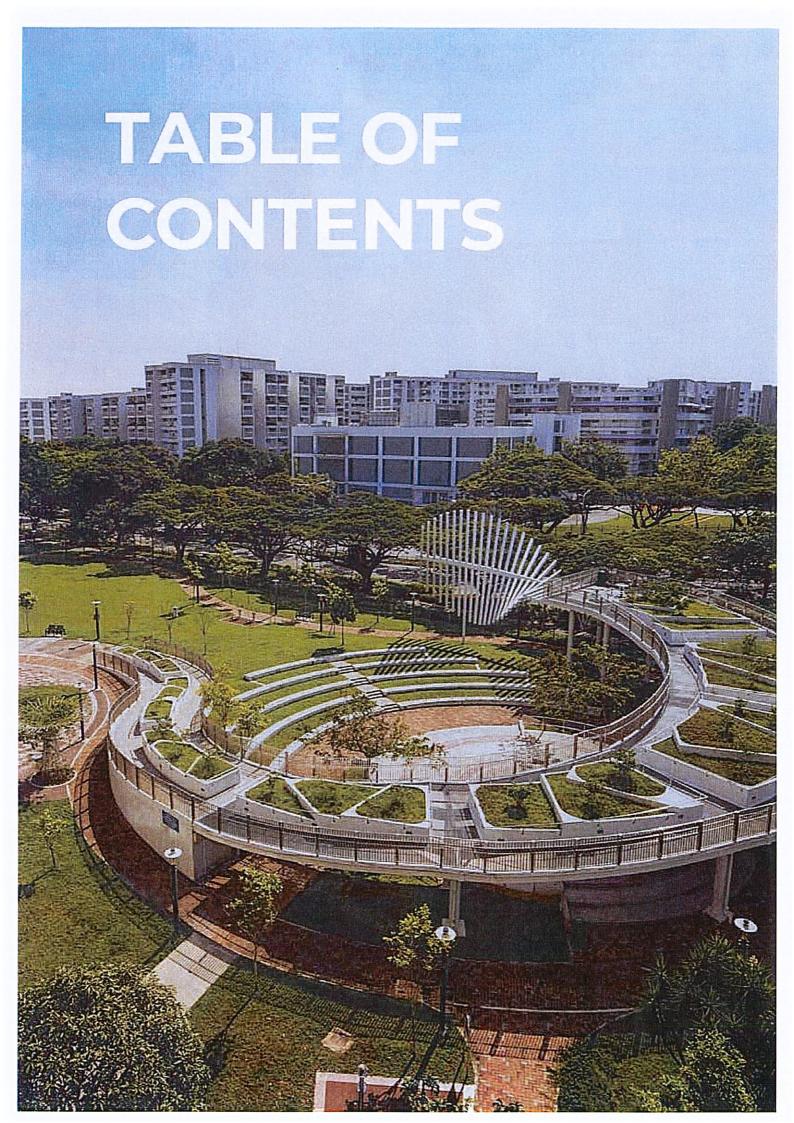
FY 2022/2023

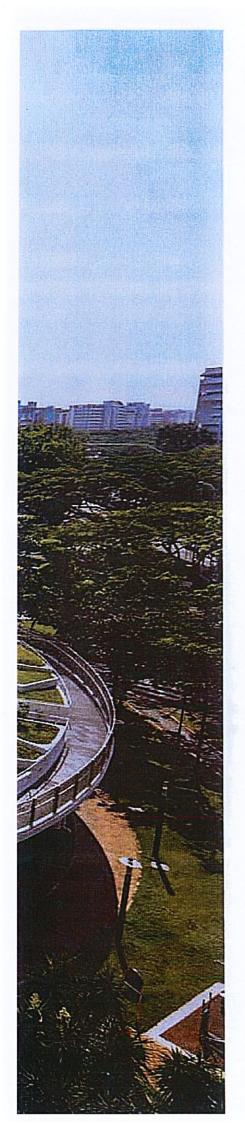


ARRUAL REPORT

& FINANCIAL STATEMENTS







- 1 Chairman's Review
- 2 Town Council Management Report
- 3 Financial Review
- 4 Code of Governance
 Selection and Appointment of
 Town Councillors

5-11 Projects in Financial Year 2022/2023

- Cyclical and Improvement Works
- Repairs and Redecoration (R&R)
- Neighbourhood Renewal Programme (NRP)
- Town Improvement Projects
- Large-Scale Townwide Project: Tampines Community Spine

12-13 Lift Replacement and Enhancement Projects

14-17 Green and Sustainability Initiatives

- N8 Food Waste Digester Launch
- Tree Planting Day @ Tampines
 Community Spine
- Corridor Farming

18-21 Community Engagement Events

- Cleaner's Appreciation
- Litter Picking Day
- Tampines Changkat
 Neighbourhood Renewal
 Programme

22 Financial Statements

CHAIRMAN'S REVIEW

Singapore is in the process of recovering from the pandemic, and the estate enhancement projects in Tampines are gradually picking up pace.

Last year, we completed the Tampines Community Spine along the park connector. This large-scale townwide project was greatly anticipated by many residents. With funding from CIPC, we have constructed eight new activity zones, catering to residents of all age groups.

The maintenance and enhancement of Tampines will always be our priority. In the last financial year, we invested S\$14.51 million from CIPC and NRP funds to improve the living environment for residents with new and upgraded amenities. Additionally, we carried out cyclical maintenance works worth S\$21.56 million to keep our estate in good condition. To ensure optimal functionality of our lifts, we allocated S\$10.37 million for lift replacements. None of this would have been possible without the support of our residents, and we will continue gathering your feedback for town improvement projects.

The Town Council is facing increasing cost pressures. Without the support of government grants, we would have operated at a budget deficit of S\$3.63 million in the last financial year. Beginning in July of this year, S&CC rates were increased, which was done only after careful consideration. This step has been taken to ensure the long-term sustainability of our operations and the services we provide to you, our residents. Be assured that we will continue to manage our expenditures prudently and strive to improve productivity.

Various support schemes are available to assist residents with their S&CC payments. Please do not hesitate to reach out to the Town Council for assistance. We sincerely thank you for your unwavering support and look forward to building a better and more inclusive Tampines with you.



Mr Desmond Choo

Chairman Tampines Town Council



TOWN COUNCIL MANAGEMENT REPORT

RESULTS FOR APRIL 2022 - MARCH 2023

The Ministry of National Development (MND) regularly monitors our performance and services. The Town Council Management Report (TCMR) is a framework that measures the Town Councils' performance across five categories:









The report is colour-coded to reflect performance. Green is the top band, followed by Amber and then Red. For the assessment period from April 2022 to March 2023, Tampines Town Council scored Green for Estate Cleanliness and Maintenance, Lift Performance and S&CC Arrears Management. The Corporate Governance rating has not been announced yet.

We would like to thank our residents for working with us to keep the estate clean and well-maintained. We will continue to work hard to ensure that Tampines is a clean and green town. With your support and feedback, we will build a better and more beautiful home for everyone.





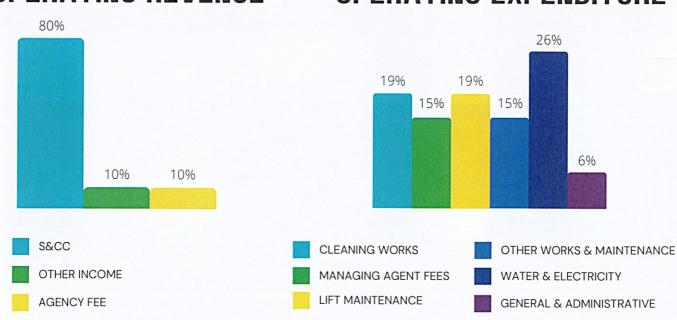
In FY 2022/2023, Tampines Town Council had an operating deficit of S\$3.63m before taking into account government grants. Our sinking fund was S\$46.59m, our Lift Replacement Fund has a balance of S\$46.45m and our total funds closed at S\$111.10m.

In accordance with the standards on lift maintenance set by the Building and Construction Authority (BCA), the Town Council had also set aside a proportion of the S&CC collection into the sinking fund for lift replacement to ensure the sustainability of our lifts in the long term.

The Town Council constantly seeks to deliver a consistently high standard of estate management through its rigorous and stringent procurement process. As a result, cost-effective contract delivery is ensured when managing all improvement projects. We will continue to explore cost-saving processes to utilise the S&CC fees in a way that serves our residents better.

OPERATING REVENUE

OPERATING EXPENDITURE





CODE OF GOVERNANCE

The Ministry of National Development (MND) has developed a Code of Governance to guide the Town Councils in better executing their fiduciary responsibilities and improving accountability. The Code sets out principles of good governance and highlights best practices that Town Councils are encouraged to adopt through a comply-or-explain regime.

In compliance with the Code using a checklist, the Council has implemented a comprehensive Risk Management Framework where key risks are identified and reported to the Council. An annual risk assessment has been performed and the effectiveness of internal control has been assessed. The Council is of the opinion that the Risk Management Framework and supporting internal control policies and procedures are adequate to address the risks of the Town Council.

SELECTION AND APPOINTMENT OF TOWN COUNCILLORS

We have established the processes in place for the selection and appointment of Town Councillors. Generally, the selection, appointment and reappointment process of Town Councillors will take into account the composition of the Town Council and the characteristic of the Town.

In appointing the Town Councillors, the Council considers various factors, including their relevant skills, time commitment, and prior experience. At least two-thirds of the appointed Town Councillors must be residents of the HDB housing estates within the Town. In addition, the selection and appointment process are conducted in consultation with the Town Council Chairman and the elected members as and when necessary.

PROJECTS IN FINANCIAL YEAR

FY 2022/2023

Cyclical and Improvement Works

Over the last 12 months, the Town Council carried out S\$21.56m worth of cyclical maintenance projects through the Repairs and Redecoration (R&R) Programme. Tampines benefited from S\$1.29m in town improvement works approved by the Community Improvement Projects Committee (CIPC). The Neighbourhood Renewal Programme (NRP) provided S\$11.53m in funding for precinct improvements.

