



**TANJONG PAGAR**  
TOWN COUNCIL

# **ANNUAL** **REPORT**

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**FY 2024/2025**





**TANJONG PAGAR**  
TOWN COUNCIL

# **TANJONG PAGAR TOWN COUNCIL**

**Audited Financial Statements, Auditor's Report  
and Annual Report for FY 2024/2025**

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**S. 113 of 2025**

**17 DECEMBER 2025**



# CHAIRMAN'S MESSAGE

Dear Residents,

Tanjong Pagar Town Council has closed out yet another Financial Year. Looking forward, we are not just starting a new year but also a new five-year term that will span from 2025 to 2030. It is an exciting new chapter for our township, filled with many big plans for further developments and improvements that will make Our Tanjong Pagar an even better home for all of us.

On 2 February of this year, we shared a brief overview of our Five-Year Plan in an exhibition held at Redhill Market. Throughout the rest of February, we also brought the exhibition on a roving tour across our town's various Divisions so that more local residents are made aware of the upgrades which are due to arrive at their neighbourhoods between 2025 and 2030.

A few massive 'upgrades' have already arrived, however. These are our new Telok Blangah Division, beautiful Sentosa Island and several of our southern islands which are now a part of our township. Let's give our new neighbours and friends from these areas a very warm Tanjong Pagar welcome!

New beginnings are wonderful, but the focus of this Annual Report is, of course, on what we've accomplished together over the past year.

A major part of our efforts in the last 12 months have been geared towards the ongoing renewal and rejuvenation of your homes and neighbourhoods.

As most of us live in high-rises, lifts are an essential part of our daily lives. As such, we made sure that older lifts such as the ones at Farrer Road and Mei Ling Street were replaced or upgraded. This brings them up to modern safety and reliability standards, giving residents greater peace of mind that their daily routines will not be unduly disrupted by lift breakdowns or repairs.



# CHAIRMAN'S MESSAGE

We recently completed the NRP (Neighbourhood Renewal Programme) for older neighbourhoods like Redhill, refreshing and updating our favourite community and activity hubs with state-of-the-art amenities.

We also kicked off fresh NRPs at Kim Tian and Spottiswoode Park estates. As usual, we will undergo a thorough planning and consultation process, enabling residents to give their ideas and feedback at key milestones before the NRP is implemented. If your block is part of these NRPs, we hope you will step forward with your thoughts and ideas when the time comes.

Not all estates require an extensive overhaul – some just need a quick refresh. For example, the HDB blocks at Queenstown, Farrer Park and Tiong Bahru were repainted at the end of their scheduled 7-year cycle.

Perhaps most importantly for our food-obsessed society, we have also updated our markets and food centres – such as the ones at Redhill, Pek Kio, Tanjong Pagar Plaza and Alexandra Village – with new facilities to create more comfortable and accessible dining environments for all.

On the evergreen topic of sustainability, we continued to run initiatives that enable the Town Council to operate the township more sustainably, while making it convenient for you to adopt greener habits.

For example, we've continued to set up specialised red packet recycling boxes and additional textile recycling bins during the usual spring cleaning period for most households in the weeks leading up to Chinese New Year.



# CHAIRMAN'S MESSAGE

In what has become an annual tradition, we also held tree-planting activities with residents across our town – further contributing to our national target to plant 1 million trees islandwide by 2030.

Our fledgling used cooking oil recycling initiative has taken further steps forward with the introduction of a new collection point at the popular Pek Kio Market & Food Centre.

And we continued to install dual bicycle racks across our town in residential neighbourhoods like Redhill to encourage more residents to choose a healthier and more eco-friendly mode of transport.

Finally, I am proud to report that we have once again achieved a Green rating across all operational indicators in the Ministry of National Development's 2024 Town Council Management Report. It's good to know that you continue to enjoy the high standard of service and support that you deserve from your Town Council.

I want to end my message this year by thanking you from the bottom of my heart for your continuing trust and support – I assure you that my team and I do not take it for granted. We will continue to work hard and work closely with you to improve our town and create a vibrant, warm-hearted community right here in Our Tanjong Pagar!

**Melvin Yong**  
**Chairman**  
**Tanjong Pagar Town Council**

# MAINTAINING CONSISTENCY IN OUR SUSTAINABILITY EFFORTS

The road to achieving our ambitious sustainability goals is a long one. It requires tireless and sustained effort from everyone in our community. Tanjong Pagar Town Council (TPTC) is fully committed to doing our part in this great endeavour, as can be observed in our activities over the past year.

We've continued to expand on the green initiatives to make our town run more efficiently and sustainably. We also continued to support our various partners by providing assistance to successfully execute their ideas, or by participating in the events they organised.

We continued to seek out new partners who can help make sustainable living a convenient part of residents' day-to-day lives, while maintaining the various green facilities we have in place so far.

At the Town Council offices, we continually find ways to operate more efficiently so as to minimise our carbon footprint.

It's no coincidence that the word 'continue' features heavily in this report. Though innovation is important in our fight against climate change, we strongly believe that unwavering consistency over many years is even more vital to our success.

Let's take a closer look at our progress – both large and incremental – and see how everyone's collective effort continues to bring us ever closer to achieving our vision of a greener society.



# RECYCLING MADE EASIER

We continue to provide specialised facilities and support so it's easier for residents to recycle various types of waste correctly. Here are the highlights from our efforts this year.

## AT A GLANCE: ECO FACILITIES IN OUR TOWN



**~500**

Blue Recycling Bins (Bloobins)



**24** Textile Recycling Bins



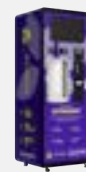
**7** Paper Recycling Points



**5** E-Waste Bins



**3** Used Cooking Oil (UCO) Collectors



**2** Eco-Detergent Refill Station



**2** Bounce Bag Points

In addition to our blue recycling bins (Bloobins), we also have many specialised recycling collection points in our town.

Now, we also have 2 Bounce Bag Points where shoppers can take a free reusable bag or leave one for others; and 2 Eco-Detergent Refill Stations where residents can bring their own bottles to purchase liquid detergents, minimising plastic use.

## Used Cooking Oil (UCO) Recycling Points

In conjunction with Go Green SG 2024, we partnered with Our Green MoCa and Apeiron Bioenergy to launch Singapore's first-ever collection point for used household cooking oil; conveniently located at the Moulmein-Cairnhill Green Hub at 40 Cambridge Road.

We followed this up with commercial-grade collection points at Tekka Centre and Pek Kio Market, enabling larger-scale collection of used oil from hawker centres.



Besides preparing and maintaining the space, our Conservancy Team also reports regularly on oil levels to help the Apeiron team plan their oil collection schedules.

Apeiron turns the collected oil into biofuel. This is a big win-win as it keeps oil from clogging our sewers, prevents pollution of our waterways, and produces eco-friendly fuel.

Due to the success of this pilot programme, we are now making plans with our Sustainability Committee members to roll out more UCO collection points across our town.

## Composting Drive

As most HDB units do not have the space for a proper composting set-up, TPTC worked with City Sprouts, Ismaili CIVIC and Henderson-Dawson Green Action for Communities (HDGAC) to collect materials for composting from 4 locations in Henderson-Dawson on 15 Jun 2024.



The collected fruit & vegetable scraps and egg shells would be composted at City Sprouts. All participants were invited to a workshop there on 6 Jul 2024 to learn more about composting and collect compost for their plants at home.

# SUPPORT FOR OUR PARTNERS

We've had the privilege of working with various sustainability partners, and we continue to be inspired by their ingenuity and passion. Here are the highlights from our work with three of those partners over the past year.

## River Valley Primary School Engagement

For the third straight year, our Property, Horticulture and PR Teams hosted an engagement session with the school's students. 80 of them

joined us this year to learn about the importance of estate maintenance, tree-planting and the biodiversity nodes in our town.

We hope these sessions will inculcate a greater care for our natural and living spaces in our young residents.



## iLight Singapore

This annual sustainable light festival is organised by URA to drive awareness of sustainability issues and promote sustainable living. For its milestone 10th edition in 2024, iLight selected Tanjong Pagar as one of its festival locations.

Besides preparing and maintaining the space for the festival, TPTC also participated by switching off non-essential lights at 7 buildings in our town between 12am and 7am throughout iLight Singapore.

## Clean Green SG

TPTC participates every year in the Government's Clean Green SG campaign. In 2024, we launched two initiatives as part of our participation in this campaign:

1. Launch of Used Cooking Oil (UCO) Collection Points in our town in partnership with Our Green MoCa and Apeiron Bioenergy.
2. A Public Transport Week during which all our staff are encouraged to take public transport on their daily commutes

# RUNNING OUR TOWN SUSTAINABLY

We continually work to reduce our township's carbon footprint year after year. While we've achieved some significant results to date, we know there's always room for improvement. Here's an overview of our latest initiatives to boost efficiency.

## Elevator Energy Regeneration System (EERS)

The EERS is expected to reduce lift energy consumption by up to 20%, making residents' daily movements significantly more eco-friendly. We are working closely with HDB to progressively install a total of 417 EERS units in lifts across our town from 2024 to 2029.

## Emissions Report

In FY23/24, our township's total carbon emissions of 16,524 tonnes were about the same as what we generated in FY22/23. This total was calculated based on direct emissions from our power generators, electricity usage, waste disposal, water consumption, and fuel consumed by our staff and contractors during their commutes.

Though we did not achieve a reduction in carbon emissions this year, we expect to see a significant drop in emissions next year as we progressively switch to solar energy to power our townships under the SolarNova Programme.

## GreenDNA and Eco Office

TPTC has been recognised as an Eco Office since 2013, and this year we were recertified again with a 3-Leaf Rating by the Singapore Environment Council (SEC). This is just one rank shy of the maximum 4-Leaf Rating awarded by the SEC.

We have also been awarded the GreenDNA Certification for the third year running by the SEC, recognising our efforts to continually reduce our office's carbon footprint. In the past year, we have achieved a further 4.42% reduction. TPTC remains the only Town Council to ever be awarded the GreenDNA Certification, one of the SEC's highest honours.



