of properties currently under the management of the Town Council are as follows:

- Residential Property;
- Commercial Property.

Car parks are managed by the Town Council for the HDB on an agency basis.

These funds are segregated into Accumulated Surplus, Ordinary Sinking Funds, Lift Replacement Funds and Town Improvement and Project Funds all of which form the Town Council Funds.

All monies received by the Town Council are paid into and related expenditure 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.

2. Material accounting policies (cont'd)

2.5 Funds (cont'd)

(b) Ordinary Sinking Funds

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

Ordinary Sinking Funds which is part of the Town Councils Funds are established for improvement to, and the management and maintenance of residential property and commercial property.

The minimum contribution rates for conservancy and service fees and grants-in-aid for Ordinary Sinking Funds would be 26%.

Under the Town Councils Act 1988, the Ministry of National Development ("MND") may, from time-to-time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid (Note 9), to be paid into the Ordinary Sinking Funds.

The minimum amounts to be paid into the Ordinary Sinking Funds is 26% (2024: 26%) of conservancy and service fees and grants-in-aid for residential property and commercial property.

These contributions are treated as operating transfers and deducted from the gross conservancy and service fees and government grants in the Income and Expenditure statement.

The Ordinary Sinking Funds are utilised for major cyclical works such as repair and redecoration, re-roofing, rewiring and replacement of pumps, water tanks and water pipes.

(c) Lift Replacement Funds

In accordance with Section 47(5) of the Town Councils Act 1988, the Lift Replacement Funds is established specifically for lift-related replacements and lift upgrading works of residential property and commercial property. These Lift Replacement Funds are maintained as part of the Town Council Funds.

Under the Town Councils Act 1988, the Ministry of National Development ("MND") may, from time-to-time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid (Note 9) to be paid into the Lift Replacement Funds. The Lift Replacement Fund Matching Grant, which is a grant-in-aid, is not subject to the minimum contribution rates.

The minimum amounts to be paid into the Lift Replacement Funds is 14% (2024: 14%) of conservancy and service fees and grants-in-aid for residential property and commercial property.

These contributions are treated as operating transfers and deducted from the gross conservancy and service fees and government grants in the Income and Expenditure statement.

2. Material accounting policies (cont'd)

2.5 Funds (cont'd)

(d) Town Improvement and Project Funds

Town Improvement and Project Funds are established and maintained as part of the Town Council Funds. These funds are utilised for improvement and development works in the Town. The funds are set up by transfer from the Accumulated Surplus to fund specific town improvement projects, which are to be carried out. In addition, the Town Council receives funds under Community Improvement Projects Committee scheme and are given through the Citizens' Consultative Committees ("CCC") for the approved projects.

(e) Inter-funds transfer

Under Section 47(12) of the Town Councils Act 1988 and Rule 11A(1) of the Town Council Financial Rules, if there is a surplus in an operating fund or a surplus in an ordinary sinking fund of the Town Council at the end of the financial year, the Town Council may transfer the whole or part of the surplus in the operating fund to a lift replacement fund or an ordinary sinking fund, or transfer the whole or part of the surplus in an ordinary sinking fund to a lift replacement fund, but only to make good any deficit in the lift replacement fund. Under Section 57(1)(i) of the Town Councils Act 1988, the Minister may make rules for the circumstances under which a surplus in an operating fund, ordinary sinking fund or lift replacement fund established for residential property, may be transferred to the same fund established for commercial property, and vice versa. Under Rule 11A(2) and (3) of the Town Council Financial Rules, a surplus in an operating fund, ordinary sinking fund or lift replacement fund established for residential property, may be transferred to the same fund established for commercial property, and vice versa, to make good any deficit.

2.6 **Allocation of general overheads**

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

Property type	Equivalent Dwelling Unit(s)	
	2025	2024
1 Residential Property Unit	1	1
1 Commercial Property Unit	2	2
6 Car lots or 36 Motorcycle lots or 4 Lorry lots	1	1

3.5% (2024: 3.5%) of general overheads are allocated to the Lift Replacement Funds and 6.5% (2024: 6.5%) of general overheads are allocated to the Ordinary Sinking Funds.

2.7 **Government grants**

The Town Council receives from the Government, namely, Conservancy and Service Charges Grant, Lift Maintenance Grant, Lift Replacement Fund Matching Grant, payments from CCC, GST subvention grant and Special Funding Support grant.

Service and Conservancy Charge operating grant to meet the current year's operating expenditure are taken to income or expenditure.

Payments from Citizens' Consultative Committees are granted to provide funding support for community improvement projects under the CIPC scheme.

The Goods and Service Tax ("GST") subvention is given as a grants-in-aid to assist the Town Councils for absorbing the GST increases in service and conservancy charges for HDB residential flats.

The Lift Maintenance grant is given to help the Town Councils cope with higher lift-related servicing and maintenance costs, with a disbursement of \$600 annually for each lift maintained by the Town Council.

The Lift Replacement Fund ("LRF") matching grant is given to encourage Town Councils to set aside sufficient funds for the replacement of their existing lifts and lift parts, with disbursements to Town Councils made every quarter, matching 50% of the Town Council's quarterly contribution to its LRF.

The Special Funding Support grant is a time-limited grant provided by the Ministry of Nation Development to Town Councils that need to adjust S&CC to manage operations sustainability. This funding support is meant to buffer Town Councils and residents from the full impact of rising maintenance costs. The Town Council is eligible for the special funding support grant for the financial year 2023 and 2024 following an announcement of increase in S&CC on 1 July 2023 and 1 July 2024. The amount of the funding is equivalent to the additional income generated from gazetted conservancy and service fees increases from financial year 2023 and 2024, considering the number of residential units managed as of 3 April 2023, and is capped at 13% of the audited residential conservancy and service income for the financial year 2022.

Government grants are accounted in the Income and Expenditure Statement on an accrual basis.

2. Material accounting policies (cont'd)

2.8 Funds with fund managers

Funds with fund managers represent the cost of the portfolio of assets placed with fund managers at the beginning of each management term plus investment income less management fees payable during the management term.

Funds with fund managers comprise mainly of equities, bonds, treasury bills, cash and fixed deposits. Equities and bonds are stated on an aggregate portfolio basis and are classified as financial assets at fair value through profit or loss (FVPL) in the statement of financial position.

On expiry of the management term, any surplus over and above the performance benchmark will be shared between the Town Council and the fund managers on the agreed basis.

2.9 Financial instruments

(a) Financial assets

Classification

The Town Council classifies its financial assets in the following measurement categories: (1) Amortised cost; (2) Fair value through other comprehensive income (FVOCI); and (3) Fair value through profit or loss (FVPL).

The classification depends on the Town Council's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Town Council reclassifies debt instruments when and only when its business model for managing those assets changes.

Initial recognition

At initial recognition, the Town Council measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in Income and Expenditure Statement or the respective funds.

2. Material accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise cash and cash equivalents, conservancy and service fee receivables, debt investments and other receivables.

There are three prescribed subsequent measurement categories, depending on the Town Council's business model in managing the assets and the cash flow characteristic of the assets:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Income and Expenditure Statement or the respective funds when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- **FVOCI:** Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in Income and Expenditure Statement or the respective funds. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from fair value reserve to Income and Expenditure Statement or the respective funds.
- **FVPL:** Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in Income and Expenditure Statement or the respective funds in the period in which it arises.