Together with the R&R Programme, Tampines Central and West HDB blocks were painted with heat-reflective cool paint under HDB Green Towns Programme. The project aims to reduce ambient temperatures by up to two degrees Celsius and therefore help tackle the urban heat island effect.





Repairs & Redecoration Works

COMPLETED AND ON-GOING PROJECTS

TAMPINES CENTRAL

- Blk 701-734 (on-going)
- Blk 735-742 (on-going)
- Blk 830-886A (Cool Paint Project)
- Blk 857-857B, Blk 862-864A (on-going)

TAMPINES EAST

- Blk 230B-230J (on-going)
- Blk 522A-C, 523A-D, 524A & 524B

TAMPINES WEST

- Blk 888-899A
- Blk 897-893A (Cool Paint Project)

TAMPINES NORTH

• Blk 425-432, 450A-G, 451-460, 472-484 (on-going)

TAMPINES CHANGKAT

299A & 299B







Neighbourhood Renewal Programme

COMPLETED AND ON-GOING PROJECTS

TAMPINES CENTRAL

• Blk 701-734 (on-going)

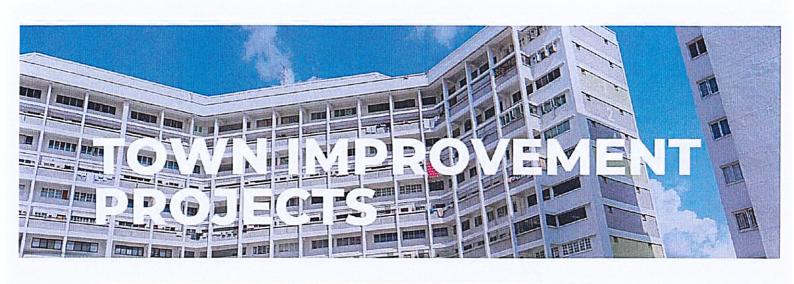
TAMPINES EAST

230B-230J

TAMPINES NORTH

- Blk 425-432, 450A-450G, 451-460, 472-484
- Blk 497A-497D, 497E (MSCP), 497F to 497H,
 497J, 497K (MSCP), 497L (MSCP), 498A, 498B,
 498C (MSCP), 498D to 498H, 498J, 498K
 (MSCP),498L,498M, 498N (PAVILION)





Completed & On-going Projects

TAMPINES CENTRAL

- Near Blk 735 & 740 Construction of Pavilions
- · Blk 834 Construction of Awning
- Blk 842 Construction of Sheltered Linkway to Bus Stop
- Near Blk 857 & 858 Construction of Pavilions
- Blk 739/740 Construction of Drop-Off Porch (on-going)
- Blk 856E to Our Tampines Hub Construction of Sheltered Linkway (on-going)
- Blk 843 Construction of Drop-Off Porch (on-going)
- Blk 851/853 Construction of High-Low Sheltered Linkway (ongoing)

TAMPINES EAST

- Blk 201E-Tampines East Community Club
 Construction of High-Low Sheltered Linkway
- Blk 216 Construction of Sheltered Linkway
- Blk 203 Constuction of Drop-off Porch (on-going)
- Blk 228 Construction of Sheltered Linkway (on-going)
- Blk 234 Upgrading of Senior Citizen Corner (on-going)
- Blk 260-261 Construction of Sheltered Linkway (on-going)
- Blk 257 Festival Park Upgrading of Hardcourt (on-going)





Completed & On-going Projects

TAMPINES NORTH

- Blk 420 Playground
- Blk 408-Blk 409 High-Low Sheltered Linkway (on-going)
- Blk 409-Blk 413 Drop-Off Porch (on-going)
- Blk 412-Blk 414 High-Low Sheltered Linkway (on-going)
- Blk 413-Blk 414 Drop-Off Porch (on-going)
- Blk 416-Blk 417 High-Low Sheltered Linkway (on-going)

TAMPINES CHANGKAT

- Blk 293-295 Construction of High-Low Sheltered Linkway
- Blk 307A Construction of Sheltered BFA Ramp at MSCP
- Blk 104-106 Construction of Low Sheltered Linkway (on-going)
- Blk 277 Upgrading of Senior Citizen Corner (on-going)
- Blk 306 Upgrading of Senior Citizen Corner (on-going)
- Blk 394 Construction of Drop-off Porch (on-going)





Completed & On-going Projects

TAMPINES WEST

Blk 147 Upgrading of Playground

Blk 147 Construction of Sheltered BFA Ramp to Bus Stop

Blk 802 to 805 Construction of High-Low Sheltered Linkway

Blk 887 Upgrading of Playground

Blk 897 Upgrading of Seating Area

Blk 908 Construction of Community Spice Garden

Blk 929 Construction of Bicycle Rack

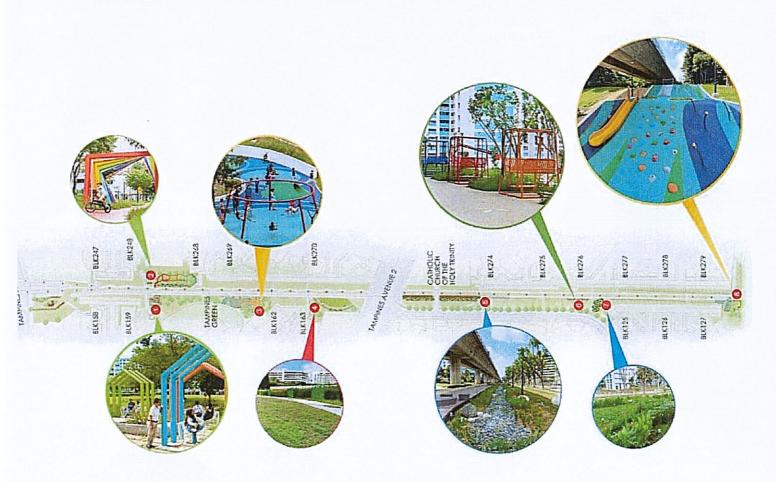
Blk 805 to Blk 811 Construction of High-Low Sheltered Linkway (ongoing)

Blk 823 Construction of Drop-off Porch (on-going)



LARGE-SCALE TOWNVVIDE PROJECTS TAMPINES COMMUNITY SPINE

Funded by the Community Improvement Projects Committee (CIPC), the project was delivered on a promise committed in Tampines' Five-Year Master Plan announced in 2020. The linear park is enhanced with eight new landscape features under the MRT viaduct stretching from Tampines Town Centre to the Pan Island Expressway. Many residents benefit from the project as the 1-kilometer park connector is a popular thoroughfare connecting many residential areas to the Tampines MRT Station.



LIFT REPLACEMENT AND ENHANCEMENT PROJECTS

To ensure that our lifts function optimally, the Town Council has carried out \$10.37m worth of lift replacements.

In FY 2022/2023, we continued to enhance our lifts under the Lift Enhancement Programme. 117 lifts are being enhanced with better features such as high-tech sensors to monitor the lift speed and emergency communication system.

Additionally, all lifts in Tampines are installed with the lift surveillance system to curb the misuse of lifts, such as jamming of the doors, damaging of buttons and vandalism. Real-time functional status of lifts is tracked by our officers and lift maintenance companies through a telemonitoring system. In the event of a breakdown, our team will be notified automatically to carry out repair and rescue works. The Town Council will continue to follow a stringent maintenance process to reduce incidents of breakdown.

We will also continue to work with the HDB and BCA to ensure that the procurement process and technical specifications for new lifts achieve an efficient operating life cycle.



BLOCKS THAT HAVE BENEFITTED FROM LIFT ENHANCEMENT PROGRAMME (LEP)

Blk 271, 292, 371-374, 381- 396 Blk 436-438, 440, 443-445, 433, 434, 495A, 495C-495F Blk 515A-D, 518A-C Blk 817-822, 824-829 Blk 858B, 859A, 860A, 860B, 861A, 886A Blk 908, 913, 927, 928, 931

BLOCKS THAT HAVE BENEFITTED FROM LIFT REPLACEMENT PROGRAMME (LRP)

Blk 497A, 497C, 497D, 497F, 497G, 497H, 497J, 498A, 498B, 498D, 498E, 498F, 498G, 498H, 498J, 498K, 498L, 498M

Blk 718-734





GREEN AND SUSTAINABILITY INITIATIVES



The Food Waste Digester has microbes recycling food waste into non-potable water and organic fertiliser. While the water is discharged through the drainage system, the fertilisers are distributed to merchants, community gardens, and used by Tampines Town Council for landscaping purposes.

The Food Waste Digester in Tampines West N8 can process up to 400 kg of food waste daily. Merchants in the vicinity contribute about 250 kg of food waste daily.





Tree Planting Day was extra special for Tampines residents because it also marked the completion of Tampines Community Spine, a Large Scale Town Wide (LSTW) Project under the MRT viaduct. Part of the Tampines Five-Year Master Plan that was announced in 2020, the project promotes urban sustainability and active living among residents.

The 1-kilometer linear park stretching from Tampines Town Centre to the Pan Island Expressway is a busy thoroughfare offering eight new zones with attractive amenities, namely the Bike Maze, Mounds Playground, The Garden, The Plains, The Stream, The Cascade, Swings Under The Trees and the Adventure Fitness Corner.