## **COMPOSITION AND STRUCTURE**

The selection, appointment and reappointment of Town Councillors takes into consideration the composition of the Council and the relevant experience, skills and/or competencies of the members. In appointing the Town Councillors:

- (a) The Council utilises a referral process to search for potential candidates;
- (b) The Council considers a variety of factors, including audit and financial skills, time commitment, and prior experiences to ensure members have the relevant skills and/or competencies to adequately execute their duties; and
- (c) At least two-thirds of the appointed Town Councillors must be residents of the HDB housing estates within the Town.

## **CODE OF GOVERNANCE PRACTICES**

The Code of Governance which took effect from 1 April 2020 sets out the principles of good governance and highlights the best practices that guide the Town Councils in executing their fiduciary responsibilities, and improving accountability and disclosure.

Tanjong Pagar Town Council exercises the code of governance practices, with the aim to provide greater transparency and raise governance standards. Policies and processes were developed and implemented in line with guiding principles of the Code across four main domains - Council Effectiveness, Internal Controls & Processes, Financial Management and Vendor management.

The Town Council further manages risks effectively by providing a systematic framework - Enterprise Risk Management (ERM). By identifying key risks through structured risk assessment methodology, the Town Council was able to conduct a deep dive into the risk consequences and put in place effective actionable controls and supporting policies to address these risks adequately. This systematic framework is an ongoing effort which supports the Town Council and management in making informed strategic and operational decisions that resonates with the objectives of the Town Council.

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.



TANJONG PAGAR TOWN COUNCIL  
FINANCIAL STATEMENTS  
FOR FINANCIAL YEAR 2025



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**Independent Auditor's Report to the Members of Tanjong Pagar Town Council**  
*(Established under the Town Councils Act 1988)*

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**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of Tanjong Pagar Town Council (the "Town Council"), which comprise the statement of financial position of the Town Council as at 31 March 2025, and the income and expenditure statement, statement of comprehensive income, statement of changes in Town Council funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material 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 present fairly, in all material respects, the financial position of the Town Council as at 31 March 2025 and of the financial performance, changes in Town Council funds and cash flows of the Town Council for the financial year ended on that date.

***Basis for Opinion***

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

***Other Information***

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

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

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



**Independent Auditor's Report to the Members of Tanjong Pagar Town Council**  
(Established under the Town Councils Act 1988)

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**Report on the Audit of the Financial Statements (Cont'd)**

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and FRSs, and for 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.

The Town Council is established under the Town Councils 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 going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Town Council or for the Town Council to cease operations.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**Independent Auditor's Report to the Members of Tanjong Pagar Town Council**  
(Established under the Town Councils Act 1988)

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**Report on the Audit of the Financial Statements (Cont'd)**

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

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

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

**Report on Other Legal and Regulatory Requirements**

***Opinion***

In our opinion:

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

***Basis for Opinion***

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



**Independent Auditor's Report to the Members of Tanjong Pagar Town Council**  
*(Established under the Town Councils Act 1988)*

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**Report on Other Legal and Regulatory Requirements (Cont'd)**

***Responsibilities of Management for Compliance with Legal and Regulatory Requirements***

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

***Auditor's Responsibilities for the Compliance Audit***

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

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

*PKF-CAP LLP*

**PKF-CAP LLP**


Public Accountants and Chartered Accountants

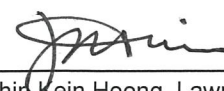
Singapore

17 September 2025

**STATEMENT OF FINANCIAL POSITION**  
As at 31 March 2025

	Note	2025 S\$	2024 S\$
<b>TOWN COUNCIL FUNDS</b>			
<b>Residential Property</b>			
Accumulated surplus	3	9,249,749	6,185,756
Sinking fund	4	134,136,704	132,705,701
Lift replacement fund	5	67,461,006	59,889,973
Town improvement and project fund	6	1,781,781	3,101,962
		<b>212,629,240</b>	<b>201,883,392</b>
<b>Commercial Property</b>			
Accumulated (deficit)/ surplus	3	(127,897)	640,382
Sinking fund	4	52,370,514	53,334,532
Lift replacement fund	5	20,823,751	19,206,499
Town improvement and project fund	6	559,253	474,248
		<b>73,625,621</b>	<b>73,655,661</b>
<b>Carpark</b>			
Accumulated surplus	3	7,067,536	5,975,343
<b>Fair Value Reserve</b>			
	4	397,750	387,750
<b>Total Town Council funds</b>		<b>293,720,147</b>	<b>281,902,146</b>
<b>REPRESENTED BY:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	8	658,181	893,525
Equity investments at fair value through other comprehensive income	10	250,000	240,000
Debt investments at amortised cost	11	98,759,427	76,981,565
		<b>99,667,608</b>	<b>78,115,090</b>
<b>Current Assets</b>			
Conservancy and service receivables	12	1,394,153	1,256,992
Other receivables	13	27,399,542	14,327,050
Interest receivable		1,779,252	1,568,865
Debt investments at amortised cost	11	25,118,190	15,920,021
Cash and bank balances	16	158,798,909	188,463,427
		<b>214,490,046</b>	<b>221,536,355</b>
<b>Total Assets</b>		<b>314,157,654</b>	<b>299,651,445</b>
<b>Less:</b>			
<b>Non-Current Liabilities</b>			
Lease liabilities	9	68,421	257,519
<b>Current Liabilities</b>			
Conservancy and service fees received in advance		1,341,593	1,271,870
Payables and accrued expenses	17	16,440,896	13,902,721
Lease liabilities	9	198,786	184,576
Income tax payable		2,387,811	2,132,613
		<b>20,369,086</b>	<b>17,491,780</b>
<b>Total liabilities</b>		<b>20,437,507</b>	<b>17,749,299</b>
<b>Net assets</b>		<b>293,720,147</b>	<b>281,902,146</b>

  
Mr Melvin Yong Yik Chye  
Chairman  
Date: 17 September 2025

  
Dr Chin Kein Hoong, Lawrence  
Secretary  
Date: 17 September 2025

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

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

**INCOME AND EXPENDITURE STATEMENT**  
For the Financial Year Ended 31 March 2025

	Note	<u>2025</u> S\$	<u>2024</u> S\$
<b>Operating Income</b>			
Conservancy and service fees	3	<b>62,950,950</b>	58,578,002
Operating transfer to sinking fund (minimum required by law)	3,4	<b>(16,367,245)</b>	(15,230,282)
Operating transfer to lift replacement fund (minimum required by law)	3,5	<b>(8,813,132)</b>	(8,200,920)
		<b>37,770,573</b>	35,146,800
Agency fees	18(a)	<b>4,310,441</b>	4,236,705
Other income	18(b)	<b>4,422,669</b>	4,203,510
		<b>46,503,683</b>	43,587,015
<b>Operating Expenditure</b>			
Cleaning works		<b>(9,336,122)</b>	(9,144,400)
Managing agent's fee	19	<b>(8,041,095)</b>	(7,530,869)
Lift maintenance		<b>(9,344,025)</b>	(8,380,350)
Other works and maintenance		<b>(9,315,882)</b>	(8,554,138)
Water and electricity		<b>(13,469,781)</b>	(12,929,164)
General and administrative expenditure	21	<b>(3,213,964)</b>	(2,879,211)
		<b>(52,720,869)</b>	(49,418,132)
Operating deficit		<b>(6,217,186)</b>	(5,831,117)
<b>Non-operating Income</b>			
Interest income on bank balances		<b>2,673</b>	1,422
<b>Deficit before taxation and government grants</b>		<b>(6,214,513)</b>	(5,829,695)
Taxation	22	<b>(350,894)</b>	(358,822)
<b>Deficit after taxation but before government grants</b>		<b>(6,565,407)</b>	(6,188,517)
Government grants	3,7	<b>19,652,240</b>	21,464,952
Transfer to sinking fund	3,4,7	<b>(3,523,258)</b>	(3,366,925)
Transfer to lift replacement fund	3,5,7	<b>(7,444,070)</b>	(7,023,682)
Transfer to town improvement and project fund	3,6,7	<b>(592,807)</b>	(3,324,468)
		<b>8,092,105</b>	7,749,877
<b>Deficit after taxation but before government grants</b>		<b>3,102,024</b>	2,520,765
GST subvention	3,7	<b>(806,529)</b>	(655,401)
Transfer to sinking fund	3,4,7	<b>(434,286)</b>	(352,909)
Transfer to lift replacement fund	3,5,7	<b>1,861,209</b>	1,512,455
Surplus for the financial year		<b>3,387,907</b>	3,073,815
Accumulated surplus as at 1 April		<b>12,801,481</b>	9,727,666
Transfer to town improvement and project fund	3,6	-	-
<b>Accumulated surplus as at 31 March</b>	3	<b>16,189,388</b>	12,801,481

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

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

**STATEMENT OF COMPREHENSIVE INCOME**  
For the Financial Year Ended 31 March 2025

	Note	<u>2025</u> S\$	<u>2024</u> S\$
<b>Surplus for the financial year</b>			
Accumulated surplus	3	3,387,907	3,073,815
Sinking fund	4	466,985	(3,678,188)
Lift replacement fund	5	9,188,285	13,548,775
Town improvement and project fund	6	<u>(1,235,176)</u>	<u>1,670,980</u>
Total surplus for the year		<u>11,808,001</u>	<u>14,615,382</u>
<b>Other comprehensive income/(loss)</b>			
<i>Items that will not be reclassified to income and expenditure statement</i>			
Equity investments at FVOCI – net change in fair value	10	<u>10,000</u>	<u>(20,000)</u>
<b>Other comprehensive income/(loss) for the year, net of income tax</b>		<u>10,000</u>	<u>(20,000)</u>
<b>Total comprehensive income for the year attributable to town council funds</b>		<u>11,818,001</u>	<u>14,595,382</u>