(ii) Funds with fund managers

The Town Council measures its equities and bonds with fund managers at their fair values. These instruments are classified as FVPL with movements in their fair values recognised in Income and Expenditure Statement or the respective funds in the period in which the changes arise and presented in "Gain or loss on financial assets at fair value through profit or loss" in Ordinary Sinking Funds. Dividends and interest income from fund with fund managers are included in the changes in the FVPL.

2. Material accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(a) Financial assets (cont'd)

(iii) Equity Investments

The Town Council measures all its equity investments at their fair values. Changes in fair values of equity investments which are not held for trading are recognised in other comprehensive income as these are strategic investments and the Town Council considers this to be more relevant. Movements in fair values of equity investments classified as FVOCI are presented as "fair value gain on equity investments" in Other Comprehensive Income. Dividends from equity investments are recognised in Ordinary Sinking Funds as "Income from other investments".

Amortised cost and effective interest method

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

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

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

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

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 Income and Expenditure Statement or the respective funds. 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.

The Town Council always recognises lifetime ECL for conservancy and service fee receivables and penalty on late payment receivables.

Notes to the financial statements
For the financial year ended 31 March 2025

2. Material accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Impairment of financial assets (cont'd)

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 uses the practical expedient under FRS 109 in the form of allowance matrix to measure the ECL for conservancy and service fee receivables and penalty on late payment receivables (Note 18 and Note 19) where the loss allowance is equal to lifetime ECL. The following allowance matrix is used:

	<u>Rate of Provision</u>
Live accounts with arrears 12 months and above	100%
Terminated accounts with arrears	100%

The Town Council has reviewed and assessed the allowance matrix based on the conservancy and service fee arrears report as at 31 March 2025 and opined that the rate of provision as stated above remains appropriate and sufficient.

Any subsequent changes in lifetime ECL, both positive and negative, will be recognised immediately in Income and Expenditure Statement or respective funds.

For all other financial instruments (including cash at banks, other receivables - exclude penalty on late payment receivables and interest receivables) the Town Council recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instruments since inception, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

For debt instruments carried at amortised cost, the Town Council applies the low credit risk simplification. At every reporting date, the Town Council evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Town Council reassesses for any deterioration in the credit ratings of the debt instrument.

The Town Council considers a financial asset to be in default when internal or external information indicates that the Town Council is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Town Council.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

De-recognition of financial assets

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

2. Material accounting policies (cont'd)

2.9 Financial instruments (cont'd)

(b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of other financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in Income and Expenditure statement when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in Income and Expenditure statement or the respective funds.

2.10 Impairment of non-financial assets

The Town Council assesses at the end of each reporting period whether there is any indication that those assets may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Town Council estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount and the impairment losses are recognised as an expense in Income and Expenditure statement.

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

2. Material accounting policies (cont'd)

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, fixed deposits, treasury bills and cash balances with fund managers that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value and forms part of the Town Council's cash management strategy.

2.12 Provisions

Provisions are recognised when the Town Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.13 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.

As lessee

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

Right-of-use assets

The Town Council recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are amortised on a straight-line basis over the lease term, as disclosed below.

Data management system	-	6 years
Office premises	-	3 years
Office equipment	-	5 years

The Town Council's right-of-use assets are presented in Note 23.

2. Material accounting policies (cont'd)

2.13 Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Town Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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 or a change in the assessment of an option to purchase the underlying asset. The Town Council's lease liabilities are presented in Note 27.

Short-term leases and leases of low-value assets

The Town Council applies the short-term lease recognition exemption to its short-term leases of office premises and equipment (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 of office equipment 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.

2.14 Revenue recognition

Conservancy and service fee is charged on a monthly to the lessees and tenants of the Housing and Development Board (HDB) flats and other commercial properties towards the maintenance and upkeep of the common property under the Town Council. Conservancy and service fees are allocated between operating income, Ordinary Sinking Funds and Lift Replacement Funds in accordance with the Town Councils Act 1988. Conservancy and service fees, net of operating transfer to Ordinary Sinking Funds and Lift Replacement Funds, are recognised as a performance obligation over time.

Agency fees received for routine maintenance of HDB's car parks within the town is recognised as a performance obligation over time.

Investment income from financial assets designated at fair value through other comprehensive income is recognised as income, in the respective funds, when right to receive the income is established, unless such income clearly represent a recovery of part of the cost of the investment.

Investment income from other financial assets at amortised costs is recognised in the respective funds, on a time proportion basis using the effective interest method.

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

Income from temporary occupation licenses is recognised over the passage of time.

Usage of void deck or other common property that are of short duration is recognised at point of receipt.

Notes to the financial statements
For the financial year ended 31 March 2025

2. Material accounting policies (cont'd)

2.15 Income tax

Tax is provided on the following income:

- (i) Income derived from investments;
- (ii) Fees, rent and other charges received from non-residents or non-owners of properties in the Town for use of common properties; and
- (iii) Donations from non-residents or non-owners of properties in the Town.

In respect of Government grants received, the Town Council has been granted remission under Section 92(2) of the Income Tax Act 1947. Conservancy and service fees and agency fees are not subject to tax.

Income tax expense comprises current tax. Current tax is recognised in the Income and Expenditure Statement or Ordinary Sinking Funds or Lift Replacement Funds, except to the extent that it relates to items recognised directly in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the reporting period and any adjustment to tax payable in respect of previous financial years.

3. Significant accounting judgements and estimates

The preparation of the Town Council's financial statements requires management to exercise its judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future period.

3.1 Judgements made in applying accounting policies

In the process of applying the Town Council's accounting policies, management has not made any significant judgements, apart from those involving estimations.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying value amounts of assets and liabilities within the next financial year are discussed below. The Town Council based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Town Council. Such changes are reflected in the assumptions when they occur.

(a) Classification of debt investments at amortised cost

Debt investments held by the Town Council are measured at amortised cost as both the 'business model test' and the 'contractual cash flow characteristics test' are satisfied. The business model test is whether the objective of the Town Council is to hold the financial asset to collect the contractual cash flows rather than have the objective to sell the instrument before its contractual maturity to realise its fair value changes.

The contractual cash flow characteristics test is whether the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to the financial statements

For the financial year ended 31 March 2025

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(b) Provision for expected credit losses ("ECLs") of conservancy and services fee receivables (Note 18)

The Town Council uses a provision matrix to calculate ECLs for conservancy and service fee receivables. The provision matrix is initially based on the historical observed default rates. The Town Council will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The Town Council assesses at the end of the reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For the case of conservancy and service fee receivables, the Town Council considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments to determine whether there is objective evidence of impairment.

Allowance for impairment is made in the financial statements for amount in arrears that are outstanding for twelve months and above and/or where collection is doubtful. All known bad debts are written-off in accordance with the Town Council Financial Rules.

The carrying amount and the information about the ECLs of the Town Council's conservancy and service fee receivables at the end of the reporting period is disclosed in Note 18 to the financial statements. If the present value of estimated future cash flows decreases by 10% from management's estimates, the Town Council's allowance for impairment will increase by \$144,700 (2024: \$125,300) for conservancy and service fee receivables.