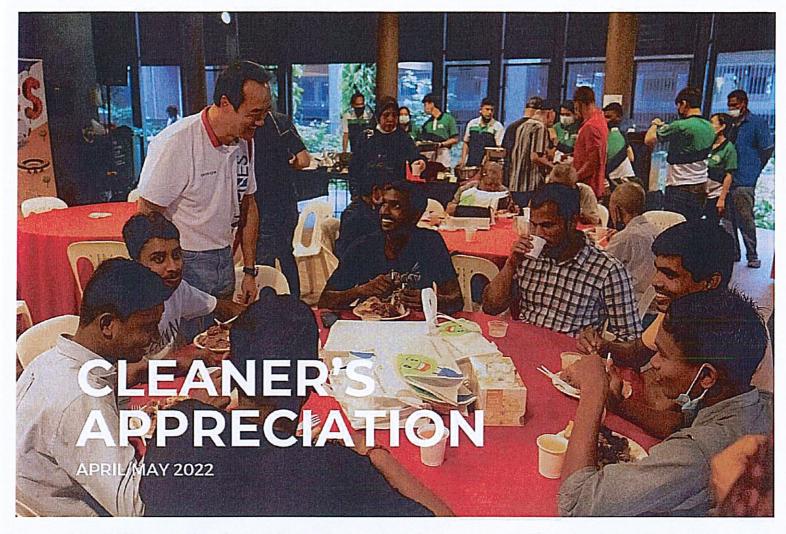


With the support of our residents and partners, Tampines brings urban farming closer to residents' doorstep. The Town Council is testing the feasibility of growing vegetables in the corridor using a horizontal planter. As the planter is hung against the parapet wall, this will avoid corridor clutter and obstruction caused by potted plants.



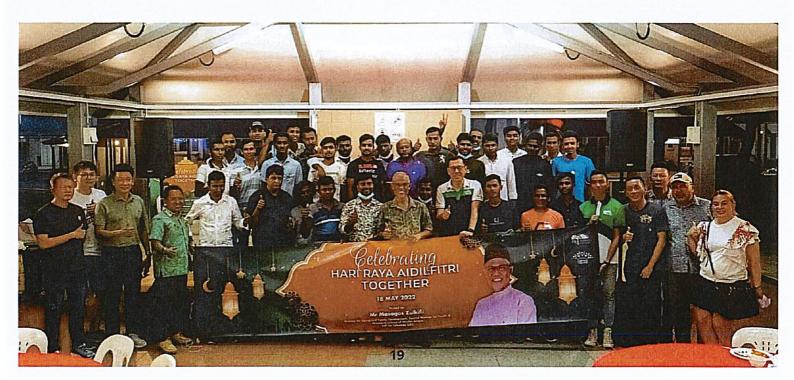


COMMUNITY ENGAGEMENT EVENTS



Our MPs and the Town Council showed their appreciation for the cleaners by breaking fast with them. Cleaners from different backgrounds were invited to a dinner event where everyone enjoyed delicious local food, entertainment, free haircuts and a tremendous sense of camaraderie.

The Town Council uses its Facebook page to highlight a cleaner's good work when they receive compliments from residents. Work can be challenging for our cleaners, so let's show them our appreciation whenever possible.





Our MPs and 200 residents picked litter together as one Tampines! It was the week before National Day and many residents were dressed in red and white.

It was not all work and no play as residents enjoyed family-friendly activities and all-time favourite snacks while doing their part to keep the estate clean.





The Tampines Changkat Neighbourhood Renewal Programme (NRP) Batch 11 Public Consultation showcased preliminary design plans for Blocks 338 to 370.

More than 75% of residents have voted for the NRP. They can look forward to upgraded parks and gardens, an inter-precinct connector, as well as covered drop-off porches and linkways. There will also be new playgrounds, fitness corners and more seating areas for senior citizens.





FINANCIAL STATEMENTS

TAMPINES TOWN COUNCIL

(ESTABLISHED UNDER THE TOWN COUNCILS ACT 1988) FOR THE YEAR ENDED 31 MARCH 2023

TAMPINES TOWN COUNCIL

(Established under the Town Councils Act 1988)

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Statement of comprehensive income	30
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Statement of cash flows	32
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(Established under the Town Councils Act 1988)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Tampines Town Council (the "Town Council"), which comprise the statement of financial position as at 31 March 2023, the income and expenditure statement, statement of comprehensive income, statement of changes in Town Council funds and statement of cash flows of the Town Council for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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 2023, 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 Annual Report set out on pages 1 to 21 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.

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

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



(Established under the Town Councils Act 1988)

Responsibilities of Management and Those Charged with Governance for the Financial Statements (cont'd)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



(Established under the Town Councils Act 1988)

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

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Town Council during the financial year ended 31 March 2023 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.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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



(Established under the Town Councils Act 1988)

Auditor's Responsibilities for the Compliance Audit (cont'd)

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

AT ADLER

Public Accountants and Chartered Accountants

Singapore, 20 September 2023

AT ACUED

Statement of financial position

as at 31 March 2023

as at 31 March 2023			
		2022/2023	2021/2022
	Note	S\$	S\$
TOWN COUNCIL FUND			
DECIDENTAL DOCUMENTS			
RESIDENTIAL PROPERTY			
Accumulated surplus	3	7,587,941	7,910,921
Sinking fund	4	30,364,017	34,957,271
Lift Replacement fund	5	39,146,723	35,961,678
Town improvement and project fund	6	1,834,773	1,919,049
		78,933,454	80,748,919
COMMERCIAL PROPERTY			
Accumulated surplus	3	3,581,704	2,575,200
Sinking fund	4	16,229,534	15,842,102
Lift Replacement fund	5	7,298,800	6,755,454
Town improvement and project fund	6	665,135	887,783
		27,775,173	26,060,539
CARPARK			
Accumulated surplus	3	4,390,505	3,432,798
		111,099,132	110,242,256
Represented by:			
NON CURRENT ACCETO			
NON-CURRENT ASSETS			
Plant and equipment	8	699,321	1,039,831
Right-of-use assets	9	689,798	874,476
		1,389,119	1,914,307
CURRENT ASSETS		1.157/2014	100000000000000000000000000000000000000
Receivables for Neighbourhood Renewal Programme			1,516,550
and Electrical Load Upgrading Programme	7	3,451,472	4,518,773
Conservancy and service fee receivables	10	1,535,320	1,363,589
Other receivables	11	8,479,508	10,306,630
Prepayments		266,540	255,731
Cash and cash equivalents	12	107,543,209	99,589,776
		121,276,049	116,034,499
TOTAL ASSETS		122,665,168	117,948,806
Less:			
NON-CURRENT LIABILITY			
Payables & Accrued Expenses	14	123,530	168,450
Lease liabilities	15	550,636	734,060
		674,166	902,510
CURRENT LIABILITIES			
Conservancy and service fee received in advance	13	1,255,018	1,088,185
Advances for Neighbourhood Renewal Programme and			2000 2
Electrical Load Upgrading Programme	7	630,270	2,283,214
Payables and accrued expenses	14	7,760,523	2,308,704
Lease liabilities	15	183,424	177,662
Current tax payable		1,062,635	946,275
		10,891,870	6,804,040
TOTAL LIABILITIES		11,566,036	7,706,550
NET ASSETS		111,099,132	110,242,256

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

MR DESMOND CHOO PEY CHING Chairman

MR WANG YAM PENG Secretary

Date: 20 September 2023

Income and expenditure statement

for the financial year ended 31 March 2023

	Note	2022/2023 S\$	2021/2022 S\$
OPERATING INCOME			
Conservancy and service fees	3	54,409,173	53,186,302
Less: Operating transfer to sinking fund (minimum		(4.4.4.0.004)	(40,000,404)
required by law)	3, 4	(14,146,381)	(13,828,434)
Operating transfer to lift replacement fund (minimum required by law)	2.5	/7 617 20E\	(7 446 004)
(minimum required by law)	3, 5	(7,617,295) 32,645,497	(7,446,094) 31,911,774
Agangu fana	46		3,897,823
Agency fees	16	4,199,444	
Other income	17	3,861,293 40,706,234	3,670,131 39,479,728
Loop		40,706,234	39,479,720
Less: OPERATING EXPENDITURE			
Cleaning works	ı	8,551,330	7,570,515
Managing agent's fees	18	6,308,804	5,743,970
Lift maintenance	10	8,527,138	7,436,451
Other works and maintenance		6,751,097	5,897,553
Water and electricity	į	11,220,105	9,594,324
General and administrative expenditure	19	2,763,467	2,883,542
ocheral and administrative experiencie	,0 [(44,121,941)	(39,126,355)
OPERATING (DEFICIT) / SURPLUS		(3,415,707)	353,373
Add:		(0) 110,101	430,0.0
NON-OPERATING INCOME			
Interest income	3	184,888	14,140
(DEFICIT) / SURPLUS BEFORE TAXATION AND			
GOVERNMENT GRANTS		(3,230,819)	367,513
Less:			
Income tax	3, 20	(403,160)	(363,813)
(DEFICIT) / SURPLUS AFTER TAXATION BUT			
BEFORE GOVERNMENT GRANTS		(3,633,979)	3,700
Add:	-		
Government grants	3, 25	15,924,322	16,917,210
Less: Transfer to sinking fund	3, 4, 25	(2,632,592)	(2,515,109)
Less: Transfer to lift replacement fund	3, 5, 25	(5,928,840)	(5,769,817)
Less: Transfer to town improvement and project fund	3, 6, 25	(1,287,680)	(2,828,187)
		6,075,210	5,804,097
SURPLUS FOR THE YEAR		2,441,231	5,807,797
Add:		40.040.040	0.444.400
Accumulated surplus at 1 April		13,918,919	9,111,122
Lange			
Less:	3, 6	(800,000)	(1,000,000)
Appropriation to town improvement and project fund ACCUMULATED SURPLUS AT 31 MARCH	3,0	15,560,150	13,918,919
ACCOMPLATED SURFLUS AT ST MARCH		10,000,100	10,310,313

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

TAMPINES TOWN COUNCIL
(Established under the Town Councils Act 1988)

Statement of comprehensive income

for the financial year ended 31 March 2023

		TOTAL	Ā	RESIDENTIAL PROPERTY	NTIAL =RTV	COMMERCIAL	RCIAL	0 < 0	20
	Note	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$
Surplus/(deficit) for the year: - Accumulated surplus	ო	2,441,231	5,807,797	477,020	3,388,105	1,006,504	1,099,328	957,707	1,320,364
- Sinking fund	4	(4,205,822)	(1,005,763)	(4,593,254)	(788,622)	387,432	(217,141)	•	1
- Lift replacement fund	S	3,728,391	(1,579,977)	3,185,045	(1,974,440)	543,346	394,463	•	1
- Town improvement and project fund	9	(1,106,924)	(1,126,075)	(884,276)	(1,012,738)	(222,648)	(113,337)	•	1
Total surplus/(deficit) for the year		856,876	2,095,982	(1,815,465)	(387,695)	1,714,634	1,163,313	957,707	1,320,364
Other comprehensive income, net of tax		•	1	•	ı		•		1
Total comprehensive income/(loss) for the year attributable to Town Council Fund	:	856,876	2,095,982	(1,815,465)	(387,695)	1,714,634	1,163,313	957,707	1,320,364