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

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

**STATEMENT OF CHANGES IN TOWN COUNCIL FUNDS**  
For the Financial Year Ended 31 March 2025

	Total		Residential Property		Commercial Property		Carpark		Fair Value Reserve	
	<u>2025</u> S\$	<u>2024</u> S\$	<u>2025</u> S\$	<u>2024</u> S\$	<u>2025</u> S\$	<u>2024</u> S\$	<u>2025</u> S\$	<u>2024</u> S\$	<u>2025</u> S\$	<u>2024</u> S\$
Balance at 1 April	<b>281,902,146</b>	267,306,764	<b>202,883,392</b>	187,266,234	<b>72,655,661</b>	75,047,224	<b>5,975,343</b>	4,585,556	<b>387,750</b>	407,750
Surplus/(Deficit) for the year	<b>11,808,001</b>	14,615,382	<b>11,745,848</b>	15,617,158	<b>(1,030,040)</b>	(2,391,563)	<b>1,092,193</b>	1,389,787	-	-
Fair value gain/(loss) on equity instruments at fair value through other comprehensive income	<b>10,000</b>	(20,000)	-	-	-	-	-	-	<b>10,000</b>	(20,000)
Total comprehensive income/(loss) for the year	<b>11,818,001</b>	14,595,382	<b>11,745,848</b>	15,617,158	<b>(1,030,040)</b>	(2,391,563)	<b>1,092,193</b>	1,389,787	<b>10,000</b>	(20,000)
Balance at 31 March	<b>293,720,147</b>	281,902,146	<b>214,629,240</b>	202,883,392	<b>71,625,621</b>	72,655,661	<b>7,067,536</b>	5,975,343	<b>397,750</b>	387,750

The surplus for the year comprises the following:

	Note	<u>2025</u> S\$	<u>2024</u> S\$
Accumulated surplus	3	<b>3,387,907</b>	3,073,815
Sinking fund	4	<b>466,985</b>	(3,678,188)
Lift replacement fund	5	<b>9,188,285</b>	13,548,775
Town improvement and project fund	6	<b>(1,235,176)</b>	1,670,980
Total		<b>11,808,001</b>	14,615,382

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

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

**STATEMENT OF CASH FLOWS**  
For the Financial Year Ended 31 March 2025

	Note	<u>2025</u> S\$	<u>2024</u> S\$
<b>Cash flows from operating activities</b>			
Deficit before taxation and government grants		(6,214,513)	(5,829,695)
Adjustments for:			
Interest income		(2,673)	(1,422)
Depreciation of property, plant and equipment	8	115,086	133,424
Depreciation of right-of-use assets	9(a)	195,735	199,192
Interest expense on lease liabilities	9(c)	19,189	24,416
Impairment loss on receivables	12	374,009	171,788
Conservancy and service fees transferred to Sinking Fund and Lift Replacement Fund	3	25,180,377	23,431,202
Operating surplus before working capital changes		<u>19,667,210</u>	<u>18,128,905</u>
Conservancy and service fee receivables		(511,170)	(40,504)
Other receivables		(13,110,574)	(1,693,050)
Trade and other payables		2,607,898	9,837,559
Net cash generated from operations		<u>8,653,364</u>	<u>26,232,910</u>
Sinking Fund expenditure	4	(23,984,956)	(26,969,238)
Lift Replacement Fund other income received	5	45	45
Lift Replacement Fund expenditure	5	(9,113,862)	(3,178,621)
Town Improvement and Project Fund expenditure	6	(1,827,983)	(1,653,488)
Income tax paid		(920,667)	(607,220)
<b>Net cash used in operating activities</b>		<u>(27,194,059)</u>	<u>(6,175,612)</u>
<b>Cash flows from investing activities</b>			
Proceeds from redemption of investments	11	15,920,021	9,750,000
Fixed deposits maturing in more than 3 months	16	(4,064,082)	20,762,172
Purchase of investments	11	(46,896,052)	(24,753,802)
Purchase of plant and equipment		(61,296)	(113,462)
Interest and investment income received		6,193,167	6,042,800
<b>Net cash (used in)/generated from investing activities</b>		<u>(28,908,242)</u>	<u>11,687,708</u>
<b>Cash flows from financing activities</b>			
Government grants received		19,545,837	22,704,483
GST subvention		3,036,122	2,378,263
Payment of lease principal	9(b)	(189,069)	(202,612)
Payment of lease interest	9(b)	(19,189)	(24,416)
<b>Net cash generated from financing activities</b>		<u>22,373,701</u>	<u>24,855,718</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(33,728,600)</u>	<u>30,367,814</u>
Cash and cash equivalents at beginning of year		97,696,820	67,329,006
<b>Cash and cash equivalents at end of year</b>	16	<u>63,968,220</u>	<u>97,696,820</u>

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

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

**NOTES TO FINANCIAL STATEMENTS**

For the Financial Year Ended 31 March 2025

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

**1 General information**

Tanjong Pagar Town Council was formed on 13 November 2001 under the Town Councils Act 1988. After the General Elections on 3 May 2025 to elect all members of the Parliament of Singapore across 33 constituencies, the Town Councils (Declaration) Order 2025 came into operation on 30 May 2025. The Tanjong Pagar Town Council was reconstituted, and the town of Tanjong Pagar consists of three constituencies, namely Queenstown and Radin Mas both Single-Member Constituencies, and Tanjong Pagar Group Representation Constituency (GRC). Estates in Dover and Telok Blangah, which were part of the former West Coast GRC, were absorbed into Tanjong Pagar GRC. The total property units taken over was 12,404, which consists of 12,146 residential units, 154 commercial units and 104 market & hawker units.

The functions of the Town Council are to control, manage, maintain and improve the common property of residential, other commercial property and market and food centres in the housing estates of the Housing and Development Board (HDB) within the Town.

The main office of the Town Council is situated at:

Block 166 Bukit Merah Central  
#03-3527  
Singapore 150166

**2(a) Basis of preparation**

The financial statements have been drawn up in accordance with the provisions of the Singapore Financial Reporting Standards ("FRSs") including all related interpretations of the FRS ("INT FRS") and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

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

**Significant accounting estimates and judgements**

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

Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a high degree of judgements or complexity, are described below.

**Critical accounting judgements and key sources of estimation uncertainty**

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.

**(a) Critical accounting estimates and assumptions**

The Town Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The 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 are discussed below.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(a) Basis of preparation (Cont'd)**

**Critical accounting judgements and key sources of estimation uncertainty (Cont'd)**

(a) Critical accounting estimates and assumptions (Cont'd)

(i) Impairment of conservancy and service receivables

With the adoption of FRS 109 *Financial Instruments*, the Town Council measures impairment loss based on an expected credit loss (ECL) on conservancy and service debts and related interest charged for late payment. When measuring ECL, the Town Council uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. The gross amount of conservancy and service fee and interest receivables and related ECL are disclosed in Note 12.

(ii) Income tax

Significant judgement is required in determining the provision for income taxes. There are also claims for which the ultimate tax determination is uncertain during the ordinary course of 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.

(iii) Debt instruments measured at amortised cost

Debt investments held by the Town Council is measured at amortised cost as both the 'business model test' and the 'contractual cash flow characteristics test' are satisfied. The business model test is whether the objective of the Town Council's is to hold the financial asset to collect the contractual cash flows rather than have the objective to sell the instrument before its contractual maturity to realise its fair value changes. The contractual cash flow characteristics test is whether the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Key sources of estimation uncertainty

Management is of the opinion that there are no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, except for those as disclosed above under critical accounting estimates and assumptions.

**2(b) Adoption of new and amended standards and interpretation**

**Interpretations and amendments to published standards**

The Town Council has adopted the new or revised FRSs and INT FRS that are mandatory for application on 1 April 2024. Changes to the Town Council's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or revised FRSs and INT FRS did not result in substantial changes to the Town Council's accounting policies and had no material effects on the financial statements for the current or prior years.

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

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(b) Adoption of new and amended standards and interpretation (Cont'd)**

At the date of authorisation of these financial statements, there are FRSs, INT FRSs and amendments to FRS that are relevant to the Town Council that were issued but not yet effective.

	<b>Effective for annual periods beginning on or after</b>
Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Statements	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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.

**2(c) Summary of material significant accounting policies**

**(a) Funds**

**Town Council Funds**

In accordance with Section 47(1) of the Town Councils Act 1988, separate funds are established to account for the management of the various types of properties.

The types of properties currently under the management of the Town Council are as follows:

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

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

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

Assets and liabilities of the various funds of the Town Council are pooled in the Statement of Financial Position.

**Sinking Funds**

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

With the establishment of the lift replacement funds, the minimum contribution rates for service and conservancy charges and grants-in-aid for sinking funds and lift replacement funds are 26% and 14% respectively.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(a) Funds (Cont'd)**

**Sinking Funds (Cont'd)**

Under the Town Councils Act 1988, the Ministry for National Development (“MND”) may, from time to time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid to be paid into the Sinking Funds. However, the minimum contribution rates for grants-in-aid to be paid into the Sinking Funds do not apply to the Lift Replacement Fund Matching Grant (“LRF Matching Grant”).

For the current financial year, the minimum amounts to be paid into the Sinking Funds are as follows:

	<b>Property Type Service</b>	<b>Percentage of Conservancy and Fees and Grant-in-Aid</b>
(i)	1-room to 3-room	26% (2024:26%) of conservancy and service fees and grants-in-aid
(ii)	4-room to 5-room	26% (2024:26%) of conservancy and service fees and grants-in-aid
(iii)	Multi-generation	26% (2024:26%) of conservancy and service fees and grants-in-aid
(iv)	Executive	26% (2024:26%) of conservancy and service fees and grants-in-aid
(v)	Shop with living accommodation	26% (2024:26%) of conservancy and service fees and grants-in-aid
(vi)	Commercial property	26% (2024:26%) of conservancy and service fees and grants-in-aid

These minimum contributions are treated as operating transfers and netted off against the conservancy and service fees and government grants in the Income and Expenditure Statement.

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

**Lift Replacement Funds**

Starting 1 April 2017, in accordance with Section 47(5) of the Town Councils Act 1988, Town Councils are to establish and maintain a separate Lift Replacement Funds. The funds are ring-fenced to meet the costs of lift replacement and lift-related works. For the initial setup of this fund, the Town Council is required to make a one-time carve out of 14% of the Sinking Fund closing balance as at 31 March 2017 for both residential and commercial properties into the Lift Replacement Funds.