4. Inter-fund transfer

The Town Council may transfer funds in accordance to the Section 47(12) and Section 57(1)(i) of the Town Council Act 1988, and Rule 11A of Town Council Financial Rules.

5. Managing agents' fees

	Note	2025 \$'000	2024 \$'000
Managing agents' fees		7,231	6,990
10% Allocated to:			
6.5% Ordinary Sinking Funds	11(b)	(419)	(404)
3.5% Lift Replacement Funds	12(b)	(225)	(218)
		<u>(644)</u>	<u>(622)</u>
Management agents' fees under Accumulated Surplus		<u>6,587</u>	<u>6,368</u>

The Town Council does not have any other employees on its payroll as management of its daily operations have been outsourced to two managing agents.

Total managing agent fee to a related party (Note 31) amounting to \$7,200,000 (2024: \$6,960,000) in year 2025.

Sembawang Town Council

Notes to the financial statements

For the financial year ended 31 March 2025

6. Agency fees

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

7. General and administrative expenditure

The general and administrative expenditure comprise the following:

	2025 \$'000	2024 \$'000
Office rental and upkeep expenditure	130	124
Computer services	26	23
Advertising, publicity and public relations	329	300
Office supplies and stationery	202	195
Town Councillors' allowances	224	219
Legal fee	8	15
Depreciation of plant and equipment (Note 22)	22	40
Depreciation of right-of-use assets (Note 23)	573	577
Insurance premium	76	62
Lease interest expense (Note 27)	77	73
Plant and equipment not capitalised	4	2
Others	475	455
	<hr/> 2,146	<hr/> 2,085
Allocation of 6.5% (2024: 6.5%) general and administrative expenditure to Ordinary Sinking Funds	(139)	(136)
Allocation of 3.5% (2024: 3.5%) general and administrative expenditure to Lift Replacement Funds	(75)	(73)
	<hr/> 1,932	<hr/> 1,876
Property tax	163	160
Non-claimable goods and services tax (Note 14)	345	321
Conservancy and service fee receivables (Note 18)	2	56
Other receivables (Note 19)	3	7
Allowance for impairment losses on receivables	5	63
Conservancy and service fee receivables written off	7	-
	<hr/> 2,452	<hr/> 2,420

Sembawang Town Council

Notes to the financial statements For the financial year ended 31 March 2025

8. Income tax expense

(a) *Income tax expense*

	2025 \$'000	2024 \$'000
Income tax expense attributable to income is made up of:		
- Current income tax	1,488	1,711
- Over provision in respect of previous years	(6)	(6)
	<u>1,482</u>	<u>1,705</u>
Accumulated Surplus:		
- Current income tax	375	378
- Over provision in respect of previous years (Note 10)	-	(2)
	<u>375</u>	<u>376</u>
Ordinary Sinking Funds:		
- Current income tax	574	801
- Over provision in respect of previous years (Note 11)	(4)	(2)
	<u>570</u>	<u>799</u>
Lift Replacement Funds:		
- Current income tax	539	532
- Over provision in respect of previous years (Note 12)	(2)	(2)
	<u>537</u>	<u>530</u>
Current income tax expense	<u>1,482</u>	<u>1,705</u>

The tax expense on surplus differs from the amount that would arise using the Singapore standard rate of income tax is explained below:

	2025 \$'000	2024 \$'000
Investment and interest income	7,975	8,949
Other income	1,796	1,829
Allowable expenses	(177)	(179)
	<u>9,594</u>	<u>10,599</u>
Tax calculated at a tax rate of 17% (2024: 17%)	1,631	1,802
Tax effect of certain income taxed at concessionary tax rate	(143)	(91)
Over provision in respect of previous years	(6)	(6)
	<u>1,482</u>	<u>1,705</u>

(b) *Income tax liabilities*

	2025 \$'000	2024 \$'000
Taken up in:		
Accumulated Surplus	754	708
Ordinary Sinking Funds (Note 11)	1,371	1,289
Lift Replacement Funds (Note 12)	1,068	773
	<u>3,193</u>	<u>2,770</u>

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

9. Government grants

Government Grants recognised in the Income and Expenditure Statement and the transfer to the respective funds during the financial year are as follows:

	Note	Total		Conservancy and Service Charges Grant		Lift Maintenance Grant		Lift Replacement Fund Matching Grant		Payment from Citizen's Consultative Committee		GST Subvention Grant		Special Funding Support Grant	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Government Grants	10	20,487	20,482	5,788	5,721	845	845	5,064	6,780	2,288	1,224	3,388	2,782	3,114	3,130
Less: Transfer to -															
Ordinary Sinking Funds	11	(3,416)	(3,244)	(1,505)	(1,487)	(220)	(220)	-	-	-	-	(881)	(723)	(810)	(814)
Lift Replacement Funds	12	(6,903)	(8,527)	(810)	(801)	(119)	(118)	(5,064)	(6,780)	-	-	(474)	(390)	(436)	(438)
Town Improvement and Project Funds	13	(2,288)	(1,224)	-	-	-	-	-	-	(2,288)	(1,224)	-	-	-	-
		<u>7,880</u>	<u>7,487</u>	<u>3,473</u>	<u>3,433</u>	<u>506</u>	<u>507</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,033</u>	<u>1,669</u>	<u>1,868</u>	<u>1,878</u>

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

	2025 \$'000	2024 \$'000
Total cumulative Government Grants received at 1 April	504,750	484,104
Add: Government Grants received during the financial year	24,856	20,646
Total cumulative Government Grants received at 31 March	<u>529,606</u>	<u>504,750</u>

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

10. Accumulated Surplus

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

Note	Total		Residential property		Commercial property		Car park	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Operating income								
Conservancy and Service Fees	59,499	55,999	58,233	54,780	1,266	1,219	-	-
Less: Transfer to Ordinary Sinking Funds	11 (15,469)	(14,560)	(15,140)	(14,243)	(329)	(317)	-	-
Transfer to Lift Replacement Funds	12 (8,330)	(7,840)	(8,153)	(7,669)	(177)	(171)	-	-
	35,700	33,599	34,940	32,868	760	731	-	-
Agency Fee	6,097	5,788	-	-	-	-	6,097	5,788
Other Income	10(a) 2,884	2,621	2,501	2,261	189	145	194	215
	44,681	42,008	37,441	35,129	949	876	6,291	6,003
Less: Operating Expenditure	(45,296)	(41,981)	(40,024)	(37,093)	(691)	(608)	(4,581)	(4,280)
Operating (Deficit)/Surplus	(615)	27	(2,583)	(1,964)	258	268	1,710	1,723
Add: Interest Income	588	576	518	506	6	6	64	64
(Deficit)/Surplus before Taxation and Grants	(27)	603	(2,065)	(1,458)	264	274	1,774	1,787
Less: Income tax expense	8(a) (375)	(376)	(330)	(331)	(4)	(4)	(41)	(41)
(Deficit)/Surplus before Government Grants	(402)	227	(2,395)	(1,789)	260	270	1,733	1,746
Add: Government Grants	9 20,487	20,482	20,359	20,346	128	136	-	-
Less: Transfer to Ordinary Sinking Funds	11 (3,416)	(3,244)	(3,413)	(3,241)	(3)	(3)	-	-
Transfer to Lift Replacement Funds	12 (6,903)	(8,527)	(6,811)	(8,415)	(92)	(112)	-	-
Transfer to Town Improvement and Project Funds	13 (2,288)	(1,224)	(2,262)	(1,209)	(26)	(15)	-	-
	7,880	7,487	7,873	7,481	7	6	-	-