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

TAMPINES TOWN COUNCIL
(Established under the Town Councils Act 1988)

Statement of changes in funds for the financial year ended 31 March 2023

	TOTAL S\$	RESIDENTIAL PROPERTY S\$	COMMERCIAL PROPERTY S\$	CARPARK S\$
Balance at 1 April 2021 Total comprehensive income/(loss) for the vear	108,146,274	81,136,614 (387,695)	24,897,226	2,112,434
Balance at 31 March 2022	110,242,256	80,748,919	26,060,539	3,432,798
Balance at 1 April 2022 Total comprehensive income/(loss) for the year Balance at 31 March 2023	110,242,256 856,876 111,099,132	80,748,919 (1,815,465) 78,933,454	26,060,539 1,714,634 27,775,173	3,432,798 957,707 4,390,505

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

Statement of cash flows

for the financial year ended 31 March 2023

	Note	2022/2023 S\$	2021/2022 S\$
Cook Flavor from On and in a Audinitia			
Cash Flows from Operating Activities (Deficit)/surplus in income and expenditure statement			
before taxation and government grants		(3,230,819)	367,513
Adjustments for:		(3,230,013)	307,313
Conservancy and service fees transferred to sinking			
fund	3, 4	14,146,381	13,828,434
Conservancy and service fees transferred to lift		• •	. ,
replacement fund	3, 5	7,617,295	7,446,094
Depreciation of plant and equipment	8, 19	402,069	351,227
Depreciation of right-of-use assets	9, 19	184,678	185,825
(Reversal)/provision for impairment in conservancy and			
service fees	10, 19	(182,142)	123,701
Bad debts written off	19	48,197	39,340
Lease interest expense	19	35,314	42,717
Interest and investment income Operating surplus before working capital changes	3	(184,888)	(14,140)
Operating surplus before working capital changes		18,836,085	22,370,711
(Increase)/decrease in conservancy and service fee and			
other receivables		(317,406)	397,782
Increase in prepayments		(10,809)	(19,791)
Increase/(decrease) in payables and accrued expenses		(,,	(*-,*,
and conservancy and service fee received in advance		5,573,732	(14,705,034)
Decrease/(Increase) in Lift Enhancement Programme			, .
receivables		3,470,810	(1,680,165)
Net movement in advances received or receivables for			
Neighbourhood Renewal Programme and Electrical			470.007
Load Upgrading Programme		(585,643)	470,327
Cash generated from operations		26,966,769	6,833,830
Sinking fund expenditure	4	(21,561,784)	(17,533,133)
Lift replacement fund expenditure	5	(10,366,035)	(14,948,574)
Town improvement and project fund expenditure	6	(2,394,604)	(3,954,262)
Income tax paid	-	(515,111)	(646,045)
Net cash used in operating activities		(7,870,765)	(30,248,184)
		, , , , , , , , , , , , , , , , , , ,	<u> </u>
Cash Flows from Investing Activities			
Purchase of plant and equipment	8	(61,559)	(173, 44 8)
Interest and investment income received		835,919	414,806
Net cash generated from investing activities		774,360	241,358
Cash Flows from Financing Activities		45 000 044	45.000.000
Government grants received	25	15,262,814	15,223,320
Lease payments	15	(177,662)	(171,479)
Interest paid		(35,314)	(42,717)
Net cash generated from financing activities		15,049,838	15,009,124
Net increase/(decrease) in cash and cash equivalents		7,953,433	(14 007 702)
Cash and cash equivalents at beginning of year		7,953,433 99,589,776	(14,997,702) 114,587,478
Cash and cash equivalents at beginning or year	12	107,543,209	114,587,478 99,589,776
Odon and cash equivalents at the or year	IZ	101,543,203	<u> </u>

Notes to the financial statements

for the financial year ended 31 March 2023

1 GENERAL INFORMATION

The Town Council was established on 5 August 1990 under the Town Councils Act 1988. The 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 the Development Board (HDB) within the Town. The town consists of the Tampines Group Representation Constituency.

The financial statements of the Town Council for the financial year ended 31 March 2023 were authorised for issue by the members of Town Council on 20 September 2023.

The head office of the Town Council is situated at:

Blk 136 Tampines Street 11 Singapore 521136

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) ACCOUNTING CONVENTION

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

(b) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (i) The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the Town Council's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2(t).
- (ii) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Town Council has adopted all the new and amended standards which are relevant to the Town Council and are effective for annual financial periods beginning on 1 April 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Town Council.

(c) FUNDS

TOWN COUNCIL FUND

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

Residential Property Commercial Property

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) FUNDS (CONT'D)

TOWN COUNCIL FUND (CONT'D)

Car parks are maintained by the Town Council for Housing and Development Board ("HDB") on an agency basis.

These funds together with the Sinking Fund, Lift Replacement Fund and Town Improvement and Project Fund form the Town Council Fund.

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

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

SINKING FUND

In accordance with Section 47(4) of the Town Councils Act, a separate Sinking Fund is established for the improvement to, management and maintenance of Residential Property and Commercial Property.

Under the Town Councils Act, the Minister for National Development may, from time to time, prescribe the minimum amount of service and conservancy charges and grants-in-aid to be paid into the Sinking Fund. The sinking fund are maintained as part of the Town Council fund.

The minimum amounts to be paid into the Sinking Fund is 26% of service and conservancy charges and grants-in-aid, excluding the LRF matching grant-in-aid for Residential Property and Commercial Property.

These minimum contributions are treated as operating transfers and netted off against the service and conservancy charges and government grants in the income and expenditure statement.

The Sinking Fund is utilised for cyclical major repainting, renewal or replacement of roofing system, water tanks, pumps and water supply system, rewiring, lightning protection system, installation of any sensor and starter controller to the time-controlled booster pumping system, major repairs and maintenance of the common area and contributions to the HDB in respect of general upgrading works carried out on the common property under the Housing and Development Act.

LIFT REPLACEMENT FUND ("LRF")

In accordance with Section 47(5) of the Town Councils Act, a separate Lift Replacement Fund is established to meet the cost of any capital expenditure related to the replacement of lifts or lift upgrading works on Residential Property and Commercial Property.

To assist Town Councils in building up the LRF, the Ministry of National Development ("MND") will provide a 50% matching grant to the following contributions Town Councils make to the LRF:

- Quarterly contributions to the LRF from service and conservancy charges collections and other grants-in-aids, including voluntary contributions beyond the minimum LRF contribution rate; and
- (ii) Voluntary contributions of Operating Fund surpluses to the LRF at the end of a financial year, as allowed under Section 47(12) of the Town Councils Act.

Under the Town Councils Act, the Minister for National Development may, from time to time, prescribe the minimum amount of service and conservancy charges and grants-in-aid to be paid into the Lift Replacement Fund. The lift replacement fund is maintained as part of the Town Council fund.

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) FUNDS (CONT'D)

LIFT REPLACEMENT FUND ("LRF") (CONT'D)

The minimum amounts to be paid into the Lift Replacement Fund is 14% of service and conservancy charges and grants-in-aid, excluding the LRF matching grant-in-aid for Residential Property and Commercial Property.

This minimum contribution is treated as operating transfers and netted off against the service and conservancy charges and government grants in the income and expenditure statement.

TOWN IMPROVEMENT AND PROJECT FUND

Town Improvement and Project Fund is established and maintained as part of the Town Council Fund. These Funds are utilised for improvement and development works in the Town.

These funds are set up by transfer from the Accumulated Surplus based on specific projects to be carried out. In addition, the Town Council receives payments from Citizens' Consultative Committees for approved projects.

Expenditure on Town Improvement Projects is taken directly to the Town Improvement and Project Fund. Payments from Citizens' Consultative Committee ("CCC") are shown as part of Government Grants in the income and expenditure statement and then transferred to the Town Improvement and Project Fund.

(d) 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)
1 residential property unit	1
1 commercial property unit	2
6 car lots or 36 motor cycle lots or 4 lorry lots	1

(e) GOVERNMENT GRANTS

The Town Council receives five types of grants from the Government, namely, Service and Conservancy Charge Grant, payments from Citizens' Consultative Committees, GST Subvention Grant, Lift Maintenance Grant and LRF Matching Grant.

Service and Conservancy Charge Grants are given to meet the current year's operating expenditure are taken to the income and expenditure statement.

Payments from Citizen's Consultative Committees are given as reimbursement claims under the Community Improvement Projects Committee scheme.

The GST subvention grant is given as a grant-in-aid and is granted to Town Councils for absorbing the GST increases in service and conservancy charge for HDB residential flats.

The Lift Maintenance Grant helps Town Councils cope with the higher lift-related servicing and maintenance costs.

The LRF Matching Grant is to assist Town Councils in building up the LRF.

Government grants are recognised at their fair value where there is reasonable assurance that the grants will be received and all required conditions will be complied with. Grants to meet the current year's operating expenditure are taken to the income and expenditure statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) PLANT AND EQUIPMENT

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the income and expenditure statement. The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the charges are accounted for as a change in an accounting estimates, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Town Council. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Subsequent costs are recognized as an asset only when it is probable that future economic benefits associated with the item will flow to the Town Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income and expenditure statement when they are incurred.

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Furniture, Fixtures and Fittings 5 years
Data Processing Equipment 3 - 6 years
Office Equipment 3 years
Renovation 5 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Depreciation is charged from the month of asset acquisition. For disposal of assets, depreciation is charged up to the previous month of disposal. Plant and equipment costing below S\$1,000 each and purchase of computer software are charged to the income and expenditure statement in the year of purchase.