Under the Town Councils Act 1988, the Ministry of National Development (“MND”) may, from time to time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid to be paid into the Lift Replacement Funds. However, the minimum contribution rates for grants-in-aid to be paid into the Lift Replacement Funds do not apply to the Lift Replacement Fund Matching Grant (“LRF Matching Grant”).

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(a) Funds (Cont'd)**

**Lift Replacement Funds (Cont'd)**

For the current financial year, the minimum amounts to be paid into the Lift Replacement Funds are as follows:

	<b>Property Type Service</b>	<b>Percentage of Conservancy and Fees and Grant-in-Aid</b>
(i)	Residential property	14% (2024:14%) of conservancy and service fees and grants-in-aid
(ii)	Shop with living accommodation	14% (2024:14%) of conservancy and service fees And grants-in-aid
(iii)	Commercial property	14% (2024:14%) of conservancy and service fees and grants-in-aid

These minimum contributions are treated as operating transfers and netted off against the conservancy and service fees and government grants in the Income and Expenditure Statement.

**Town Improvement and Project Funds**

The Town Council maintains separate Town Improvement and Project Funds as part of the Town Council Funds. These Funds are utilised for improvement and development works in the Town.

The funds are set up by transfer from Accumulated Surplus based on specific projects to be carried out. In addition, the Town Council receives payments from Citizens' Consultative Committee ("CCC") for approved projects.

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

**(b) Allocation of General Overheads**

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

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

No overheads are allocated to the Sinking Funds, Lift Replacement Funds and Town Improvement and Project Funds.

**(c) Government Grants**

Government grants are accounted for on an accrual basis 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.

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

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(c) Government Grants (Cont'd)**

The Town Council receives Six types of grants from Government, namely, Conservancy and Service Grant, GST Subvention Grant, Payment from Citizens' Consultative Committee ("CCC"), Lift Replacement Fund Matching Grant, Lift Maintenance Grant and Special Funding Support.

- (i) Service and Conservancy Charge operating grants to meet the current year's operating expenditure are taken to the Income and Expenditure Statement, except to the extent which is required to be transferred to Sinking Fund and Lift Replacement Fund based on the amount prescribed.
- (ii) Payments from CCC are granted to provide funding support for community improvement projects under Community Improvement Projects Committee ("CIPC") scheme.
- (iii) The GST Subvention is given as grants-in-aid to Town Councils for absorbing the GST increase in conservancy and service charges for residential properties.
- (iv) Lift Replacement Fund Matching Grant ("LRF Matching Grant") is given as a grant in aid to the Town Council by MND, matching 50% of the Town Council's quarterly contributions to the Lift Replacement Fund to encourage Town Councils to set aside sufficient funds for the replacement of their existing lifts and lift parts.
- (v) Lift Maintenance Grant ("LMG") is disbursed to Town Councils annually, at \$600 for each lift maintained by the Town Council to help Town Councils cope with higher lift-related servicing and maintenance costs.
- (vi) The Town Council also received the second and final Special Funding Support on 3 June 2024 from the Government. For Town Councils that needed to adjust their Service & Conservancy Charge (S&CC) to manage operations sustainably, the MND co-shared the burden on the Town Council and residents by providing this special grant equivalent to the additional conservancy & service charges income generated from the increase from 1 July 2024. The Special Funding Support was accrued accordingly from 1 July 2024 which was consistent with our accrual basis for grant received from the Government.

**(d) Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment loss. 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.

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 management.

Subsequent expenditure relating to property, plant and equipment are added to the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Town Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to income and expenditure when incurred.

Depreciation is calculated on the straight-line basis to write off the cost of the assets over their estimated useful lives as follows:

Office equipment	3 to 5 years
Data processing equipment	3 to 7 years
Furniture and fittings	5 years
Machinery and other equipment	5 years
Leasehold office	3 years
Leasehold improvements	5 years

**NOTES TO FINANCIAL STATEMENTS**

For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(d) Property, plant and equipment and depreciation (Cont'd)**

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

The gain or loss arising from the derecognition of an item of property, 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 changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

**(e) Impairment of non-financial assets**

The Town Council assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Town Council makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in income and expenditure.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in income and expenditure.

**(f) Financial assets**

**Classification**

The Town Council classifies its financial assets in the following measurement categories: (1) Amortised cost, (2) Fair value through other comprehensive income (FVOCI).

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

**Initial recognition**

At initial recognition, the Town Council measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(f) Financial assets (Cont'd)**

**Subsequent measurement**

**(i) Debt instruments**

Debt instruments mainly comprise bank balances, conservancy and service fees receivables, debt investments and other receivables. There are two prescribed subsequent measurement categories, depending on the Town Council's business model in managing the assets and the cash flow characteristic of the assets:

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

*Amortised cost and effective interest method*

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(f) Financial assets (Cont'd)**

**Subsequent measurement (Cont'd)**

(ii) Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Town Council may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to surplus or deficit. Dividends from such investments are to be recognised in income and expenditure when the Town Council's right to receive payments is established. For investments in equity instruments which the Town Council has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in income and expenditure.

(iii) Impairment of financial assets

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

The Town Council always recognises lifetime ECL for conservancy and service receivables.

The Town Council applies a simplified approach in calculating ECLs. Therefore, the Town Council does not track changes in credit risk, but instead recognizes 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 trade receivables, where the loss allowance is equal to lifetime ECL. The following allowance matrix is used:

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

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

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

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

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.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(f) Financial assets (Cont'd)**

**Subsequent measurement (Cont'd)**

(iv) Derecognition of financial assets

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

**(g) Cash and cash equivalents**

Cash and cash equivalents are defined as cash on hand, demand deposits and short term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Cash on hand and in banks and short-term deposits which are held to maturity are carried at amortised cost, using the effective interest method.

**(h) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Town Council becomes a party to the contractual provisions of the financial instrument. The Town Council determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, net of directly attributable transaction costs.

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised, and through the amortisation process.

**Derecognition**

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

**(i) Provisions**

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

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

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(j) Revenue recognition**

Conservancy and service fees is charged on a monthly to the lessees and tenants of the Housing and Development Board ("HDB") flats, shops/offices and market/food stalls towards the maintenance and upkeep of the common property under the Town Council. Conservancy and service fees are allocated between operating income, sinking fund and Lift Replacement Fund in accordance with the Town Councils Act 1988. Conservancy and service fees are recognised as a performance obligation over time.

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

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

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

**(k) Income tax**

Income tax is provided on the following income

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

The income taxes are accounted using the liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated.

Income tax expense represents the sum of the tax currently payable and deferred tax. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences.

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

Tax shall be payable at the rate of 10% on the income derived from the operation of its approved Finance and Treasury Centre in respect of the provision of qualifying services and activities which have been approved under Section 43E(1A) of the Income Tax Act 1947.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(I) As lessee**

At the inception of the contract, the Town Council assesses 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. Reassessment is only required when the terms and conditions of the contract are changed.

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 leases liabilities representing the obligations to make lease payments and right-of-use assets representing the right of use the underlying leased assets.

**Right-of-use assets**

The Town Council recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The right-of-use asset is subsequently depreciated using the straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets (except for those which meets the definition of an investment property) are presented within "Property, plant and equipment".

**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.

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 asset. Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in income or expenditure if the carrying amount of the right-of-use asset has been reduced to zero.

**Short-term leases and lease of low-value assets**

The Town Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value leases. Lease payments relating to these leases are recognised as expense on a straight-line basis over the lease term.

**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**2(c) Summary of material significant accounting policies (Cont'd)**

**(l) As Lessee (Cont'd)**

**Variable lease payments**

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

**(m) Inter-fund transfer**

The Town Council may make inter-fund transfer with the criteria as set out in Section 47(12) & Section 57(1)(i) of the Town Councils Act 1988 and Rule 11A of the Town Councils Financial Rules.

**(n) Foreign currency transactions and balances**

Transactions in foreign currencies are measured in the functional currency of the Town Council and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in income and expenditure.

**(o) Borrowing costs**

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in income and expenditure in the period in which they are incurred.

**TANJONG PAGAR TOWN COUNCIL**  
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**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**3 Accumulated surplus**