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

10. Accumulated Surplus (cont'd)

	Note	Total		Residential property		Commercial property		Car park	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Surplus for the financial year		7,478	7,714	5,478	5,692	267	276	1,733	1,746
At 1 April		18,603	15,302	10,610	9,279	1,394	1,170	6,599	4,853
Less: Voluntary Contribution to Lift Replacement Funds [^]	12	-	(4,000)	-	(3,952)	-	(48)	-	-
Less: Appropriation to Town Improvement and Project Funds	13	(1,012)	(413)	(1,003)	(409)	(9)	(4)	-	-
At 31 March		25,069	18,603	15,085	10,610	1,652	1,394	8,332	6,599

[^] The transfer is a voluntary contribution made in accordance with Section 47(12) of the Town Council Act 1988.

(a) Other income

	2025 \$'000	2024 \$'000
Late payment penalty	223	216
Liquidated damages	100	121
Sale of tender documents	30	16
Sundry fines	16	28
Sundry income	271	286
Temporary Occupational Licence income	1,601	1,600
Use of common property income	19	19
Use of void decks	7	7
Use of water and electricity at void decks	617	328
	2,884	2,621

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

11. Ordinary Sinking Funds

	Note	Total		Residential property		Commercial property	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 April		170,204	179,345	158,281	167,419	11,923	11,926
Add:							
Income	11(a)	7,634	7,470	7,543	7,380	91	90
Operating income transfer from conservancy and service fees	10	15,469	14,560	15,140	14,243	329	317
Transfer from government grants		2,606	2,430	2,603	2,427	3	3
Special Funding Support Grant		810	814	810	814	-	-
	9,10	3,416	3,244	3,413	3,241	3	3
Funding for Safety Provision and Façade Enhancement Programme		1,198	3,170	1,197	3,153	1	17
Total income		27,717	28,444	27,293	28,017	424	427
Less: Expenditure	11(b)	(27,270)	(36,786)	(26,967)	(36,383)	(303)	(403)
Income tax expense	8(a)	(570)	(799)	(563)	(772)	(7)	(27)
(Deficit)/Surplus for the financial year		(123)	(9,141)	(237)	(9,138)	114	(3)
At 31 March before fair value reserve		170,081	170,204	158,044	158,281	12,037	11,923
Add: Fair value reserve	25	456	413				
At 31 March		170,537	170,617				

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

11. Ordinary Sinking Funds (cont'd)

	Note	2025 \$'000	2024 \$'000
Represented by:			
Current assets			
Cash and cash equivalents	15	41,339	95,439
Amount due from Accumulated Surplus		1,448	5,580
Interest receivables		372	1,840
Financial assets at fair value through profit or loss	16	125,792	60,995
Conservancy and service fee receivables		663	571
Debt investments	21	-	5,150
Other receivables		3,943	3,631
		<u>173,557</u>	<u>173,206</u>
Non-current assets			
Equity investments	20	2,305	2,277
Debt investments	21	844	851
		<u>3,149</u>	<u>3,128</u>
Total assets		<u>176,706</u>	<u>176,334</u>
Current liabilities			
Conservancy and service fee received in advance		(441)	(388)
Creditors and accrued expenses		(4,357)	(4,040)
Current income tax liabilities	8(b)	(1,371)	(1,289)
Total liabilities		<u>(6,169)</u>	<u>(5,717)</u>
Net assets		<u>170,537</u>	<u>170,617</u>

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

11. Ordinary Sinking Funds (cont'd)

(a) Income

	2025	2024
	\$'000	\$'000
Fixed deposit interest income	1,900	3,657
Bonds interest income	95	192
Gain on financial assets at fair value through profit or loss	5,523	3,505
Income from other investments	116	116
	<u>7,634</u>	<u>7,470</u>

(b) Expenditure

	Note	2025	2024
		\$'000	\$'000
Reroofing works		2,170	-
Electrical rewiring		6,575	12,206
Redecoration and repainting		12,999	11,887
Replacement of			
- lamp posts		216	1,589
- transfer and booster pump sets		585	1,552
- water pipes and stainless-steel water tank lining		967	2,882
- refuse handling plant and chute flushing system		-	398
- Metal Roof Connection System		-	1,728
- Metal Sun-Breaker and Connection System		1,700	1,964
Replacement of Alarm Alert System		-	293
Replacement of Pressure Tank		7	-
Replacement of fire detector		160	68
Consultancy fee and other charges		1,231	1,498
Non-claimable goods and services tax	14	241	317
Allocation of 6.5% (2024: 6.5%) managing agents' fee	5	419	404
		<u>27,270</u>	<u>36,786</u>

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

12. Lift Replacement Funds

	Note	Total		Residential property		Commercial property	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 April		107,748	90,681	102,774	86,035	4,974	4,646
Income	12(a)	3,169	3,124	3,131	3,087	38	37
Operating income transfer from Conservancy and Service Fees	10	8,330	7,840	8,153	7,669	177	171
Transfer from government grants		1,403	1,309	1,401	1,307	2	2
Lift Replacement Fund Matching Grant ^		5,064	6,780	4,974	6,670	90	110
Special Funding Support Grant		436	438	436	438	-	-
	9,10	6,903	8,527	6,811	8,415	92	112
Funding for Lift Enhancement Programme ^^		2,746	1,849	2,678	1,754	68	95
Total income		21,148	21,340	20,773	20,925	375	415
Less: Expenditure	12(b)	(7,708)	(7,743)	(7,591)	(7,614)	(117)	(129)
Income tax expense	8(a)	(537)	(530)	(531)	(524)	(6)	(6)
Surplus for the financial year		12,903	13,067	12,651	12,787	252	280
Transfer from Accumulated Surplus – Voluntary Contribution ^	10	-	4,000	-	3,952	-	48
At 31 March		120,651	107,748	115,425	102,774	5,226	4,974
Represented by:							
Current assets							
Cash and cash equivalents	15	116,437	97,627				
Amount due from Accumulated Surplus		2,229	6,038				
Interest receivables		1,277	1,264				
Conservancy and service fee receivables		458	409				
Lift Enhancement Programme funding receivables	19	2,582	1,209				
Other receivables		1,433	3,366				
Total assets		124,416	109,913				
Current liabilities							
Conservancy and service fee received in advance		(238)	(209)				
Creditors and accrued expenses		(2,459)	(1,183)				
Current income tax liabilities	8(b)	(1,068)	(773)				
Total liabilities		(3,765)	(2,165)				
Net assets		120,651	107,748				

12. Lift Replacement Funds (cont'd)

^The total Lift Replacement Matching Grant of \$6,779,536 included \$2,000,000 from voluntary contribution during the financial year ended 31 March 2024. With the voluntary contribution of \$4,000,000, the Town Council is entitled to receive a matching grant of \$2,000,000 for the voluntary contribution respectively. The voluntary contribution was made in accordance with Section 47(12) of the Town Council Act 1988.