(g) IMPAIRMENT OF NON-FINANCIAL ASSETS

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on the non-financial assets. The carrying amount of non-financial assets is reviewed at each reporting date for indications of impairment and where impairment is found, the asset is written down through the income and expenditure statement to its estimated recoverable amount.

The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in the income and expenditure statement. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) FINANCIAL ASSETS

(i) Initial recognition and measurement

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

At initial recognition, the Town Council measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (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 profit or loss.

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

(ii) Subsequent measurement

Debt instruments mainly comprise of receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme, conservancy and service fee receivables, other receivables, and cash and cash equivalents.

There are three subsequent measurement categories, depending on the Town Council's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

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

The Town Council only has debt instruments at amortised cost.

(iii) Derecognition

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

(iv) Impairment

The Town Council recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. 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.

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

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) FINANCIAL ASSETS (CONT'D)

(iv) Impairment (cont'd)

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

Any subsequent changes in lifetime ECL, both positive and negative, will be recognised immediately in profit or loss.

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.

(i) CASH AND CASH EQUIVALENTS

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

(j) FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of current financial assets and financial liabilities including cash, accounts receivable, accounts payable approximate their fair values due to the short-term maturity of these instruments. Disclosures of fair value are not made when the carrying amount is a reasonable approximation of fair value. The fair values of non-current financial instruments may not be disclosed unless there are significant items at the end of the year and in that event, the fair values are disclosed in the relevant notes. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting period. The fair value of a financial instrument is derived from an active market. The appropriate quoted market price for an asset held or liability to be issued is usually the current bid price without any deduction for transaction costs that may be incurred on sale or other disposal and, for an asset to be acquired or liability held, the asking price. If there is no market, or the markets available are not active, the fair value is established by using a valuation technique. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of similar instruments and incorporates all factors that market participants would consider in setting a price and is consistent with accepted economic methodologies for pricing financial instruments. As far as unquoted equity instruments are concerned, in cases where it is not possible to reliably measure the fair value, such instruments are carried at cost less accumulated allowance for impairment.

(k) FINANCIAL LIABILITIES

Initial recognition and measurement:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss is expensed immediately. The transactions are recorded at the trade date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) FINANCIAL LIABILITIES (CONT'D)

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories is as follows:

- Liabilities at fair value through profit or loss: As at year end date, there were no financial liabilities classified in this category.
- Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Creditors and accrued expenses are classified in this category. Items classified within current payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

(I) PROVISIONS

A provision is recognised when there is 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 a reliable estimate can be made of the amount of the obligation. Provisions are made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in the income and expenditure statement in the period they occur.

(m) LEASES AS A LESSEE

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

Right-of-use assets

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

If ownership of the leased asset transfers to the Town Council at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2(g).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) LEASES AS A LESSEE (CONT'D)

Lease liabilities

At the commencement date of the lease, the Town Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Town Council and payments of penalties for terminating the lease, if the lease term reflects the Town Council exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Town Council's lease liabilities are included in Note 15.

(n) INCOME TAX

Income tax is provided on the following income:

- (i) Income derived from investments and bank deposits;
- (ii) Fees, rent and other charges received from non-residents or non-owners of properties in the Town for maintenance and use of common property, and car park where the Town Council opts to maintain and/or manage them;
- (iii) Donations from non-residents or non-owners of properties in the Town; and
- (iv) Agency fee derived from acting as agents for HDB.

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

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

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) RECOGNITION OF INCOME

Income is measured based on the consideration to which the Town Council expects to be entitled in exchange for performance of services, excluding amounts collected on behalf of third parties. Income is recognised based on the identified performance obligations as follows:

- Conservancy and service fees which measures the continuous service performance are recognised over time.
- (ii) Agency fees are fees received for routine maintenance of HDB's carparks and are recognised over time.
- (iii) Interest income from fixed deposits is recognised on a time proportion basis that takes into account the effective yield on the asset.

(p) INTER-FUND TRANSFER

The Town Council may make inter-fund transfers in accordance to Sections 47(12) and 57(1)(i) of the Town Councils Act 1988, and Rule 11A of the Town Councils Financial Rules.

(q) FUNCTIONAL CURRENCY

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

(r) RECEIVABLES/ADVANCES RECEIVED FOR NEIGHBOURHOOD RENEWAL PROGRAMME

Neighbourhood Renewal Programme (NRP) was established in 2007 to upgrade the quality of HDB estates. This programme is fully funded by the Government and implemented by the Town Councils.

The funding for the programme belongs to the government which is for the specific use of projects under the programme. For projects approved prior to 2015, the Town Council received funding of S\$3,400 per dwelling unit to cover NRP construction costs, professional and consultancy fees. In addition, the Town Council was also entitled to a sum of S\$150 per dwelling unit or S\$125,000, whichever is higher, to cover miscellaneous costs relating to the NRP project. However, if the cost of project works incurred exceeds the funding provided, the Town Council has to bear the cost of excess expenditure.

From 2015, the NRP included repainting of blocks and repair works for items such as spalling concrete/crack lines, apron drains & apron floors, etc. This allows the NRP works to be better coordinated with the Town Council's routine maintenance programme, thus enabling blocks and precincts to be more comprehensively enhanced without inconveniencing residents twice. As such, the NRP budget was increased from \$\$3,400 to \$\$4,700 per flat to fund the additional upgrading works.

(s) RECEIVABLES/ADVANCES RECEIVED FOR ELECTRICAL LOAD UPGRADING PROGRAMME

The Electrical Load Upgrading Programme (ELU) was introduced to upgrade the incoming electrical supply for HDB apartment blocks with a 40amps main switch instead of 30amps.

This programme is fully funded by HDB and implemented by the Town Council. HDB reimburses the Town Council for the expenses incurred on behalf.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Apart from information disclosed elsewhere in these financial statements, the following summarises estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and significant judgements made in the process of applying the Town Council's accounting policies.

The key assumptions and judgements 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 amounts of assets and liabilities are discussed below:

(i) Expected credit loss on receivables

The Town Council uses provision matrix to calculate ECLs for conservancy and service fee receivables. The provision rates are estimated based on age of debts, results recovery efforts and historical experience.

The provision matrix is based on the Town Council's historical observed default rates calibrated to adjust historical credit loss experience with forward-looking information. At every reporting date, historical defaults are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Town Council's historical credit loss experience and forecast economic conditions may also not be representative of the actual default in the future. The information about the ECLs on the Town Council's conservancy and service fee receivables is disclosed in Note 10.

The ECL for conservancy and service fee receivables amounted to S\$2,704,015 (2021/2022 - S\$2,886,157).

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

(ii) <u>Depreciation of plant and equipment</u>

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of plant and equipment between 3 to 6 years. The carrying amount of the plant and equipment as at 31 March 2023 was \$\$699,321 (2021/2022 - \$\$1,039,831). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Notes to the financial statements for the financial year ended 31 March 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(t) CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES (CONT'D)

(iii) Income tax

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

(iv) Town Improvement Project Grants

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

(u) OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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

TAMPINES TOWN COUNCIL

(Established under the Town Councils Act 1988) Notes to the financial statements for the financial year ended 31 March 2023

3 ACCUMULATED SURPLUS

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

ODERATING INCOME	Note	TOTA 2022/2023 S\$	5AL 2021/2022 S\$	RESIDENTIAL PROPERTY 2022/2023 2021/2022 S\$	- PROPERTY 2021/2022 S\$	COMMERCIAL PROPERTY 2022/2023 2021/2022 S\$.PROPERTY 2021/2022 S\$	CARPARK 2022/2023 S\$	ARK 2021/2022 S\$
Conservation and service fees less: Operation transfer to sinking find		54,409,173	53,186,302	51,300,244	50,151,030	3,108,929	3,035,272	•	•
	4	(14,146,381)	(13,828,434)	(13,338,061)	(13,039,264)	(808,320)	(789,170)	1	•
(minimum required by law)	2	(7,617,295) 32,645,497	(7,446,094)	(7,182,047)	(7,021,159)	(435,248)	(424,935)		1 1
Agency fees Other income	16	4,199,444 3,861,293	3,897,823	3,071,678	2,907,555	745,192	728,614	4,199,444 44,423	3,897,823 33,962
		40,706,234	39,479,728	33,851,814	32,998,162	2,610,553	2,549,781	4,243,867	3,931,785
OPERATING EXPENDITURE		(44,121,941)	(39,126,355)	(39,233,863)	(35,083,793)	(1,620,996)	(1,463,032)	(3,267,082)	(2 579 530)
Operating (deficit)/surplus		(3,415,707)	353,373	(5,382,049)	(2,085,631)	989,557	1,086,749	976,785	1,352,255
Add: NON-OPERATING INCOME – interest and investment income		184,888	14,140	162,548	12,416	5,650	437	16.690	1 287
(DEFICIT)/SURPLUS BEFORE TAXATION AND GOVERNMENT GRANTS		(3,230,819)	367,513	(5,219,501)	(2,073,215)	995,207	1,087,186	993,475	1,353,542
Less: INCOME TAX	20	(403,160)	(363.813)	(355,304)	(319.383)	(12.088)	(11.252)	(35 768)	(33 179)
(DEFICIT)/SURPLUS AFTER TAXATION BUT BEFORE GOVERNMENT GRANTS		(3,633,979)	3,700	(5,574,805)	(2,392,598)	983,119	1,075,934	957,707	1,320,364
Government Grants		47.000	40.041.040		7.00 07				
Less: Transfer to sinking fund	4	(2,632,592)	(2.515.109)	15,664,926	15,661,254	259,396	255,956	•	•
Transfer to lift replacement fund	. ო	(5,928,840)	(5,769,817)	(5,702,964)	(5,547,394)	(225,876)	(10,139) (222,423)		1 1
Transfer to Town improvement and project fund	မ	(1,287,680)	(2,828,187)	(1,287,680)	(2.828.187)			•	
		6,075,210	5,804,097	6,051,825	5,780,703	23,385	23,394	1	
SURPLUS FOR THE YEAR Add:		2,441,231	5,807,797	477,020	3,388,105	1,006,504	1,099,328	957,707	1,320,364
Accumulated surplus at 1 April		13,918,919	9,111,122	7,910,921	5,522,816	2,575,200	1,475,872	3,432,798	2,112,434
Less. Appropriation to town improvement and project fund	ဖ	(800,000)	(1,000,000)	(800 000)	(1 000 000)				
Accumulated surplus at 31 March		15,560,150	13,918,919	7,587,941	7,910,921	3,581,704	2,575,200	4,390,505	3,432,798