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

Note	Total		Residential		Commercial		Carparks	
	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
<b>Operating Income</b>								
Conservancy & service fees	<b>62,950,950</b>	58,578,002	<b>53,334,653</b>	49,617,162	<b>9,616,297</b>	8,960,840	-	-
Transfer to sinking fund	4 <b>(16,367,245)</b>	(15,230,282)	<b>(13,867,007)</b>	(12,900,463)	<b>(2,500,238)</b>	(2,329,819)	-	-
Transfer to lift replacement fund	5 <b>(8,813,132)</b>	(8,200,920)	<b>(7,466,850)</b>	(6,946,402)	<b>(1,346,282)</b>	(1,254,518)	-	-
	<b>37,770,573</b>	35,146,800	<b>32,000,796</b>	29,770,297	<b>5,769,777</b>	5,376,503	-	-
Other income & agency fees	<b>8,733,110</b>	8,440,215	<b>3,406,440</b>	3,261,854	<b>853,660</b>	792,501	<b>4,473,010</b>	4,385,860
	<b>46,503,683</b>	43,587,015	<b>35,407,236</b>	33,032,151	<b>6,623,437</b>	6,169,004	<b>4,473,010</b>	4,385,860
Operating expenditure	<b>(52,720,869)</b>	(49,418,132)	<b>(41,978,129)</b>	(39,842,531)	<b>(7,386,914)</b>	(6,605,701)	<b>(3,355,826)</b>	(2,969,900)
Operating (deficit) / surplus	<b>(6,217,186)</b>	(5,831,117)	<b>(6,570,893)</b>	(6,810,380)	<b>(763,477)</b>	(436,697)	<b>1,117,184</b>	1,415,960
Non-operating income	<b>2,673</b>	1,422	<b>2,252</b>	1,195	<b>231</b>	120	<b>190</b>	107
(Deficit) / surplus before taxation and government grants	<b>(6,214,513)</b>	(5,829,695)	<b>(6,568,641)</b>	(6,809,185)	<b>(763,246)</b>	(436,577)	<b>1,117,374</b>	1,416,067
Taxation	22 <b>(350,894)</b>	(358,822)	<b>(295,555)</b>	(301,335)	<b>(30,158)</b>	(31,207)	<b>(25,181)</b>	(26,280)
(Deficit) / surplus after taxation but before government grants	<b>(6,565,407)</b>	(6,188,517)	<b>(6,864,196)</b>	(7,110,520)	<b>(793,404)</b>	(467,784)	<b>1,092,193</b>	1,389,787
Government grants	7 <b>19,652,240</b>	21,464,952	<b>18,934,564</b>	20,781,886	<b>717,676</b>	683,066	-	-
Transfer to sinking fund	4, 7 <b>(3,523,258)</b>	(3,366,925)	<b>(3,512,372)</b>	(3,356,043)	<b>(10,886)</b>	(10,882)	-	-
Transfer to lift replacement fund	5, 7 <b>(7,444,070)</b>	(7,023,682)	<b>(6,762,405)</b>	(6,376,611)	<b>(681,665)</b>	(647,071)	-	-
Transfer to town improvement and project fund	6, 7 <b>(592,807)</b>	(3,324,468)	<b>(592,807)</b>	(3,324,468)	<b>0</b>	-	-	-
	<b>8,092,105</b>	7,749,877	<b>8,066,980</b>	7,724,764	<b>25,125</b>	25,113	-	-
GST subvention	7 <b>3,102,024</b>	2,520,765	<b>3,102,024</b>	2,520,765	-	-	-	-
Transfer to sinking fund	4, 7 <b>(806,529)</b>	(655,401)	<b>(806,529)</b>	(655,401)	-	-	-	-
Transfer to lift replacement fund	5, 7 <b>(434,286)</b>	(352,909)	<b>(434,286)</b>	(352,909)	-	-	-	-
	<b>1,861,209</b>	1,512,455	<b>1,861,209</b>	1,512,455	-	-	-	-
Surplus for the year	<b>3,387,907</b>	3,073,815	<b>3,063,993</b>	2,126,699	<b>(768,279)</b>	(442,671)	<b>1,092,193</b>	1,389,787
Accumulated surplus at beginning of year	<b>12,801,481</b>	9,727,666	<b>6,185,756</b>	4,059,057	<b>640,382</b>	1,083,053	<b>5,975,343</b>	4,585,556
Accumulated surplus at end of year	<b>16,189,388</b>	12,801,481	<b>9,249,749</b>	6,185,756	<b>(127,897)</b>	640,382	<b>7,067,536</b>	5,975,343

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**4 Sinking fund**

	Note	Total		Residential		Commercial	
		2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Balance at beginning of year		<b>186,040,233</b>	189,718,421	<b>132,705,701</b>	133,200,478	<b>53,334,532</b>	<b>56,517,943</b>
Investment and interest income	20	<b>4,245,799</b>	4,652,301	<b>3,852,839</b>	4,217,365	<b>392,960</b>	<b>434,936</b>
Operating transfer from conservancy and service fees	3	<b>16,367,245</b>	15,230,282	<b>13,867,007</b>	12,900,463	<b>2,500,238</b>	<b>2,329,819</b>
Government grants	3, 7	<b>2,618,837</b>	2,627,083	<b>2,618,837</b>	2,627,083	-	-
Lift maintenance grant	3, 7	<b>217,776</b>	219,337	<b>206,890</b>	208,455	<b>10,886</b>	<b>10,882</b>
GST subvention	3, 7	<b>806,529</b>	655,401	<b>806,529</b>	655,401	-	-
Special Funding Support	3, 7	<b>686,645</b>	520,505	<b>686,645</b>	520,505	-	-
		<b>24,942,831</b>	23,904,909	<b>22,038,747</b>	21,129,272	<b>2,904,084</b>	<b>2,775,637</b>
Expenditure		<b>(23,984,956)</b>	(26,969,238)	<b>(20,162,306)</b>	(21,067,796)	<b>(3,822,650)</b>	<b>(5,901,442)</b>
Surplus / (deficit) before income tax		<b>957,875</b>	(3,064,329)	<b>1,876,441</b>	61,476	<b>(918,566)</b>	<b>(3,125,805)</b>
Taxation	22	<b>(490,890)</b>	(613,859)	<b>(445,438)</b>	(556,253)	<b>(45,452)</b>	<b>(57,606)</b>
(Deficit) / surplus for the financial year		<b>466,985</b>	(3,678,188)	<b>1,431,003</b>	(494,777)	<b>(964,018)</b>	<b>(3,183,411)</b>
Balance at the end of year		<b>186,507,218</b>	186,040,233	<b>134,136,704</b>	132,705,701	<b>52,370,514</b>	<b>53,334,532</b>
Add: Fair value reserve		<b>397,750</b>	387,750	-	-	-	-
		<b>186,904,968</b>	186,427,983	<b>134,136,704</b>	132,705,701	<b>52,370,514</b>	<b>53,334,532</b>
Represented by:							
Non-current assets							
Equity investments	10	<b>250,000</b>	240,000				
Debt investments	11	<b>98,759,427</b>	76,981,565				
		<b>99,009,427</b>	77,221,565				
Current assets							
Conservancy and service and other receivables		<b>176,049</b>	3,053,007				
Debt investments	11	<b>25,118,190</b>	15,920,021				
Interest receivable		<b>1,197,803</b>	902,358				
Amount due from accumulated surplus		<b>5,469,651</b>	2,341,145				
Cash and cash equivalents		<b>59,792,124</b>	91,455,509				
		<b>91,753,817</b>	113,672,040				
Total assets		<b>190,763,244</b>	190,893,605				
Less: Current liabilities							
Payables and accrued expenses		<b>2,753,527</b>	3,434,661				
Income tax payable		<b>1,104,749</b>	1,030,961				
		<b>3,858,276</b>	4,465,622				
Net assets		<b>186,904,968</b>	186,427,983				
<b>Expenditure</b>		<b>2025 S\$</b>	<b>2024 S\$</b>				
Repairs to External Finishes & Cladding		<b>413,429</b>	662,447				
Electrical Rewiring		<b>1,933,085</b>	3,242,489				
Redecoration and Repainting		<b>16,969,656</b>	15,484,720				
Fire Protection System		<b>2,419,613</b>	2,541,525				
Project Management fee & Consultancy		<b>814,804</b>	894,726				
Replacement of Water Tank, Pipes and Booster Pump		<b>626,900</b>	987,360				
Alert Alarm System		<b>0</b>	1,263,204				
Others		<b>807,469</b>	1,892,767				
		<b>23,984,956</b>	26,969,238				

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For the Financial Year Ended 31 March 2025

**5 Lift replacement fund**

	Note	Total		Residential		Commercial	
		2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Balance at beginning of year		<b>79,096,472</b>	65,547,697	<b>59,889,973</b>	48,184,154	<b>19,206,499</b>	17,363,543
Investment and interest income	20	<b>1,944,695</b>	1,389,077	<b>1,764,519</b>	1,259,093	<b>180,176</b>	129,984
Other income		<b>45</b>	45	<b>45</b>	45	-	-
Operating transfer from conservancy and service fees	3	<b>8,813,132</b>	8,200,920	<b>7,466,850</b>	6,946,402	<b>1,346,282</b>	1,254,518
Government grants	3,7	<b>1,410,143</b>	1,414,584	<b>1,410,143</b>	1,414,584	-	-
Lift maintenance grant	3,7	<b>117,264</b>	118,104	<b>111,401</b>	112,244	<b>5,863</b>	5,860
LRF matching grant	3,7	<b>5,546,929</b>	5,210,721	<b>4,871,127</b>	4,569,510	<b>675,802</b>	641,211
GST subvention	3,7	<b>434,286</b>	352,909	<b>434,286</b>	352,909	-	-
Special Funding Support	3,7	<b>369,734</b>	280,273	<b>369,734</b>	280,273	-	-
		<b>18,636,228</b>	16,966,633	<b>16,428,105</b>	14,935,060	<b>2,208,123</b>	2,031,573
Expenditure		<b>(9,113,862)</b>	(3,178,621)	<b>(8,553,924)</b>	(3,012,455)	<b>(559,938)</b>	(166,166)
Surplus before income tax		<b>9,522,366</b>	13,788,012	<b>7,874,181</b>	11,922,605	<b>1,648,185</b>	1,865,407
Taxation	22	<b>(334,081)</b>	(239,237)	<b>(303,148)</b>	(216,786)	<b>(30,933)</b>	(22,451)
Surplus for the financial year		<b>9,188,285</b>	13,548,775	<b>7,571,033</b>	11,705,819	<b>1,617,252</b>	1,842,956
Balance at the end of year		<b>88,284,757</b>	79,096,472	<b>67,461,006</b>	59,889,973	<b>20,823,751</b>	19,206,499
Current assets							
Conservancy and service and other receivables		<b>3,604,875</b>	2,370,360				
Interest receivable		<b>581,449</b>	666,507				
Amount due from accumulated surplus		<b>2,776,152</b>	2,261,944				
Cash and cash equivalents		<b>84,768,429</b>	74,811,993				
		<b>91,730,905</b>	80,110,804				
Total assets		<b>91,730,905</b>	80,110,804				
Less: Current liabilities							
Payables and accrued expenses		<b>2,872,862</b>	633,676				
Income tax payable		<b>573,286</b>	380,656				
		<b>3,446,148</b>	1,014,332				
Net assets		<b>88,284,757</b>	79,096,472				
<b>Expenditure</b>		<b>2025 S\$</b>	<b>2024 S\$</b>				
Lift position display panel		<b>879,219</b>	115,116				
Replacement of main sheaves / ropes		<b>1,564,625</b>	846,040				
Lift enhancement work		<b>456,199</b>	61,740				
Lift overhauls / replacements		<b>2,436,889</b>	382,623				
Replacement of ARD / EBOPS batteries		<b>452,903</b>	326,151				
Replacement of inverter units		<b>1,606,371</b>	836,053				
Others		<b>1,717,656</b>	610,898				
		<b>9,113,862</b>	3,178,621				