^^HDB announced a new Lift Enhancement Programme in September 2016 to help Town Councils modernised their existing Housing Development Board (HDB) lifts that have been in operation for 18 years or less. Town Council will have 10 years to carry out the modernisation works progressively. HDB will fund about 92.5% of the costs. During current financial year, Sembawang Town Council had carried out the enhancement programme for a total of 111 lifts (2024: 69 lifts). 514 lifts of the Town Council are eligible for the Lift Enhancement Programme. Of which, 450 lifts had been enhanced through the Programme.

(a) Income

	Note	2025 \$'000	2024 \$'000
Bank and fixed deposit interest income		3,169	3,124

(b) Expenditure

		2025 \$'000	2024 \$'000
Replacement of hoisting ropes and sheaves of lifts		909	1,136
Replacement of batteries for Automatic Rescue Device (ARD)		896	353
Replacement of batteries for Emergency Battery Operated Power Supply (EBOPS)		124	126
Replacement of lift position display panel		679	77
Replacement of lift inverter drive		534	2,597
Lift Enhancement Programme ^^		3,379	2,445
Lift Elevator Energy Regeneration System		34	-
Consultancy fees and other charges		311	180
Non-claimable goods and services tax	14	617	611
Allocation of 3.5% managing agents' fee	5	225	218
		<u>7,708</u>	<u>7,743</u>

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

13. Town Improvement and Project Funds

Note	Total		Residential property		Commercial property	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 April	1,240	1,046	1,225	1,034	15	12
Transfer from government grants	2,288	1,224	2,262	1,209	26	15
Less: Expenditure	(2,457)	(1,443)	(2,432)	(1,427)	(25)	(16)
(Deficit)/Surplus for the financial year	(169)	(219)	(170)	(218)	1	(1)
Appropriation from Accumulated Surplus	1,071	827	1,055	816	16	11
At 31 March	2,083	1,240	2,058	1,225	25	15
Represented by:						
Current asset						
Other receivables	2,262	1,743				
Amount due from Accumulated Surplus	185	-				
	2,447	1,743				
Current liabilities						
Creditors and accrued expenses	(364)	(342)				
Amount due to Accumulated Surplus	-	(161)				
Total liabilities	(364)	(503)				
Net assets	2,083	1,240				

Sembawang Town Council

Notes to the financial statements

For the financial year ended 31 March 2025

13. Town Improvement and Project Funds (cont'd)

(a) Expenditure

	2025 \$'000	2024 \$'000
Construction of covered walkways	1,073	557
Upgrading of open spaces	304	120
Construction/Upgrading of playgrounds and fitness corners	-	126
Lift Surveillance System	287	25
General and administrative charges	80	21
Consultancy fees and project management fees	204	183
Other amenities	291	306
Construction of barrier free access facilities	218	105
	<u>2,457</u>	<u>1,443</u>

14. Non-claimable goods and services tax

Government grants received by the Town Council are considered non-taxable supplies. Therefore, input tax claimable is based on a formula determined by the Inland Revenue Authority of Singapore ("IRAS"). The non-claimable portion is charged to the respective funds.

15. Cash and cash equivalents

	Note	2025 \$'000	2024 \$'000
Cash and bank balances		18,974	27,097
Fixed deposits		163,621	195,490
Treasury bills held in trust by fund managers	17	1,295	999
Cash and fixed deposits held in trust by fund managers	17	<u>1,231</u>	<u>838</u>
		<u>185,121</u>	<u>224,424</u>
Taken up in:			
Accumulated Surplus:			
- Cash and bank balances		8,808	20,674
- Fixed deposits		<u>18,537</u>	<u>10,684</u>
		<u>27,345</u>	<u>31,358</u>
Ordinary Sinking Funds:			
- Cash and bank balances		5,064	3,219
- Fixed deposits		33,749	90,383
- Treasury bills held in trust by fund managers		1,295	999
- Cash and fixed deposits held in trust by fund managers		<u>1,231</u>	<u>838</u>
	11	<u>41,339</u>	<u>95,439</u>
Lift Replacement Funds:			
- Cash and bank balances		5,102	3,204
- Fixed deposits		<u>111,335</u>	<u>94,423</u>
	12	<u>116,437</u>	<u>97,627</u>
Total cash and cash equivalents		<u>185,121</u>	<u>224,424</u>

Notes to the financial statements
For the financial year ended 31 March 2025

15. Cash and cash equivalents (cont'd)

At the end of the reporting period, the carrying amounts of cash and cash equivalents approximate their fair values.

The fixed deposits with financial institutions mature between fourteen days to eleven months (2024: eight days to eleven months) after the financial year end. The interest rate as at 31 March 2025 was between 2.09% and 3.36% (2024: between 3.02% and 4.15%) per annum.

For the purposes of the cash flow statement, the cash and cash equivalents comprise the following:

	2025 \$'000	2024 \$'000
Total cash and bank equivalents	185,121	224,424
Less: Treasury bills held in trust by fund managers (Note 17)	(1,295)	(999)
Less: Cash and fixed deposits held in trust by fund managers (Note 17)	(1,231)	(838)
Cash and cash equivalents per cash flow statement	<u>182,595</u>	<u>222,587</u>

16. Financial assets at fair value through profit or loss

	Note	2025 \$'000	2024 \$'000
Ordinary Sinking Funds:			
- Listed equities		12,716	13,333
- Bonds securities		52,048	47,662
- Treasury bills		60,995	-
- Others		33	-
	11, 17, 33(d), 34(a)	<u>125,792</u>	<u>60,995</u>

The financial assets at fair value through profit or loss have been designated to be held for trading purposes.

17. Funds with fund managers

At the end of the reporting period, the funds with fund managers comprise the followings:

	Note	2025 \$'000	2024 \$'000
Financial assets at fair value through profit or loss	16, 34(a)	125,792	60,995
Treasury bills	15	1,295	999
Cash and fixed deposits	15	1,231	838
Accrued interest receivables	19	261	215
Management fees payable to fund managers		(27)	(18)
		<u>128,552</u>	<u>63,029</u>

Notes to the financial statements
For the financial year ended 31 March 2025

18. Conservancy and service fee receivables

	2025 \$'000	2024 \$'000
Conservancy and service fee receivables	2,411	2,215
Less: Allowance for impairment losses	(964)	(962)
	<u>1,447</u>	<u>1,253</u>

Concentration of credit risk relating to conservancy and service fee receivables is limited due to the Town Council's large base of residents. Town Council's historical experience in the non-collection of conservancy and service fee receivables shows that no additional credit risk beyond amounts provided for collection losses that is inherent in the Town Council's conservancy and service fee receivables.