(Established under the Town Councils Act 1988) **TAMPINES TOWN COUNCIL**

SINKING FUND

4

		TOTAL	AL	RESIDENTIAL PROPERTY	PROPERTY	COMMERCIAL PROPERTY	PROPERTY
	Note	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$
Balance at 1 April Add:		50,799,373	51,805,136	34,957,271	35,745,893	15,842,102	16,059,243
INCOME OPERATING TRANSFERS FROM: Concentration and sentire face (minimum	22(a)	694,479	221,091	671,136	213,516	23,343	7,575
required by law)	ო	14,146,381	13,828,434	13,338,061	13,039,264	808,320	789,170
- Government Grants	3, 25	2,632,592	2,515,109	2,622,457	2,504,970	10,135	10,139
		17,473,452	16,564,634	16,631,654	15,757,750	841,798	806,884
Less: EXPENDITURE	22(b)	(21,561,784)	(17,533,133)	(21,111,283)	(16,510,376)	(450,501)	(1,022,757)
Less: INCOME TAX	20	(117,490)	(37,264)	(113,625)	(35,996)	(3,865)	(1,268)
(DEFICIT)/SURPLUS FOR THE YEAR		(4,205,822)	(1,005,763)	(4,593,254)	(788,622)	387,432	(217,141)
Balance at 31 March		46,593,551	50,799,373	30,364,017	34,957,271	16,229,534	15,842,102

Represented by: CURRENT ASSETS		
Conservancy and service fee receivables	491,099	510,163
Amount due from Operating Fund	3,931,278	3,665,579
Other receivables Other receivables	1,802,186	753,385
Cash and cash equivalents	40,825,410	46,201,411
Total assets	47,049,973	51,130,538
Less:		
CURRENT LIABILITIES		
Current tax payable	154,738	111,232
Payables and accrued expenses	301,684	219,933
Total liabilities	456,422	331,165
NET ASSETS	46 503 551	50 799 373

TAMPINES TOWN COUNCIL (Established under the Town Councils Act 1988) Notes to the financial statements for the financial year ended 31 March 2023

rc	LIFT REPLACEMENT FUND		TOTAL	AL	RESIDENTIAL PROPERTY	PROPERTY	COMMERCIAL PROPERTY	ROPERTY
		Note	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2021 S\$
Balance	Balance at 1 April		42,717,132	44,297,109	35,961,678	37,936,118	6,755,454	6,360,991
Add:								
INCOME		23(a)	659,112	183,068	637,039	176.797	22.073	6.271
Operatin require	Operating transfer from Conservancy and service fees (minimum required by law)	ო	7,617,295	7,446,094	7,182,047	7.021.159	435.248	424 935
Add:			8,276,407	7,629,162	7,819,086	7,197,956	457,321	431,206
Transfer	Transfer from Government Grants							
- Lift Re	 Lift Replacement Fund (LRF) Matching Grant 		4,511,288	4,415,526	4,290,868	4.198.561	220.420	216 965
- Other	 Other government grants 		1,417,552	1,354,291	1,412,096	1,348,833	5,456	5.458
i		3, 25	5,928,840	5,769,817	5,702,964	5,547,394	225,876	222,423
Less: EX	Less: EXPENDITURE	23(b)	(10,366,035)	(14,948,574)	(10,229,830)	(14,690,442)	(136,205)	(258,132)
Less. IN	Less: INCOME TAX	20	(110,821)	(30,382)	(107,175)	(29,348)	(3,646)	(1.034)
SURPLL	SURPLUS/(DEFICIT) FOR THE YEAR		3,728,391	(1,579,977)	3,185,045	(1,974,440)	543,346	394.463
Balance	Balance at 31 March		46,445,523	42,717,132	39,146,723	35.961.678	7.298.800	6 755 454

Represented by: CURRENT ASSETS		
Conservancy and service fee receivables	264,438	274.703
Amount due from Operating Fund	1,957,674	1.935.493
Other receivables	1,538,425	4,798,385
Cash and cash equivalents	45,768,926	35,888,096
Total assets	49,529,463	42.896.677
Less:		
CURRENT LIABILITIES		
Current tax payable	141.168	96.587
Payables and accrued expenses	2,942,772	82,958
Total liabilities	3,083,940	179,545
NET ASSETS	46.445.523	42 717 132

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

TOWN IMPROVEMENT AND PROJECT FUND

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		77	TOTAL	RESIDENTIA	RESIDENTIAL PROPERTY	COMMERCIA	COMMERCIAL PROPERTY
	Note	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$	2022/2023 S\$	2021/2022 S\$
Balance at 1 April Addי		2,806,832	2,932,907	1,919,049	1,931,787	887,783	1,001,120
Transfer from Government Grants	ю	1,287,680	2,828,187	1,287,680	2,828,187	t	1
Expenditure		(2,394,604)	(3,954,262)	(2,171,956)	(3,840,925)	(222,648)	(113,337)
Deficit for the year		(1,106,924)	(1,126,075)	(884,276)	(1,012,738)	(222,648)	(113,337)
Appropriation from accumulated surplus	3	800,000	1,000,000	800,000	1,000,000	t	
Balance at 31 March		2,499,908	2,806,832	1,834,773	1,919,049	665,135	887,783

These projects are funded using the Town Council Fund and funds administered by the Citizens' Consultative Committee ("CCC").

Out of the total of \$\$2,394,604 (2021/2022 - \$\$3,954,262) spent on town improvement projects, \$\$1,287,680 (2021/2022 - \$\$2,828,187) was met by payment from CCC.

Notes to the financial statements for the financial year ended 31 March 2023

7 RECEIVABLES / (ADVANCES RECEIVED) FOR NEIGHBOURHOOD RENEWAL PROGRAMME AND ELECTRICAL LOAD UPGRADING PROGRAMME

	2022/2023 S\$	2021/2022 S\$
Balance at 1 April	2,235,559	2,705,886
Funding from government	(11,528,780)	(2,869,031)
Payment to contractors	12,114,423	2,398,704
Balance at 31 March	2,821,202	2,235,559
Represented by: Receivables for Neighbourhood Renewal Programme Receivables for Electrical Load Upgrading Programme	2,637,469 814,003	3,953,918 564,855
Receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	3,451,472	4,518,773
Advances received for Neighbourhood Renewal Programme Advances received for Electrical Load Upgrading Programme	(554,820) (75,450)	(2,235,136) (48,078)
Advances received for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	(630,270)	(2,283,214)
	2,821,202	2,235,559

8 PLANT AND EQUIPMENT

	<u>Total</u> S\$	Furniture, fixtures <u>and fittings</u> S\$	Data processing <u>equipment</u> S\$	Office equipment S\$	Renovation S\$
Cost			•		-,
Balance at 1 April 2022 Additions during the year Written off	2,361,678 61,559 (6,311)	376,822 2,639 -	1,005,119 56,572 (1,917)	268,031 2,348 (4,394)	711,706
Balance at 31 March 2023	2,416,926	379,461	1,059,774	265,985	711,706
Accumulated depreciation					
Balance at 1 April 2022 Depreciation for the year Written off	1,321,847 402,069 (6,311)	374,970 1,456 -	323,784 234,815 (1,917)	219,391 43,648 (4,394)	403,702 122,150
Balance at 31 March 2023	1,717,605	376,426	556,682	258,645	525,852
Net book value Balance at 31 March 2023	699,321	3,035	503,092	7,340	185,854
Cost					
Balance at 1 April 2021	2,190,460	376,822	831,671	270,261	711,706
Additions during the year Written off	173,448 (2,230)	-	173,448	(2.220)	-
Balance at 31 March 2022	2,361,678	376,822	1,005,119	(2,230) 268,031	711,706
Accumulated depreciation				· · ·	<u>,</u>
Balance at 1 April 2021	972,850	369,340	147,731	174,227	281,552
Depreciation for the year Written off	351,227 (2,230)	5,630 	176,053 -	47,394 (2,230)	122,150 -
Balance at 31 March 2022	1,321,847	374,970	323,784	219,391	403,702
Net book value Balance at 31 March 2022	1,039,831	1,852	681,335	48,640	308,004

Notes to the financial statements for the financial year ended 31 March 2023

9 RIGHT-OF-USE ASSETS

The Town Council has leases for office premises and office equipment. No renewal options were granted for the leases of the office equipment. The lease term for the office premises was 3 years with a renewal option for another 3 years.

Management exercises significant judgement and determined that these renewal options are reasonably certain to be exercised.

Town Council has obtained quotation for office restoration costs. Town Council has assessed the impact of the cost restoration is immaterial hence provision for office restoration costs is not taken up.

	Office premises	Office equipment	<u>Total</u> S\$
Cost	S\$	S\$	29
Balance at 1 April 2022 and 31 March 2023	1,410,912	30,706	1,441,618
Accumulated depreciation			
Balance at 1 April 2022	549,671	17,471	567,142
Depreciation for the year	178,188	6,490	184,678_
Balance at 31 March 2023	727,859	23,961	751 <u>,820</u>
Net book value			
Balance at 31 March 2023	683,053	6,745	689,798
Cost			
Balance at 1 April 2021	1,410,912	34,607	1,445,519
Additions during the year	•	(3,901)	(3,901)
Balance at 31 March 2022	1,410,912	30,706	1,441,618
Accumulated depreciation	371,484	13,734	385,218
Balance at 1 April 2021	178,187	7.638	185,825
Depreciation for the year	-	(3,901)	(3,901)
Balance at 31 March 2022	549,671	17,471	567,142
Net book value			
Balance at 31 March 2022	861,241	13,235	874,476

10 CONSERVANCY AND SERVICE FEE RECEIVABLES

	2022/2023 S\$	2021/2022 S\$
Conservancy and service fee receivables	2,272,745	2,337,059
Interest receivable on late payments	1,799,327	1,745,684
Legal fees receivable	166,946	166,666
Disbursement fees receivable	317	337
Less: Allowance for impairment	(2,704,015)	(2,886,157)
	1,535,320	1,363,589

Notes to the financial statements for the financial year ended 31 March 2023

10 CONSERVANCY AND SERVICE FEE RECEIVABLES (CONT'D)

	2022/2023 S\$	2021/2022 S\$
Movements in above allowance:		
Balance at 1 April	2,886,157	2,762,456
(Reversal)/allowance made for the financial year (Note 19)	(182,142)	123,701
Balance at 31 March	2,704,015	2,886,157

Conservancy and service fee receivables are due on the first day of the month and are generally on a credit term of 30 days. Payments made within the month will not be liable for late payment penalty. Conservancy and service fee receivables with short duration are not discounted and the carrying amounts are assumed to be a reasonable approximation of fair value.