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**6 Town improvement and project fund**

	Note	Total		Residential		Commercial	
		2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Balance at beginning of year		<b>3,576,210</b>	1,905,230	<b>3,101,962</b>	1,822,545	<b>474,248</b>	82,685
Government grants	3,7	<b>592,807</b>	3,324,468	<b>592,807</b>	3,324,468	-	-
Expenditure		<b>(1,827,983)</b>	(1,653,488)	<b>(912,988)</b>	(1,045,051)	<b>(914,995)</b>	(608,437)
		<b>(1,235,176)</b>	1,670,980	<b>(320,181)</b>	2,279,417	<b>(914,995)</b>	(608,437)
Inter-fund transfer		-	-	<b>(1,000,000)</b>	(1,000,000)	<b>1,000,000</b>	1,000,000
Balance at the end of year		<b>2,341,034</b>	3,576,210	<b>1,781,781</b>	3,101,962	<b>559,253</b>	474,248
Represented by:							
Current assets							
Other receivables	13	<b>3,699,659</b>	3,663,183				
Amount due from / (to) accumulated surplus		<b>(1,186,350)</b>	237,501				
		<b>2,513,309</b>	3,900,684				
Less: Current liabilities							
Payables and accrued expenses		<b>172,275</b>	324,474				
Net assets		<b>2,341,034</b>	3,576,210				
<b>Expenditure</b>							
		<b>2025 S\$</b>	<b>2024 S\$</b>				
Covered linkway		<b>24,768</b>	-				
Playgrounds		<b>384,690</b>	267,586				
Public Toilets		<b>276,992</b>	581,791				
Barrier free access		-	9,842				
Fitness Corners		<b>25,000</b>	-				
Other Works & Maintenance		<b>846,411</b>	635,211				
Project Management & Consultancy		<b>270,122</b>	159,058				
		<b>1,827,983</b>	1,653,488				

**TANJONG PAGAR TOWN COUNCIL**  
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**NOTES TO FINANCIAL STATEMENTS**  
For the Financial Year Ended 31 March 2025

**7 Government grants**

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

	Note	Total		Conservancy and Service Grant		Payments from Citizens Consultative Committee		GST Subvention	
		2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Government grants received/receivable during the financial year	3	<b>19,652,240</b>	21,464,952	<b>10,033,973</b>	10,084,228	<b>592,807</b>	3,324,468	-	-
GST subvention received/receivable during the financial year	3	<b>3,102,024</b>	2,520,765	-	-	-	-	<b>3,102,024</b>	2,520,765
Less:									
Transfers to sinking fund	3, 4	<b>(4,329,787)</b>	(4,022,326)	<b>(2,618,837)</b>	(2,627,083)	-	-	<b>(806,529)</b>	(655,401)
Transfer to lift replacement fund	3, 5	<b>(7,878,356)</b>	(7,376,591)	<b>(1,410,143)</b>	(1,414,584)	-	-	<b>(434,286)</b>	(352,909)
Transfer to town improvement and project fund	3, 6	<b>(592,807)</b>	(3,324,468)	-	-	<b>(592,807)</b>	(3,324,468)	-	-
		<b>9,953,314</b>	9,262,332	<b>6,004,993</b>	6,042,561	-	-	<b>1,861,209</b>	1,512,455

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

	2025 S\$	2024 S\$
Balance at beginning of year	<b>341,781,128</b>	316,698,382
Add:		
Grants received for the financial year	<b>22,581,960</b>	25,082,746
Balance at end of year	<b>364,363,088</b>	341,781,128

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**7 Government grants (Cont'd)**

(iii) Government grants taken to the income and expenditure statement during the financial year are as follows:

	Note	LRF Matching Grant		Lift Maintenance Grant		Special Funding Support	
		2025 S\$	2024 S\$	2025 S\$	2024 S\$	2025 S\$	2024 S\$
Government grants received/receivable during the financial year	3, 4 & 5	<b>5,546,929</b>	5,210,721	<b>837,600</b>	843,600	<b>2,640,931</b>	2,001,935
GST subvention received/receivable during the financial year	3	-	-	-	-	-	-
Less:							
Transfers to sinking fund	3, 4	-	-	<b>(217,776)</b>	(219,337)	<b>(686,645)</b>	(520,505)
Transfer to lift replacement fund	3, 5	<b>(5,546,929)</b>	(5,210,721)	<b>(117,264)</b>	(118,104)	<b>(369,734)</b>	(280,273)
Transfer to town improvement and project fund	3, 6	-	-	-	-	-	-
		-	-	<b>502,560</b>	506,159	<b>1,584,552</b>	1,201,157

(iv) The transfers to the funds from government grants comprises of:

	2025 S\$	2024 S\$
<u>Transfers to sinking fund</u>		
Government grants	<b>(3,523,258)</b>	(3,366,925)
GST subvention	<b>(806,529)</b>	(655,401)
	<b>(4,329,787)</b>	(4,022,326)
<u>Transfers to lift replacement fund</u>		
Government grants	<b>(7,444,070)</b>	(7,023,682)
GST subvention	<b>(434,286)</b>	(352,909)
	<b>(7,878,356)</b>	(7,376,591)

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For the Financial Year Ended 31 March 2025

**8 Property, plant and equipment**

	Office equipment S\$	Data processing equipment S\$	Furniture and fittings S\$	Machinery and other equipment S\$	Leasehold office S\$	Leasehold improvements S\$	Total S\$
<b>Cost</b>							
Balance as at 1 April 2023	126,561	830,959	262,278	15,579	697,941	741,325	2,674,643
Additions	16,870	-	-	-	437,034	96,592	550,496
Disposals	-	-	-	-	(417,071)	-	(417,071)
Balance as at 31 March 2024	143,431	830,959	262,278	15,579	717,904	837,917	2,808,068
<b>Accumulated depreciation</b>							
Balance as at 1 April 2023	120,969	434,944	246,130	12,464	668,592	515,899	1,998,998
Charge for the financial year	2,573	124,045	3,523	3,115	150,747	48,613	332,616
Disposals	-	-	-	-	(417,071)	-	(417,071)
Balance as at 31 March 2024	123,542	558,989	249,653	15,579	402,268	564,512	1,914,543
<b>Net book value</b>							
Balance as at 31 March 2024	19,889	271,970	12,625	-	315,636	273,405	893,525
<b>Cost</b>							
Balance as at 1 April 2024	143,431	830,959	262,278	15,579	717,904	837,917	2,808,068
Additions	25,500	10,541	-	14,181	-	25,255	75,477
Disposals	-	-	-	(15,579)	-	-	(15,579)
Balance as at 31 March 2025	168,931	841,500	262,278	14,181	717,904	863,172	2,867,966
<b>Accumulated depreciation</b>							
Balance as at 1 April 2024	123,542	558,989	249,653	15,579	402,268	564,512	1,914,543
Charge for the financial year	7,485	102,585	3,523	4,726	145,679	46,823	310,821
Disposals	-	-	-	(15,579)	-	-	(15,579)
Balance as at 31 March 2025	131,027	661,574	253,176	4,726	547,947	611,335	2,209,785
<b>Net book value</b>							
Balance as at 31 March 2025	37,904	179,926	9,102	9,455	169,957	251,837	658,181

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 9(a).

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**9 Leases - The Town Council as a lessee**

The Town Council leases town council management system, copier machines and office premises for operational use. The Town Council also has certain equipment leases of 12 months or less and/ or of low value. For such leases, the Town Council has elected not to recognise right-of-use assets and lease liabilities. The borrowing rate applied by the Town Council for the addition during the year is 5.02% (2024: 5.02%).

(a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within property, plant and equipment are as follows:

	Data processing equipment S\$	Machinery and other equipment S\$	Leasehold office S\$	Total S\$
Balance as at 1 April 2023	169,988	3,115	29,349	202,452
Additions	-	-	437,034	437,034
Depreciation	(45,330)	(3,115)	(150,747)	(199,192)
Balance as at 31 March 2024	124,658	-	315,636	440,294
Balance as at 1 April 2024	124,658	-	315,636	440,294
Additions	-	14,181	-	14,181
Depreciation	(45,330)	(4,726)	(145,679)	(195,735)
Balance as at 31 March 2025	79,328	9,455	169,957	258,740

The total cash outflow for all leases in the financial year ended 31 March 2025 was \$208,258 (2024: \$227,028).

(b) Lease liabilities

	2025 S\$	2024 S\$
Lease liabilities – non-current	68,421	257,519
Lease liabilities – current	198,786	184,576
	<b>267,207</b>	<b>442,095</b>

Reconciliation of liabilities arising from financing activities:

	1 April 2024 S\$	Financing cash flows S\$	Non-cash changes		31 March 2025 S\$
			Additions S\$	Accretion of interest S\$	
Lease liabilities	442,095	(208,258)	14,181	19,189	267,207

	1 April 2023 S\$	Financing cash flows S\$	Non-cash changes		31 March 2024 S\$
			Additions S\$	Accretion of interest S\$	
Lease liabilities	207,673	(227,028)	437,034	24,416	442,095

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**NOTES TO FINANCIAL STATEMENTS**

For the Financial Year Ended 31 March 2025

**9 Leases - The Town Council as a lessee (Cont'd)**

(c) Amounts recognised in Income and Expenditure Statement

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Depreciation of right-of-use assets	<b>195,735</b>	199,192
Interest expense on lease liabilities (Note 21)	<b>19,189</b>	24,416
Expense relating to short-term leases (Note 21)	<b>5,088</b>	3,783
	<b>220,012</b>	227,391

**10 Equity investments**

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Movements during the year - at FVOCI:		
Equity investments	<b>240,000</b>	260,000
Fair value movement	<b>10,000</b>	(20,000)
	<b>250,000</b>	240,000
Balance is made up of:		
Quoted unit trusts as equity instruments	<b>250,000</b>	240,000

The fair value of quoted unit trust is based on quoted market prices at the end of reporting period.

The Town Council has elected to measure these quoted equity investments at fair value through other comprehensive income due to the Town Council's intention to hold these equity investments for long-term appreciation.