The Town Council applies a simplified approach in calculating expected credit loss (ECL). Therefore, the Town Council does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Town Council uses the practical expedient under FRS 109 in the form of allowance matrix to measure the ECL for conservancy and service fee receivables and penalty on late payment receivables (Note 19) where the loss allowance is equal to lifetime ECL. The following allowance matrix is used:

	<u>Rate of Provision</u>
Arrears in 12 months and above – live accounts	100%
Arrears - terminated accounts	100%

Based on its historical observed default rates which is adjusted for forward-looking estimates and establishes that ECL for the conservancy and service fee receivables would be calculated as follows:

	Gross conservancy and service fee receivables		Allowance for impairment losses	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Not past due	71	64	2	-
Past due 0 - 30 days	378	352	-	1
Past due 31 - 120 days	423	335	3	3
Past due 121 - 364 days	571	510	5	4
Past due 365 days and above	968	954	954	954
	<u>2,411</u>	<u>2,215</u>	<u>964</u>	<u>962</u>

Movement in allowance for impairment is as follows:

	2025 \$'000	2024 \$'000
At 1 April	962	906
Charge for the financial year (Note 7)	2	56
At 31 March	<u>964</u>	<u>962</u>

Based on historical experience, the Town Council believes that no impairment allowance is necessary in respect of conservancy and service fee receivables not past due or past due but not impaired.

Notes to the financial statements
For the financial year ended 31 March 2025

19. Other receivables and prepayments

	Note	2025 \$'000	2024 \$'000
Penalty on late payment		269	266
Less: Allowance for impairment losses		(103)	(100)
		166	166
Citizens' Consultative Committee grant receivables		2,252	1,743
Lift Replacement Fund Matching grant receivables		1,130	3,032
Conservancy and service charges grant receivables		63	-
Lift Enhancement Programme funding receivables	12	2,582	1,209
Safety Provision and Façade Enhancement Programme receivables		2,537	2,314
Neighbourhood renewal programme funding receivables		98	-
GST subvention grant		873	796
Accrued interest	17	261	215
Others		661	700
Other receivables at amortised cost		10,623	10,178
Prepayments		221	374
GST receivables		788	495
Other receivables and prepayments		11,632	11,047

The credit risk for penalty on late payment receivables is further disclosed in Note 18.

The ageing of other receivables (excluding prepayments) at the end of the reporting period is as follows:

	Gross other receivables		Allowance for impairment losses	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Not past due	9,911	9,463	3	-
Past due 0 - 30 days	28	22	-	-
Past due 31 - 120 days	71	54	-	-
Past due 121 - 364 days	165	230	2	-
Past due 365 days and above	1,339	1,004	98	100
	11,514	10,773	103	100

The change in impairment losses in respect of other receivables during the financial year is as follows:

	2025 \$'000	2024 \$'000
At 1 April	100	93
Charge for the financial year (Note 7)	3	7
At 31 March	103	100

Based on historical default rates, the Town Council believes that no impairment allowance is necessary in respect of other receivables beyond what has been set up.

Notes to the financial statements
For the financial year ended 31 March 2025

20. Equity investments at fair value through other comprehensive income

	Note	2025 \$'000	2024 \$'000
At 1 April		2,277	2,710
Return of capital		(15)	(22)
Fair value gain/(loss) recorded through other comprehensive income in fair value reserve	25	43	(411)
At 31 March	33(d),34(a)	<u>2,305</u>	<u>2,277</u>
Recorded in:			
Ordinary Sinking Funds	11	<u>2,305</u>	<u>2,277</u>

Equity investments comprise of the following:

	2025 \$'000	2024 \$'000
Quoted real estate investment trusts	<u>2,305</u>	<u>2,277</u>

The equity investments are denominated in Singapore Dollar.

21. Debt investments at amortised cost

Included in below are the assets at carrying amounts, categorised by the earlier of contractual repricing or maturity dates:

	Note	2025 \$'000	2024 \$'000
Quoted bonds with effective interest rate of 2.64% (2024: 0.98% to 2.64%) per annum			
- Current	11	-	5,150
- Non-current	11	844	851
		<u>844</u>	<u>6,001</u>
Recorded in:			
Ordinary Sinking Funds		<u>844</u>	<u>6,001</u>

The fair value for the investment in government and statutory board bonds are as follows:

	Fair value	
	2025	2024
	\$'000	\$'000
Quoted bonds with fixed interest	846	5,913

The debt investments are denominated in Singapore Dollar.

Sembawang Town Council

Notes to the financial statements
For the financial year ended 31 March 2025

22. Plant and equipment

	Furniture, fixtures and fittings \$'000	Office equipment \$'000	Data processing equipment \$'000	Leasehold improvement \$'000	Total \$'000
Cost					
At 31 March 2023 and 1 April 2023	90	150	199	740	1,179
Additions	17	1	1	-	19
Written off	-	-	(1)	-	(1)
At 31 March 2024	107	151	199	740	1,197
Additions	-	8	6	-	14
Written off	-	-	(1)	-	(1)
At 31 March 2025	107	159	204	740	1,210
Accumulated depreciation					
At 31 March 2023 and 1 April 2023	60	140	173	740	1,113
Depreciation charge for the year (Note 7)	9	8	23	-	40
Written off	-	-	(1)	-	(1)
As at 31 March 2024	69	148	195	740	1,152
Depreciation charge for the year (Note 7)	12	4	6	-	22
Written off	-	-	(1)	-	(1)
As at 31 March 2025	81	152	200	740	1,173
Net carrying amount					
As at 31 March 2024	38	3	4	-	45
As at 31 March 2025	26	7	4	-	37

Notes to the financial statements
For the financial year ended 31 March 2025

23. Right-of-use assets

	Data management system \$'000	Office Premises \$'000	Office Equipment \$'000	Total \$'000
Cost				
At 31 March 2023 and 1 April 2023	2,147	659	8	2,814
Additions	-	65	-	65
Adjustment for re-measurement	(12)	-	-	(12)
Written off	-	(65)	-	(65)
At 31 March 2024 and 1 April 2024	2,135	659	8	2,802
Additions	-	-	-	-
Adjustment for re-measurement	1	-	-	1
Written off	-	-	(8)	(8)
As 31 March 2025	2,136	651	-	2,795
Accumulated depreciation				
At 31 March 2023 and 1 April 2023	808	240	6	1,054
Depreciation (Note 7)	357	219	1	577
Written off	-	(65)	-	(65)
At 31 March 2024 and 1 April 2024	1,165	394	7	1,566
Depreciation (Note 7)	353	219	1	573
Written off	-	-	(8)	(8)
As 31 March 2025	1,518	605	-	2,131
Net carrying amount				
As at 31 March 2024	970	265	1	1,236
As at 31 March 2025	618	46	-	664

The right-of-use assets of data management system is re-measured based on the property units managed by the Town Council on yearly basis, according to an apportionment agreement in relation to Town Council Management System which is made for all Town Councils collectively.

Notes to the financial statements
For the financial year ended 31 March 2025

24. Conservancy and service fee received in advance

	2025 \$'000	2024 \$'000
Conservancy and service fee received in advance	1,777	1,554
Recorded in:		
Accumulated Surplus	1,098	957
Ordinary Sinking Funds	441	388
Lift Replacement Funds	238	209
	<u>1,777</u>	<u>1,554</u>

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

	2025 \$'000	2024 \$'000
Revenue recognised that was included in contract liabilities at beginning of year	1,309	1,048
Increase due to cash received, excluding amounts recognised as revenue during the year	<u>1,530</u>	<u>1,407</u>

Contract liabilities are denominated in Singapore Dollar.