The Town Council's conservancy and service fee receivables do not have a significant financing component. In order to determine the amount of expected credit loss to be recognised in the financial statements, it has set up a provision matrix based on its historical observed default rates, adjusted for forward-looking estimates as follows:

			Past	due		
	Current S\$	Less than 6 months S\$	6 to 12 months S\$	12 to 24 months S\$	More than 24 months S\$	Total S\$
2022/2023						
Conservancy and service fee						
receivables	362,648	550,818	454,291	699,976	2,171,602	4,239,335
Loss allowance	-	(68,852)	(113,573)	(349,988)	(2,171,602)	(2,704,015)
						1,535,320
2021/2022					•	
Conservancy and service fee						
receivables	322,260	498,210	335,302	707,837	2,386,137	4,249,746
Loss allowance	-	(62,276)	(83,825)	(353,919)	(2,386,137)	(2,886,157)
					_	1,363,589

11 OTHER RECEIVABLES

	2022/2023 S\$	2021/2022 S\$
Claims for Citizens' Consultative Committee Funding	3,871,898	3,392,254
Conservancy and Service Grant Receivable	100,071	74,297
Deposits	959,219	563,471
Goods and Services Tax Receivable	-	474,347
GST Subvention Grant Receivable	627,698	489,696
Interest Receivable	843,930	141,370
Lift Replacement Fund Matching Grant Receivable	997,943	979,855
Receivables from Housing & Development Board (HDB)	1,022,739	567,199
Recoverable from HDB for Lift Enhancement Programme (LEP)	14,510	3,485,320
Sundry Receivables	41,500	138,821
	8,479,508	10,306,630

Current receivables with a short duration are not discounted and the carrying amounts are assumed to be a reasonable approximation of fair values.

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

12 CASH AND CASH EQUIVALENTS

	2022/2023 S\$	2021/2022 S\$
Fixed deposits	92,890,747	79,830,616
Cash and bank balances	14,652,462	19,759,160
	107,543,209	99,589,776

The fixed deposits mature within 12 months (2021/2022 - within 12 months) from the end of the financial year. The weighted average effective interest rate of fixed deposits as at 31 March 2023 was 3.51% (2021/2022 - 0.61%) per annum.

13 CONSERVANCY AND SERVICE FEE RECEIVED IN ADVANCE

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

Conservancy and service fee income recognised during the financial year ended 31 March 2023 included in contract liabilities at the beginning of the financial year was S\$1,088,185 (2021/2022 - S\$983,389).

14 PAYABLES AND ACCRUED EXPENSES

	2022/2023 S\$	2021/2022 S\$
Accrued operating expenses	159,117	534,392
Goods and Services Tax Payable	208,596	•
Refundable deposits	309,069	257,470
Payables to contractors	6,221,561	623,470
Other creditors	985,710	1,061,822
	7,884,053	2,477,154
Current: Due within 12 months	7,760,523	2,308,704
Non-current: Due after 1 year but within 5 years	123,530	168,450
	7,884,053	2,477,154

15 LEASE LIABILITIES

The Town Council has leases for office premises and office equipment. The carrying amount of lease liabilities are as follows:

	2022/2023 S\$	2021/2022 S\$
Current: Due within 12 months	183,424	177,662
Non-current: Due after 1 year but within 5 years	550,636	734,060
Due more than 5 years	-	-
•	550,636	734,060
	734,060	911,722

Notes to the financial statements for the financial year ended 31 March 2023

15 LEASE LIABILITIES (CONT'D)

Reconciliation of liabilities arising from financing activities

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

	At 1 April S\$	Financing cash flows - lease payments S\$	At 31 March S\$
2022/2023 Lease liabilities	911,722	(177,662)	734,060
2021/2022 Lease liabilities	1,083,201	(171,479)	911,722

16 AGENCY FEES

Agency fees are for routine maintenance of HDB's car parks and common property within the Town Council.

17 OTHER INCOME

	2022/2023 S\$	2021/2022 S\$
Late Payment Penalty	247.129	380,614
Liquidated Damages	209,057	158,230
Others Income	21,578	19.744
Rental of Community Hall	9,000	1,250
Sale of Tender Documents	18,167	15.711
Sundry Fines & Income	262,183	179,903
Temporary Occupation Licence Income	2,928,626	2,911,429
Use of Common Property and Void Decks	22,180	, , - -
Use of Water & Electricity in Void Decks	143,373	_
Rental Relief	· -	3,250
	3,861,293	3,670,131

18 MANAGING AGENT'S FEES

The Town Council's daily operations have been outsourced to a managing agent during the financial year. The managing agent's fee for the year ended are as follows:

	2022/2023 S\$	2021/2022 S\$
Facility Management & Maintenance	5,661,890	4.998.056
Community Engagement & Communications	576,514	534,714
New Sustainability Initiatives	70,400	211,200
	6,308,804	5,743,970

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

19 GENERAL AND ADMINISTRATIVE EXPENDITURE

The general and administrative expenditure comprises the following:

	2022/2023 S\$	2021/2022 S\$
Advertising, publicity and public relations	377,659	413,654
Audit fee	83,512	43,180
Bad Debts written off	48,197	39,340
Computer services fee	346,379	354,070
Depreciation of plant and equipment (Note 8)	402,069	351,227
Depreciation of right-of-use assets (Note 9)	184,678	185,825
Doubtful Debts (S&CC - Note 10)	(182,142)	123,701
Fees and charges	296,511	266,647
Irrecoverable goods and services tax (Note 21)	258,978	310,681
Lease Interest Expense	35,314	42,717
Office upkeep expenses	188,090	127,929
Office supplies and stationery	177,726	172,036
Property tax	294,504	309,396
Town Councillors' allowances and staff costs *	208,764	107,520
Others	43,228	35,619
	2,763,467	2,883,542

^{*} With effect from 1 August 2022, Town Council started to have payroll expenses. Salaries and other related staff costs are included.

20 INCOME TAX

	Income & Expenditure Statement S\$	Sinking Fund Statement S\$	Lift Replacement Fund Statement S\$	Total S\$
Taken up in: 2022/2023 Current income tax provision Under provision in prior year	403,160 -	117,492 (2)	110,825 (4)	631,477 (6)
, , , , , , , , , , , , , , , , , , , ,	403,160	117,490	110,821	631,471
2021/2022 Current income tax provision Under provision in prior year	363,568 24 5	37,248 16	30,348 34	431,164 295
, , ,	363,813	37,264	30,382	431,459

The income tax expense on the surplus for the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to taxable income due to the following factors:

	2022/2023 \$\$	2021/2022 \$\$
Interest income received	1,537,498	418,299
Grant and other income	18,467,743	19,370,819
Allowable expenses	(310,006)	(268,845)
1,	19,695,235	19,520,273
Tax at statutory rate of 17% Tax exempt income Tax remission of government grants under section 92(2) of Singapore Income Tax	3,348,190 (17,425) (2,699,288)	3,318,446 (17,425) (2,869,857)
Under provision in prior year	(6)	295
	631,471	431,459

Notes to the financial statements for the financial year ended 31 March 2023

21 IRRECOVERABLE 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. The unclaimed portion is charged to the Income and Expenditure Statement, Sinking Fund Statement and Lift Replacement Fund Statement during the financial year.

22 SINKING FUND INCOME AND EXPENDITURE

(a) Income			
	2022/2023 S\$	2021/2022 S\$	
Interest Income - Bank fixed deposits/current account Other income	694,303 176	•	221,091 -
	694,479	221,091	
(b) Expenditure			
	2022/2023	2021/2022	
	S\$	S\$	
Electrical Rewiring	2,477,531	5,044,141	
General & Administrative Expenses/ (Income)	, , , , , , , , , , , , , , , , , , ,	90	
Irrecoverable Goods & Services Tax (Note 21)	139,819	142,045	
Project Management Fees	829,265	666,087	
Redecoration & Repainting	11,646,180	6,001,540	
Replacement of Transfer Pumpsets	733,888	502,738	
Replacement of Water Pipes	27,500	1,185,539	
Replacement of Alert Alarm System	306,280	490,576	
Re-roofing Works	5,384,294	3,500,377	
Replacement of Escalator Parts	16,937		
	21,561,784	17,533,133	

23 LIFT REPLACEMENT FUND INCOME AND EXPENDITURE

(a)	Income	2022/2023 S\$	2021/20212 S\$
Inter	est income from fixed deposits/current account	659,112	183,068
		659,112	183,068

937,211

14,948,574

9,600

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(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

23 LIFT REPLACEMENT FUND INCOME AND EXPENDITURE (CONT'D)

(b) Expenditure		
	2022/2023	2021/2022
	S\$	S\$
General & Administrative Expenses	110	311
Irrecoverable Goods & Services Tax (Note 21)	316,729	366,921
Lift Enhancement Programme (LEP) *	136,362	367,102
Lift Overhaul / Total Replacement Works	6,819,429	10,676,257
Project Management Fees	340,672	616,745
Replacement of ARD Battery	114,317	241,931
Replacement of EBOPS Battery	51,984	101,232
Replacement of Inverter Units	244,951	937,484
Replacement of Lift Position Display Panel (CPI/HPI)	999,969	693,780
		007.044

^{*} The LEP was introduced to help town councils modernise their existing Housing and Development Board (HDB) lifts. Under this programme, the HDB will fund 92.5% of the town council's costs to install the recommended enhancement features identified by the Building and Construction Authority (BCA).