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**11 Debt investments**

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Movements during the year - at amortised cost:		
Amortised cost at beginning of year	<b>92,901,586</b>	77,897,784
Additions for the year	<b>46,896,052</b>	24,753,802
Redemption on maturity	<b>(15,920,021)</b>	(9,750,000)
Amortised cost at end of year	<b>123,877,617</b>	92,901,586
Balance is made up of:		
<u>Current</u>		
Quoted bonds with maturity less than 1 year - nominal interest 2.625% to 3.275% (2024: 2.505% to 3.327%)	<b>25,118,190</b>	15,920,021
<u>Non-Current</u>		
Quoted bonds with maturity within 2 to 5 years - nominal interest 1.800% to 5.000% (2024: 1.800% to 5.000%) p.a.	<b>76,005,082</b>	55,981,565
Quoted bonds with maturity over 5 years - nominal interest 2.699% to 3.4600% (2024: 2.598% to 4.600%) p.a.	<b>22,754,345</b>	21,000,000
	<b>98,759,427</b>	76,981,565
Total	<b>123,877,617</b>	92,901,586
Fair value at end of year:		
<u>Current</u>		
Quoted bonds with maturity less than 1 year - nominal interest 2.625% to 3.275% (2024: 2.505% to 3.327%)	<b>25,095,833</b>	15,897,800
<u>Non-Current</u>		
Quoted bonds with maturity within 2 to 5 years - nominal interest 1.800% to 5.000% (2024: 1.800% to 5.000%) p.a.	<b>76,832,250</b>	55,328,075
Quoted bonds with maturity over 5 years - nominal interest 2.699% to 3.4600% (2024: 2.598% to 4.600%) p.a.	<b>23,025,045</b>	21,114,500
	<b>99,857,295</b>	76,442,575
Total	<b>124,953,128</b>	92,340,375

All of the quoted bonds are in Singapore dollar and are with Singapore incorporated entities including government agencies.

Effective interest rate of quoted bonds with maturity less than 1 year is between 2.625% to 3.275% (2024: 2.505% to 3.327%).

Effective interest rate of quoted bonds with maturity within 2 to 5 years between 1.800% to 5.000% (2024: 1.800% to 5.000%).

Effective interest rate of quoted bonds with maturity over 5 years is between 2.699% to 3.4600% (2024: 2.598% to 4.600%).

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**12 Conservancy and service receivables**

The Town Council has receivables arising from the performance of its function that do not have a significant financing component. In order to determine the amount of ECL to be recognised in the financial statements, a provision matrix is used based on accounts which are considered to be credit-impaired which is adjusted for forward-looking estimates and establishes that ECL should be calculated as follows:

		<b>2025</b>	2024
		<b>S\$</b>	S\$
Conservancy and service receivables		<b>2,402,574</b>	2,044,525
Interest receivable on late payments		<b>1,125,579</b>	972,458
		<b>3,528,153</b>	3,016,983
	Rate of provision		
Live accounts with arrears in excess of 12 months	100%	<b>(1,773,313)</b>	(1,515,695)
Terminated accounts with arrears	100%	<b>(360,687)</b>	(244,296)
Expected credit loss as at 31 March		<b>(2,134,000)</b>	(1,759,991)
		<b>1,394,153</b>	1,256,992

Movement in above provision:

Balance at beginning of year	<b>1,759,991</b>	1,588,203
Provision for the year	<b>374,009</b>	171,788
Balance as at 31 March	<b>2,134,000</b>	1,759,991

Conservancy and service charges are payable to the town council, in advance, on the first day of every month.

**13 Other receivables**

	Note	<b>2025</b>	2024
		<b>S\$</b>	S\$
Citizens' consultative committee grant receivables	6	<b>3,699,659</b>	3,663,183
Deposits		<b>1,081,418</b>	1,077,148
Prepayments		<b>247,978</b>	223,329
Other sundry debtors		<b>2,236,260</b>	606,615
Recoverable from contractors		<b>249,549</b>	436,245
GST subvention grant		<b>785,944</b>	720,041
Neighbourhood renewal programme receivables	14	<b>9,238,483</b>	5,702,185
Sport-in-precinct programme funding receivables	15	<b>520,118</b>	426,284
Lift Enhancement Programme		<b>2,321,415</b>	401,288
Parenthood Provisional Housing Scheme (PPHS)		<b>5,850,424</b>	-
LRF matching grant		<b>1,168,294</b>	1,070,732
		<b>27,399,542</b>	14,327,050

Other receivables with a short duration were not discounted and the carrying amounts are assumed to be a reasonable approximation of fair values. The other receivables are denominated in Singapore dollar.

As part of the enhanced Marriage & Parenthood Package, the PPHS helps to temporarily house families as they await the completion of their new flats. There were 21 Blocks within the town of Tanjong Pagar identified by the HDB for the PPHS. The Town Council carried out maintenance works which was funded by the HDB. The Town Council received \$3,308,577.83 (inclusive of Admin Charges and GST) on 13 June 2025.

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For the Financial Year Ended 31 March 2025

**14 Neighbourhood renewal programme funding receivables (payables)**

The Neighbourhood Renewal Programme ("NRP") was introduced for greater flexibility in the provision of amenities, optimisation of facilities across adjoining precincts for renewing older towns, and more consultation with residents. NRP projects' flats share is funded by Housing & Development Board ("HDB") according to the apportionment of costs. The shops' share of the cost of improvement carried out under NRP is to be apportioned to the Town Council.

	Note	2025 S\$	2024 S\$
Balance at 1 April		5,702,185	2,954,262
Refund to / (funding from) government		(981,062)	22,530
Payment to contractors		4,517,360	2,725,393
Balance at 31 March		<u>9,238,483</u>	<u>5,702,185</u>

**15 Sport-in-precinct programme funding receivables**

Sport-in-precinct ("SIP") programme is a partnership between the Town Council and Sport Singapore to co-create a SIP facility that will encourage an active lifestyle and social interaction within the community. The development of this project is funded by Sport Singapore and upon project completion, SIP facilities will be maintained by the Town Council.

	2025 S\$	2024 S\$
Balance at 1 April	426,284	426,284
Payment to contractors	93,834	-
Balance at 31 March	<u>520,118</u>	<u>426,284</u>

This outstanding claim from Sport Singapore pertains to the project Sports @ Buona Vista. This project was pending finalisation and the claim would be made by August 2025. Another SportSG initiative Active Health Fitness Trail @ Health District (Queenstown) was started toward the end of the financial year.

**16 Cash and bank balances**

	2025 S\$	2024 S\$
Cash and bank balances	63,968,220	97,696,820
Fixed deposits maturing in more than 3 months but less than one year	94,830,689	90,766,607
	<u>158,798,909</u>	<u>188,463,427</u>

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

	2025 S\$	2024 S\$
Cash and bank balances	158,798,909	188,463,427
Less:		
Fixed deposits maturing in more than 3 months but less than one year	(94,830,689)	(90,766,607)
	<u>63,968,220</u>	<u>97,696,820</u>

The rate of interest for fixed deposits is between 2.000% to 3.320% (2024: 3.000% to 4.400%) per annum receivable within 12 months depending on the terms of the fixed deposits. The effective interest rate is 2.500% (2024: 3.230%) per annum.

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**17 Payables and accrued expenses**

	Note	2025 S\$	2024 S\$
Accruals for completed works		6,210,999	4,838,193
Amount due to managing agent		153,692	188,154
Accrued operating expenses		8,966,941	7,310,807
Refundable deposits		124,361	103,449
Provision for rectification works		-	343,871
Special Support Funding received in advance		657,875	667,313
Other creditors		327,028	450,934
		<b>16,440,896</b>	<b>13,902,721</b>

The average credit period taken to settle trade payable is about 30 days (2024: 30 days). The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair values.

**18(a) Agency fees**

Agency fees received for routine maintenance of HDB's carparks and common property within the town.

**18(b) Other income**

	2025 S\$	2024 S\$
Temporary occupational licence income	2,700,604	2,736,792
Use of water and electricity	52,824	37,138
Use of void deck and common property	55,941	49,070
Liquidated damages	369,450	499,336
Late payment penalty	380,145	336,933
Sundry fines and income	712,234	338,510
Others	151,471	205,731
	<b>4,422,669</b>	<b>4,203,510</b>

**19 Significant related party transactions**

In accordance with FRS 24 *Related Party Disclosures*, Housing and Development Board ("HDB"), holding company of the managing agent, who provides key management personnel services to the Town Council has been identified as a related party. In addition to related party information disclosed elsewhere in the financial statements, significant transactions with MND and Citizens' Consultative Committee has been disclosed in Note 7 of the financial statements.