25. Fair value reserve

	Note	2025 \$'000	2024 \$'000
At 1 April		413	824
Fair value gain/(loss) on equity investments at fair value through other comprehensive income for the financial year	20	43	(411)
At 31 March		<u>456</u>	<u>413</u>

Notes to the financial statements
For the financial year ended 31 March 2025

26. Creditors and accrued expenses

	2025	2024
	\$'000	\$'000
Accounts payable	4,058	4,169
Work order accruals	705	212
Project expenditure accruals	2,283	1,110
Other accruals	1,091	715
Sundry creditors – utilities	1,161	1,108
Sundry deposits	146	236
Others	301	1,401
Total creditors and accrued expenses, at amortised cost	9,745	8,951
	2025	2024
	\$'000	\$'000
Total creditors and accrued expenses	9,745	8,951
Less: Sundry deposits due after 12 months	(2)	(15)
Total creditors and accrued expenses (within 12 months)	9,743	8,936

Included in account payable, work order accruals and other accruals is a total amount of \$539,000 (2024: \$609,000) is related to amount due to a related party (managing agent), which is unsecured, interest-free and is expected to be repaid in cash or settled within twelve months from the end of the reporting period.

The contractual undiscounted cash outflows on creditors and accrued expenses are expected to approximate their carrying amounts and settled within one year except for sundry deposits that are repayable on demand.

27. Lease liabilities

	2025	2024
	\$'000	\$'000
<u>Lease liabilities</u>		
- Current	310	510
- Non-current	203	512
Total	513	1,022
<u>Contractual cash flows</u>		
- Within 1 year	394	587
- After 1 year and before five years	273	666
	667	1,253
Less: Future interest expense	(154)	(231)
Present value of lease liabilities	513	1,022

Notes to the financial statements
For the financial year ended 31 March 2025

27. Lease liabilities (cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2025	2024
	\$'000	\$'000
At 1 April	1,022	1,488
New leases during the year	-	65
Adjustment for re-measurement	1	(12)
<u>Changes from financing cash flows</u>		
Repayment of lease liabilities	(587)	(592)
<u>Non-cash changes</u>		
Interest expense	77	73
At 31 March 2025	<u>513</u>	<u>1,022</u>
Amount recognised in Income and Expenditure	2025	2024
	\$'000	\$'000
<u>Leases under FRS 116</u>		
Interest expense on lease liabilities (Note 7)	77	73
Expenses relating to short-term and low-value leases	<u>4</u>	<u>3</u>

The Town Council has entered into lease contracts for its office premises, office equipment and data management system. The lease for office premises typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are renegotiated upon renewal based on prevailing market conditions.

The lease term for the data management system is 6 years, with an option to enter for the maintenance services after that date. The Town Council reserves the right to exercise for the option years and there are uncertainties on execution the option as of this reporting date.

28. Receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme

	2025	2024
	\$'000	\$'000
At 1 April	1,318	(180)
Funding from HDB	(521)	(582)
Payments to contractors	2,444	2,080
At 31 March	<u>3,241</u>	<u>1,318</u>
<u>Represented by:</u>		
Receivables for Neighbourhood Renewal Programme	3,310	1,476
Advances received for Electrical Load Upgrading Programme	(69)	(158)
	<u>3,241</u>	<u>1,318</u>

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

Sembawang Town Council

Notes to the financial statements For the financial year ended 31 March 2025

29. Receivables for Sport-in-Precinct Programme

	2025 \$'000	2024 \$'000
At 1 April	659	650
Payments to contractors	38	9
At 31 March	697	659

Sport-in-precinct programme is an initiative of the Vision 2030 sports master plan, aiming to provide the community with a wider range of sport facilities that are easily accessible and create common spaces for interaction and bonding in HDB neighbourhoods.

The Sport-in-Precinct programme is funded by Sport Singapore.

30. Commitments

Expenditure commitments approved by the Town Council but not provided for in the financial statements:

	2025 \$'000	2024 \$'000
Amount approved and contracted for	44,497	36,227
Amount approved but not contracted for	24,789	9,690
	69,286	45,917

31. Related Party Transactions

EM Services Pte Ltd, the managing agent, appointed by the Town Council is classified as a related party as the managing agent provides key management personnel services to the Town Council.

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

	2025 \$'000	2024 \$'000
Managing agent's fees (Note 5)	7,200	6,960
Energy saving project	3	521
Project management fees	1,435	1,697
Lift repairs and servicing	2,335	1,636
Others	210	113

32. Management of Town Council's funds

The Town Council's objectives when managing funds are:

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

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

There were no changes in the Town Council's approach to funds management during the year.

The Town Council is not subject to externally imposed capital requirements.

The Town Council total funds amounted to \$318,340,000 (2024: \$298,208,000).

33. Financial risk management

Overview

The Town Council has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Town Council's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Town Council is exposed to credit, interest rate and other market risk in the normal course of the Town Council's operations.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting from financial loss to the Town Council. Financial assets that are subject to credit risk consist of fixed deposits and bank balances, conservancy and service fee receivables, other receivables and investment in financial assets.

Cash and fixed deposits with banks are held with regulated banks which have high credit ratings assigned by international credit rating agencies.

For conservancy and service fee receivables, at the end of the reporting period, there were no significant concentrations of credit risk.

Other receivables mainly comprises of receivables from government agencies with low credit risk.

For debt investments, the Town Council considered it to be low risk investments as the debt investments are largely with government agencies.

33. Financial risk management (cont'd)

(a) Credit risk (cont'd)

The Town Council manages credit risk through the setting of guidelines for its investments. The guidelines are reviewed and approved by the Finance Committee. Ongoing monitoring is undertaken by management to ensure that all investment activities are in compliance with the guidelines.

The Town Council's conservancy and service fee receivables comprise mainly from conservancy and service fee collections. The credit risk for conservancy and service fee receivables arise mainly from residents who are facing significant financial hardship and have difficulties paying their conservancy and service fees despite letter of demand sent. Procedures are in place for collecting the outstanding conservancy and service fee including prosecution orders.

An allowance for impairment is made in respect of overdue conservancy and service fee receivable and penalty on late payment receivable from residents where the amount is still outstanding after all collection procedures are adhered. The allowance represents the aggregate amount by which management considers it necessary to write down its receivable in order to state it in the statement of financial position at its estimated recoverable value.

Although the Town Council's credit exposure is concentrated mainly in Singapore, it has no significant concentration of credit risk with any single resident or category of resident as the Town Council has a large number of residential and commercial households.

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

(b) Liquidity risk

Liquidity risk is the risk that the Town Council may not be able to meet its financial obligations. The Town Council adopts prudent liquidity risk management by maintaining sufficient cash to meet its operating, Sinking and Lift Replacement Funds expenditure.

The financial assets and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations have a maturity of less than one year other than equity investments at fair value through other comprehensive income, debt investments at amortised costs, creditors and accrued expenses and lease liabilities as disclosed in Notes 20, 21, 25 and 26 respectively to the financial statements.