1,280,312

10,366,035

61,200

24 SIGNIFICANT RELATED PARTY TRANSACTIONS

Related party relates to the managing agent of the Town Council which manages the operations of the Town Council and town councillors. The following significant transactions with related parties on terms mutually agreed during the financial year are as follows:

a) E M Services Pte Ltd, as managing agent

Replacement of Main Sheaves / Ropes

Replacement of Heat Detector

	2022/2023 S\$	2021/2022 S\$
Management agent fee	6,308,804	5,743,971
Project management fee	1,537,149	1,166,386
Energy saving costs *	1,634,675	1,635,568
Repairs and maintenance service fee	1,572,054	2,000,725
Lift Upgrading Programme	6,364,430	

^{*} The Town Council has entered into an agreement with the related party to supply and install Light Emitting Diode ("LED") luminaries at the HDB blocks at no costs to the Town Council. Under the terms of the agreement, certain percentage of the energy cost saved from the usage of the LED will be shared with the related party.

The balances due to E M Services Pte Ltd was S\$2,871,534 (2021/2022 - S\$111,241) as at 31 March 2023.

b) Town Councillors and key management compensation

During the financial year, the town councillors' allowances and key management compensation was \$\$208,764 (2021/2022 - \$\$107,520).

TAMPINES TOWN COUNCIL (Established under the Town Councils Act 1988)

25 GOVERNMENT GRANTS

Government grants taken to the income and expenditure statement during the year are as follows: :=

Ç	CHING NT	2021/2022 S\$		4,415,526	1	(4,415,526)			1
L	ERF WATCHING	2022/2023 2021/2022 S\$ S\$		4,511,288	ė	(154,476) (4,511,288) (4,415,526)		1	
L () ()	NT	2021/2022 S\$		1,103,400	(286,884)	(154,476)		1	662,040
THE AND IN	GRANT	2022/2023 S\$		1,125,600	(292,656)	(157,584)		•	675,360
NOITME	LN	2021/2022 S\$		1,947,001	(506,220)	(272,582)			1,168,199
RST SIRVENTION	GRANT	2021/ 2023 S\$		2,113,271	(549,450)	(295,860)		•	1,267,961
'S FROM ENS' TATIVE	COMMITTEE	202/1/202 S\$		2,828,187	•	1		,287,680) (2,828,187)	1
PAYMENTS FROM CITIZENS'	CONSULTATIVE COMMITTEE 2022/2023 2021/20 S\$	2022/2023 S\$		1,287,680	1	r		(1,287,680)	
E AND	NSERVAN ARGE GRA	\$2021/2027 S\$		6,623,096	(1,722,005)	(927,233)			3,973,858
SERVICE AND		\$\$ S\$		6,886,483	(1,790,486)	(964,108)		,	4,131,889
	AL 2021/2022	\$207 11 505 5 S\$		16,917,210	(2,632,592) (2,515,109) (1,790,486) (1,722,005)	(5,928,840) (5,769,817)		(2,828,187)	5,804,097
	TOTAL	\$\$ \$\$		15,924,322	(2,632,592)	(5,928,840)		(1,287,680) (2,828,187)	6,075,210
			Government Grants received/ receivable	during the year	Less: Transfer to - Sinking fund - Lift replacement	fund - Town	improvement and project	fund	

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

2022/2023 2021/2022 S\$ S\$	279,079,818 263,856,498 15,262,814 15,223,320	2
	Total grants received at 1 April Grants received during the year	Total grants received as at 31 March

TAMPINES TOWN COUNCIL (Established under the Town Councils Act 1988) Notes to the financial statements for the financial year ended 31 March 2023

26 COMMITMENTS FOR CAPITAL EXPENDITURE

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

	2022/2023 S\$	2021/2022 S\$
Amounts approved and contracted for	39,938,415	38,480,132
Amounts approved but not contracted for	66,121,585	66,405,868
	106,060,000	104,886,000

27 RISK MANAGEMENT POLICIES FOR FINANCIAL INSTRUMENTS

GENERAL RISK MANAGEMENT PRINCIPLES

The Town Council has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The main risks arising from the Town Council's financial instruments are credit risk and market price risk comprising interest rate risk. The Town Council is not exposed to any foreign exchange risk and there is no significant liquidity risk as it maintains sufficient cash to meet its operating cash flow requirements. The Town Council reviews and monitors policies for managing each of these risks and they are summarised below.

CREDIT RISK ON FINANCIAL ASSETS

Financial assets that are potentially subject to credit risk and failures by counterparties to discharge their obligations consist principally of cash and cash equivalents, conservancy and service fee receivables and other receivables.

The carrying amount of conservancy and service fee receivables, other receivables, cash and cash equivalents represent the Town Council's maximum exposure to credit risk. No other financial assets carry a significant exposure to credit risk.

Credit risk on bank balances is limited because the counter-parties are banks with high credit ratings.

Ongoing credit evaluation is performed on the debtors' financial condition and any loss on impairment is recognised in the income and expenditure statement. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers, unless otherwise disclosed in the notes to the financial statements.

The Town Council considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Town Council has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which include significant difficulty of the counterparty.

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery. Cash and cash equivalents are subject to immaterial credit loss.

INTEREST RATE RISK

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Fair value interest rate risk is the risk that the value of financial instrument will fluctuate because of changes in market interest rates.

The Town Council's exposure to movements in market interest rates relate primarily to its fixed deposits placed with financial institutions.

The Town Council's policy is to obtain the most favourable interest rates available for placement of its fixed deposits.

Surplus funds are placed with reputable banks.

(Established under the Town Councils Act 1988)

Notes to the financial statements for the financial year ended 31 March 2023

27 RISK MANAGEMENT POLICIES FOR FINANCIAL INSTRUMENTS (CONT'D)

INTEREST RATE RISK (CONT'D)

If Singapore dollar interest rates had been 25 (2021/2022 - 25) basis points lower/higher with all other variables held constant, the Town Council's surplus before government grants for the year would have been S\$211,014 (2021/2022 - S\$200,466) higher/lower, arising mainly as a result of lower/higher interest income from the Town Council's fixed deposits with banks.

LIQUIDITY RISK

The Town Council adopts prudent liquidity risk management by maintaining sufficient funds to meet its operating, sinking fund and lift replacement expenditure.

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

As at 31 March 2023	Carrying amount S\$	Contractual cash flows S\$	Less than 1 year S\$	Within 1 to 5 years S\$	More than 5 years S\$
Receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading					
Programme	3,451,472	3,451,472	3,451,472	_	_
Conservancy and service fee					
receivables	1,535,320	1,535,320	1,535,320	-	-
Other receivables	8,479,508	8,479,508	8,479,508	-	-
Cash and cash equivalents	107,543,209	107,543,209	107,543,209		<u> </u>
	121,009,509	121,009,509	121,009,509	-	-
Advances for Neighbourhood Renewal Programme and Electrical Load Upgrading					
Programme	630,270	630,270	630,270	-	-
Payables and accrued expenses	7,884,053	7,884,053	7,760,523	123,530	-
Lease liabilities	734,060	1,002,180	211,056	791,124	-
	9,248,383	9,516,503	8,601,849	914,654	-
As at 31 March 2022					
Receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading					
Programme	4,518,773	4,518,773	4,518,773	_	_
Conservancy and service fee	1,010,110	1,010,110	4,010,770		
receivables	1,363,589	1,363,589	1,363,589	_	_
Other receivables	10,306,630	10,306,630	10,306,630	-	-
Cash and cash equivalents	99,589,776	99,589,776	99,589,776	<u> </u>	
	115,778,768	115,778,768	115,778,768		
Advances for Neighbouhood Renewal Programme and Electrical Load Upgrading			·		,
Programme	2,283,214	2,283,214	2,283,214	-	_
Payables and accrued expenses	2,477,154	2,477,154	2,308,704	168,450	-
Lease Liabilities	911,722	1,009,356	212,976	796,380	-
	5,672,090	5,769,724	4,804,894	964,830	

28 MANAGEMENT OF TOWN COUNCIL'S FUNDS

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

- (a) To safeguard the Town Council's ability to continue as a going concern;
- (b) To support the Town Council's stability and growth; 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 and fund efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Town Council is not subject to externally imposed requirements. As at end of the reporting date, the Town Council's total funds amounted to \$\$111,099,132 (2021/2022 - \$\$110,242,256).

29 COMPARATIVE INFORMATION

Reclassification has been made to the prior year's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been amended in statement of financial position.

	After reclassification 2022/2023 S\$	Previously reported 2021/2022 S\$
Statement of Financial Position Non-Current Liabilities Payables and accrued expenses		
Current Liabilities	168,450	-
Payables and accrued expenses	2,308,704	2,477,154

30 STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 1: Classifications of Liabilities as Current or Non-current Amendments to FRS 1 and FRS Practice Statement 2: Disclosure of	1 January 2024
Accounting Policies	1 January 2023
Amendments to FRS 8: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 1: Non-current Liabilities with Covenants	1 January 2024

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

31 EVENTS OCCURRING AFTER THE REPORTING DATE

To manage the cost increases relating to manpower, materials and energy and other external factors, the Town Council revised its Service & conservancy charges (S&CC) for residential flats, commercial premises, and market/food stalls. To help cushion the impact of the increases, the adjustment would be staggered over two years, effective on 1 July 2023 and 1 July 2024 respectively.

Town Council will receive a time-limited special funding support from Ministry of National Development (MND) to meet the long-term financial sustainability. On 22 August 2023, the Town Council received the first tranche of the special funding of \$\$3,396,338 from MND. The special grant provided is equivalent to the additional \$&CC income generated from gazette \$&CC increases from FY2023 and FY2024, subject to a cap of 13% \$&CC increase.