In addition, the managing agent performs certain operating and cyclical work for the Town Council. The following are the transactions entered by the Town Council with the managing agent during the financial year:

	2025 S\$	2024 S\$
Managing agent fee	8,041,095	7,530,869
Electrical works	186,819	559,325
Lift works	2,699,068	1,291,485
Project management fees	1,568,246	1,164,168
Other expenditures	263,801	175,391

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**20 Investment and interest income**

	<b>2025</b>	2024
	<b>S\$</b>	S\$
<b>Sinking Fund</b>		
Income – bonds and other investments	<b>3,312,023</b>	2,540,546
Interest income – fixed bank deposit	<b>933,776</b>	2,111,755
	<b>4,245,799</b>	4,652,301
<b>Lift Replacement Fund</b>		
Interest income – fixed bank deposit	<b>1,944,695</b>	1,389,077

**21 General and administrative expenditure**

	Note	<b>2025</b>	2024
		<b>S\$</b>	S\$
Advertising and public relations		<b>319,768</b>	226,515
Impairment loss on receivables		<b>328,536</b>	176,583
Computer services		<b>355,910</b>	365,418
Depreciation of plant and equipment	8	<b>115,086</b>	133,424
Depreciation of right-of-use assets	9(a)	<b>195,735</b>	199,192
Upkeep of office equipment		<b>33,027</b>	29,859
Office supplies and stationery		<b>150,091</b>	149,265
Lease interest expenses	9(c)	<b>19,189</b>	24,416
Leasing of equipment – short term	9(c)	<b>5,088</b>	3,783
Property tax		<b>276,953</b>	293,840
Telephone		<b>71,683</b>	61,460
Town councillors' allowance		<b>265,200</b>	264,059
Office water and electricity		<b>38,991</b>	29,334
Insurance premium		<b>127,733</b>	72,173
Goods and services tax		<b>502,665</b>	384,086
Legal fee and professional fee		<b>93,133</b>	109,387
Others		<b>315,176</b>	356,417
		<b>3,213,964</b>	2,879,211

**22 Income tax**

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Current income tax provision	<b>1,176,271</b>	1,211,945
Over provision in respect of prior years	<b>(406)</b>	(27)
	<b>1,175,865</b>	1,211,918
Taken up in:		
Accumulated surplus	<b>350,894</b>	358,822
Sinking fund	<b>490,890</b>	613,859
Lift replacement fund	<b>334,081</b>	239,237
	<b>1,175,865</b>	1,211,918

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**NOTES TO FINANCIAL STATEMENTS**

For the Financial Year Ended 31 March 2025

**22 Income tax (Cont'd)**

A reconciliation between the tax expense and the product of accounting surplus multiplied by the applicable tax rate for the year ended 31 March is as follows:

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Investment and interest income	<b>6,191,217</b>	6,039,801
Other income	<b>2,102,751</b>	2,147,243
	<b>8,293,968</b>	8,187,044
Tax at the statutory rate 17% (2024: 17%)	<b>1,409,974</b>	1,391,797
Concessionary tax relief	<b>(233,703)</b>	(179,852)
Overprovision in respect of prior years	<b>(406)</b>	(27)
	<b>1,175,865</b>	1,211,918

**23 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 during the financial year.

**24 Commitments for capital expenditure**

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

	<b>2025</b>	2024
	<b>S\$</b>	S\$
Capital commitments approved by the Town Council		
Amount approved and contracted for	<b>82,440,160</b>	55,801,106
Amount approved but not contracted for	<b>64,825,103</b>	95,733,456
	<b>147,265,263</b>	151,534,562
Grant receivable / received	<b>(16,952,338)</b>	(13,670,610)
Total net of any government grant	<b>130,312,925</b>	137,863,952

**25 Financial risk management objectives and policies**

The Town Council's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. Risk management is integral to the whole operation of the Town Council. 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 management continually monitors the Town Council's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Town Council's activities.

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Town Council's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

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**25 Financial risk management objectives and policies (Cont'd)**

**25.1 Interest rate risk**

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Town Council's main interest-bearing assets are fixed deposits with financial institutions and debt investments. The Town Council's surplus or deficit and reserve are not affected by the changes in interest rates as these interest-bearing instruments carry fixed interest and are measured at amortised cost.

**25.2 Price risk**

The Town Council is exposed to price risks arising from investments classified as equity instruments at FVOCI. Equity instruments at FVOCI are held for strategic rather than for trading purposes. The Town Council does not actively trade equity investments. Further details of these investments can be found in Note 10 to the financial statements.

*Price sensitivity analysis*

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period. The Town Council's equity instruments are listed. A 10% increase in prices of the equity instruments at FVOCI at the reporting date would increase the fair value reserve by \$25,000 (2024: \$24,000). This analysis assumes that all other variables remain constant.

**25.3 Liquidity risk**

Liquidity risk arises in the general funding of the Town Council's operating activities. It includes the risks of not being able to fund operating activities at settlement dates and liquidate investments in a timely manner at a reasonable valuation. The Town Council adopts prudent liquidity risk management by maintaining sufficient cash to meet its routine, sinking fund and lift replacement fund expenditure requirements. Surplus funds, that are not required in the near future, are invested into short-term deposits and debt investments classified at amortised cost.

The table below summarises the maturity profile of the Town Council's financial liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Less than 1 year S\$	More than 1 and less than 5 years S\$	Total S\$
<b>2025</b>			
<u>Financial liabilities</u>			
Payables and accrued expenses	<b>16,440,896</b>	-	<b>16,440,896</b>
Lease liabilities	<b>214,913</b>	<b>70,730</b>	<b>285,643</b>
	<b>16,655,809</b>	<b>70,730</b>	<b>16,726,539</b>
<u>2024</u>			
<u>Financial liabilities</u>			
Payables and accrued expenses	13,902,721	-	13,902,721
Lease liabilities	209,813	275,443	485,256
	14,112,534	275,443	14,387,977

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**25 Financial risk management objectives and policies (Cont'd)**

**25.4 Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting from financial loss to the Town Council. For conservancy and service receivables, at the end of the reporting period, there were no significant concentrations of credit risk. Investments in fixed deposits are with 6 (2024: 5) banks holding banking licences issued by the Monetary Authority of Singapore. For debt investments, the Town Council adopts a policy of only investing in counterparties that are of investment grade. 82% (2024: 65%) of the debt investments are with government agencies.

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

**Conservancy and service receivables (Note 12)**

For conservancy and service fees receivables, the Town Council measures loss allowance using simplified approach at an amount equal to lifetime expected credit losses ("ECL"), which is calculated using a provision matrix. As the Town Council's historical credit loss experience does not indicate significantly different loss patterns for different residential property room type and commercial property, the loss allowance based on past due status is not further disaggregated.

The ageing analysis of conservancy and service fee receivables is categorised based on the oldest invoice outstanding and not aged based on the date of the individual invoice that made up the outstanding receivables. Management considers this as a more appropriate method to categorise the ageing of receivables for credit control purposes. For accounts with arrears in excess of 12 months, 100% ECL provision has been made for in Note 12. The ageing analysis of conservancy and service fee receivables with number of months of fees past due but for which there is no allowance are as follows:

	<b>2025</b>	2024
	<b>S\$</b>	S\$
With less than 3 months of fees past due	<b>820,252</b>	738,037
With more than 3 months but less than 6 months of fees past due	<b>272,939</b>	241,834
With more than 6 months but less than 9 months of fees past due	<b>182,732</b>	153,682
With more than 9 months but less than 12 months of fees past due	<b>118,230</b>	123,439
	<b><u>1,394,153</u></b>	<u>1,256,992</u>

The ECL on conservancy and service fee receivables arise mainly from residents who are facing significant financial hardships and have difficulties paying their conservancy and service fees despite letters of demand sent. Procedures are in place for collecting the outstanding arrears including prosecution orders. Management considers it necessary to set up an ECL at 100% in order to state it at its estimated recoverable value.

**Debt investments (Note 11)**

The Town Council's investments in bonds at amortised cost are considered to be low risk investments as the Town Council's surplus funds are placed with reputable financial institutions or invested in Singapore government bonds. Accordingly, the loss allowance recognised is based on 12-months ECL. The Town Council did not recognise a loss allowance for the debt instruments as the Town Council does not expect the credit loss to be material.

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**26 Financial instruments carried at fair value**

(a) Fair value hierarchy

The Town Council categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Town Council can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(b) Assets measured at fair value

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

	<b>2025</b>	<b>2024</b>
	<b>S\$</b>	<b>S\$</b>
Equity investments	<b>250,000</b>	240,000

The fair value of equity instruments at fair value through other comprehensive income is determined by reference to their quoted bid prices at the end of the reporting period.

**27 Financial instruments not carried at fair value**

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

	<b>2025</b>		<b>2024</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	Carrying amount	Fair value
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Debt investments	<b>123,877,617</b>	<b>124,953,128</b>	92,901,586	92,340,375
Unrecognised Gain / (loss)		<b>1,075,511</b>		(561,211)

The fair value is determined by reference to their quoted bid prices at the end of the reporting period. These debt investments are categorised into Level 1 of the fair value hierarchy.

There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy in the financial year.

The fair value of current financial assets and financial liabilities at amortised cost approximates their carrying amounts.

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**28 Financial instruments by category**

At the reporting date, the carrying amount of the different categories of financial instruments are as follows:

	2025 S\$	2024 S\$
<b>Financial assets at fair value through other comprehensive income</b>	<b>250,000</b>	240,000
<b>Financial assets measured at amortised cost</b>		
Debt investments	123,877,617	92,901,586
Conservancy and service receivables	1,394,153	1,256,992
Other receivables	27,399,542	14,327,050
Interest receivable	1,779,252	1,568,865
Cash and cash equivalents	158,798,909	188,463,427
Total financial assets measured at amortised cost	<u>313,249,473</u>	<u>298,517,920</u>
<b>Financial liabilities measured at amortised cost</b>		
Payables and accrued expenses	16,440,896	13,902,721
Lease liabilities	267,207	442,095
Total financial liabilities measured at amortised cost	<u>16,708,103</u>	<u>14,344,816</u>

**29 Management of Town Council's funds**

The Town Council's objectives when managing funds are:

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

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

There were no changes in the Town Council's approach to funds management during the year. The Town Council is not subject to externally imposed capital requirements. The Town Council total funds amounted to \$293,720,147 (2024: \$281,902,146).

**30 Events occurring after the reporting period**

The General Elections were held in Singapore on 3 May 2025 to elect all members of the Parliament of Singapore across 33 constituencies. After the General Elections, the Town Councils (Declaration) Order 2025 came into operation on 30 May 2025. The Tanjong Pagar Town Council was reconstituted, and the town of Tanjong Pagar has three constituencies, namely Queenstown and Radin Mas both Single-Member Constituencies, and Tanjong Pagar Group Representation Constituency (GRC).

Estates in Dover and Telok Blangah, which were part of the former West Coast GRC, were absorbed into Tanjong Pagar GRC. The total property units taken over was 12,404 with a monthly S&CC of approximately \$831,000.

In accordance with Section 48(4) of the Town Councils Act 1988, the Town Council would be transferring \$8.65 million (i.e. 80%) of its surpluses to the prescribed sinking funds of the Town Council.

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**31 Authorisation of financial statements for issue**

The financial statements for the financial year ended 31 March 2025 were authorised for issue by members of the Town Council on 19 August 2025.



**TANJONG PAGAR**  
TOWN COUNCIL