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices, will affect the Town Council's income or the value of its holdings of financial instruments:

(i) Interest rate risk

The Town Council's exposure to market risk for changes in interest rates relate to interest-bearing fixed deposits with financial institutions. The Town Council's surplus funds are placed with reputable financial institutions. The interest rates on these funds are at prevailing rates.

Notes to the financial statements
For the financial year ended 31 March 2025

33. Financial risk management (cont'd)

(c) Market risk (cont'd)

(i) Interest rate risk (cont'd)

Sensitivity analysis

A 1% change in interest rate at the reporting date would increase or decrease investment income by the amount shown below. The analysis assumed that all other variables remain constant.

	2025	2024
	\$	\$
	\$'000	\$'000
Fixed deposits	1,636	1,955

(ii) Price risk

Sensitivity analysis-equity price risk

The Town Council's equity instruments are quoted. A 10% increase or decrease in the underlying equity prices at the reporting date would increase or decrease by the following amount:

	2025	2024
	\$'000	\$'000
Equity investments at fair value through other comprehensive income	231	228
Financial assets at fair value through profit or loss	1,272	1,333

This analysis assumes that all other variables remain constant.

(d) Financial instruments by category

The carrying amounts of the different categories of financial instruments are as follows:

	Note	2025	2024
		\$'000	\$'000
Financial assets			
<u>At fair value through profit or loss</u>			
Financial assets at fair value through profit or loss	16	125,792	60,995
<u>At fair value through other comprehensive income</u>			
Equity investments at fair value through profit or loss	20	2,305	2,277
<u>At amortised cost</u>			
Cash and cash equivalents	15	185,121	224,424
Interest receivables		1,788	3,250
Conservancy and service fee receivables	18	1,447	1,253
Other receivables	19	10,623	10,178
Debt investments at amortised cost	21	844	6,001
Receivables from Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	28	3,241	1,318
Receivables from Sport-in-Precinct Programme	29	697	659
		<u>203,761</u>	<u>247,083</u>

Notes to the financial statements
For the financial year ended 31 March 2025

33. Financial risk management (cont'd)**(d) Financial instruments by category (cont'd)**

	Note	2025 \$'000	2024 \$'000
Financial liabilities			
<u>At amortised cost</u>			
Creditors and accrued expenses	26	9,745	8,951
Lease liabilities	27	513	1,022
		<u>10,258</u>	<u>9,973</u>

34. Fair value of financial instruments**(a) Financial instruments carried at fair value**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Town Council takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

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

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

The table below analyses financial instruments carried at fair value, by valuation method. Level 1: quoted prices (unadjusted) in active markets for identical assets are as follows:

	Note	2025 \$'000	2024 \$'000
Financial assets at fair value through profit or loss	16,17	125,792	60,995
Equity investments at fair value through other comprehensive income	20	2,305	2,277
		<u>128,097</u>	<u>63,272</u>

Determination of fair values

The fair value of financial assets at fair value through profit or loss and equity investments are determined by reference to their quoted bid prices at the end of the reporting date.

Notes to the financial statements
For the financial year ended 31 March 2025

34. Fair value of financial instruments (cont'd)

(b) *Financial instruments not carried at fair value and whose carrying amount are reasonable approximation of fair value*

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents, interest receivables, conservancy and service fee receivables, other receivables, creditors and accrued expenses) are assumed to approximate their fair values because of the short period to maturity.

The aggregate net fair values of financial assets and liabilities which are not carried at fair value in the statement of financial position as at 31 March are represented in the following table:

	2025		2024	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Financial assets				
Debt investments at amortised cost	844	846	6,001	5,913
Unrecognised loss		(2)		(88)

Determination of fair values

The fair value of held-to-maturity financial assets is determined by reference to their quoted bid prices at the end of the reporting period.

35. Subsequent events

By virtue of the writ of election issued on 15 April 2025, a general election was called for on 3 May 2025. As a result of the redrawing of the electoral boundaries after the general election, the Town Council will manage and maintain the common property in the HDB estate within Sembawang Group Representation Constituency and Sembawang West Single Member Constituency with unchanged boundaries under the management of the Town Council.

Transfer of surpluses to sinking funds after Parliamentary Election 2025

Under Section 48 of the Town Councils Act, where a writ of election is issued, town councils are required to transfer its surpluses in any fund (other than sinking funds) to the sinking funds of the Town Council. As the members elected for the constituency stood in elections for the same political party, there will be a transfer of 80% of the surpluses as at 31 March 2024 after the Parliamentary Election to ordinary sinking fund and lift replacement fund.

35. Subsequent events (cont'd)

Subsequently, a sum of \$13,942,000 is to be transferred from the surpluses at 31 March 2024 to the ordinary sinking fund of \$9,062,000 and lift replacement fund of \$4,880,000, after taking into consideration of capital commitments and capital expenditure as at 14 April 2025, the day before the writ of election, in accordance with Rule 4A of Town Councils Financial Rules which is set out as follow:

- (a) Operating Fund established for residential property and commercial property, respectively, is transferred in the following proportions:
 - (i) 65% to Ordinary Sinking Fund established for that residential property and commercial property, respectively.
 - (ii) 35% to Lift Replacement Fund established for that residential property and commercial property, respectively
- (b) Fund established for the management and maintenance of parking places is transferred in the following proportions:
 - (i) 65% to Ordinary Sinking Fund established for the residential property.
 - (ii) 35% to Lift Replacement Fund established for the residential property.

36. Authorisation of financial statements for issue

The financial statements of the Town Council for the financial year ended 31 March 2025 were authorised for issue by the members of the Town Council on __September 2025.

37. Comparative figures

The financial statements of the Town Council for the financial year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on 20 September 2024.

Notes to the financial statements
For the financial year ended 31 March 2025

37. Comparative figures (cont'd)

Restatement

- (a) Funding received for (i) Neighbourhood Renewal Programme and Electrical Load Upgrading Programme, (ii) Lift Enhancement Programme and (iii) Safety Provision and Façade Enhancement Programme amounting to (i) \$582,000, (ii) \$1,032,000 and (iii) \$856,000 were reclassified from financing activities to operating activities under cash flow statement.

	Year ended 31 March 2024 Reported \$'000	Reclassification \$'000	Year ended 31 March 2024 Restated \$'000
<u>Statement of Cash Flows</u>			
Cash flows from operating activities			
Funding received for Neighbourhood Renewal Programme and Electrical Loan Upgrading Programme	-	582 (a)	582
Funding received for Lift Enhancement Programme	-	1,032 (a)	1,032
Funding received for Safety Provision and Façade Enhancement Programme	-	856 (a)	856
<i>Net cash flows used in operating activities</i>	(22,419)	2,470	(19,949)
Cash flows from financing activities			
Funding received for Neighbourhood Renewal Programme and Electrical Loan Upgrading Programme	582	(582) (a)	-
Funding received for Lift Enhancement Programme	1,032	(1,032) (a)	-
Funding received for Safety Provision and Façade Enhancement Programme	856	(856) (a)	-
<i>Net cash flows generated from financing activities</i>	22,524	(2,470)	20,054

There were no financial effects on the income and expenditure statement, statement of comprehensive income and statement of changes in Town Council funds for the financial year ended 31 March 2024; and statement of financial position as at 1 April 2023 and 31 March 2024.



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