

FY 2024/25 Annual Report



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**TOWN COUNCILLORS &
STANDING COMMITTEES**

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CHAIRMAN'S MESSAGE

In Financial Year 2024/2025, we continued to build on our commitment to “WeCare” – a vision of a Town that is not only well-managed and vibrant, but also caring and inclusive for residents of all ages.

This year, we were proud to launch our 5-Year Masterplan, a roadmap shaped by conversations with residents, grassroots leaders, and community partners. It reflects our shared aspirations and lays the foundation for meaningful estate improvements across all divisions.

We believe that estate management is more than just hard infrastructure. It's about creating a home environment where people feel connected, supported, and proud to belong. That's why we've placed strong emphasis on delivering high service standards, enhancing estate upkeep, and fostering neighbourliness through thoughtful engagement.

We are deeply grateful for the trust and support of our residents, Councillors, and stakeholders. Your feedback and participation have helped us shape a Town that reflects the heart of our community.

As we look ahead, let's continue working together to build a home where every generation can live, work, and thrive together.



MS TIN PEI LING
CHAIRMAN

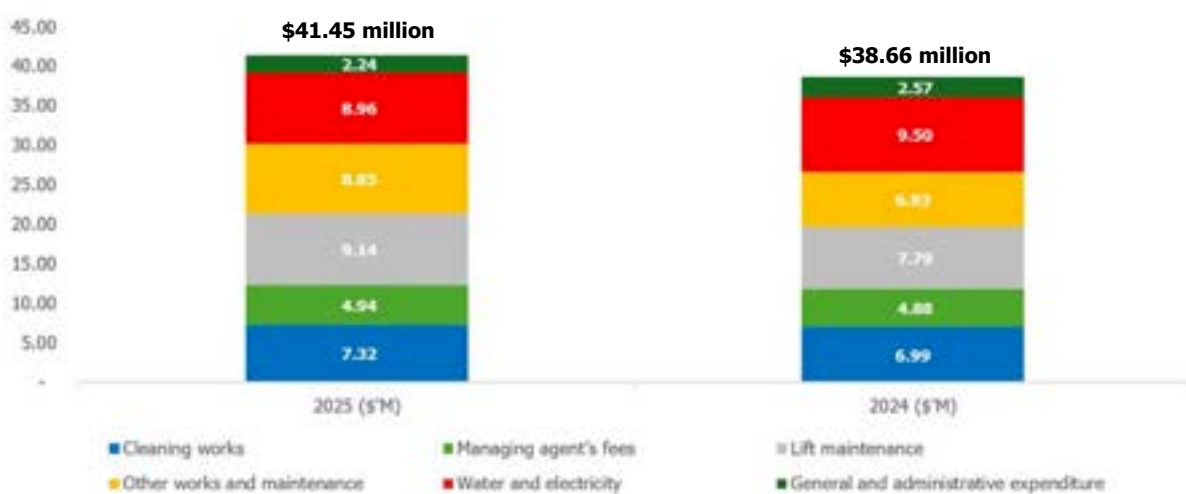
MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

FINANCIAL OVERVIEW

Total Income Less: Total Expenditure	\$35.69 Million (\$42.58) Million
Operating Deficit	(\$6.89) Million
Add: Government Grants Less: Appropriation to TIPF	\$8.26 Million (\$0.68) Million
Operating Surplus	\$0.69 Million

For the Financial Year 2024/2025, the Town Council incurred an **operating deficit of \$6.89 million** before Government grants, **\$1.20 million more than last year** due to increased expenditures in essential routine estate maintenance. With **\$8.26 million in Government grants**, we achieved an **operating surplus of \$0.69 million** after setting aside funds for the Town Improvement and Project Fund. While this is **58.18% lower than last year's surplus**, it reflects our commitment in caring for our estate.





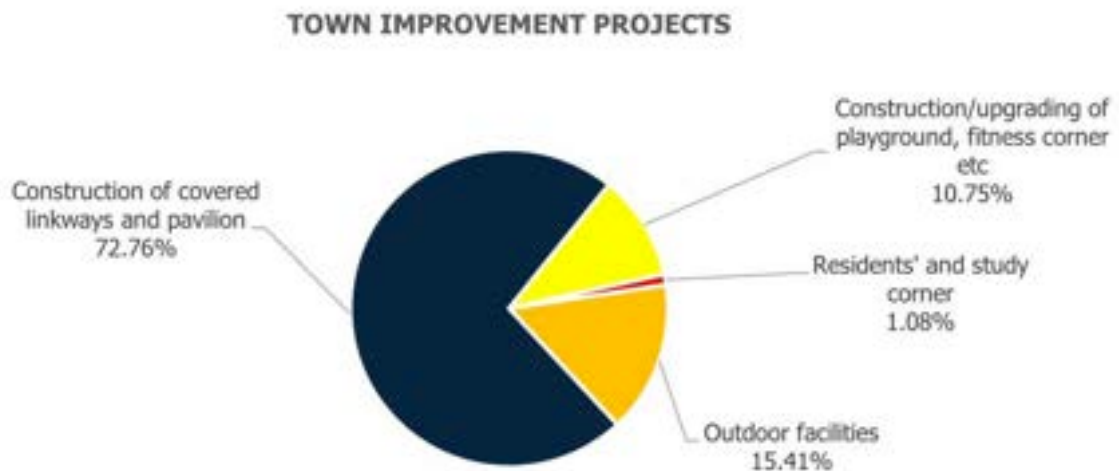
Our total operating expenditures for the year stood at **\$41.45 million**, an **increase of \$2.79 million from the previous year**. The expenditure went towards essential routine maintenance and operational works such as estate cleaning, lift maintenance, utilities, and other routine maintenance works. These are our day-to-day operations that ensure our estate facilities are well-maintained.

As operational costs continue to rise, we remain committed to prudent financial management and cost-efficiency while safeguarding strong corporate governance. Every dollar spent is carefully considered to ensure meaningful estate improvements while maintaining long-term financial stability.



CARING FOR OUR ESTATE ENVIRONMENT

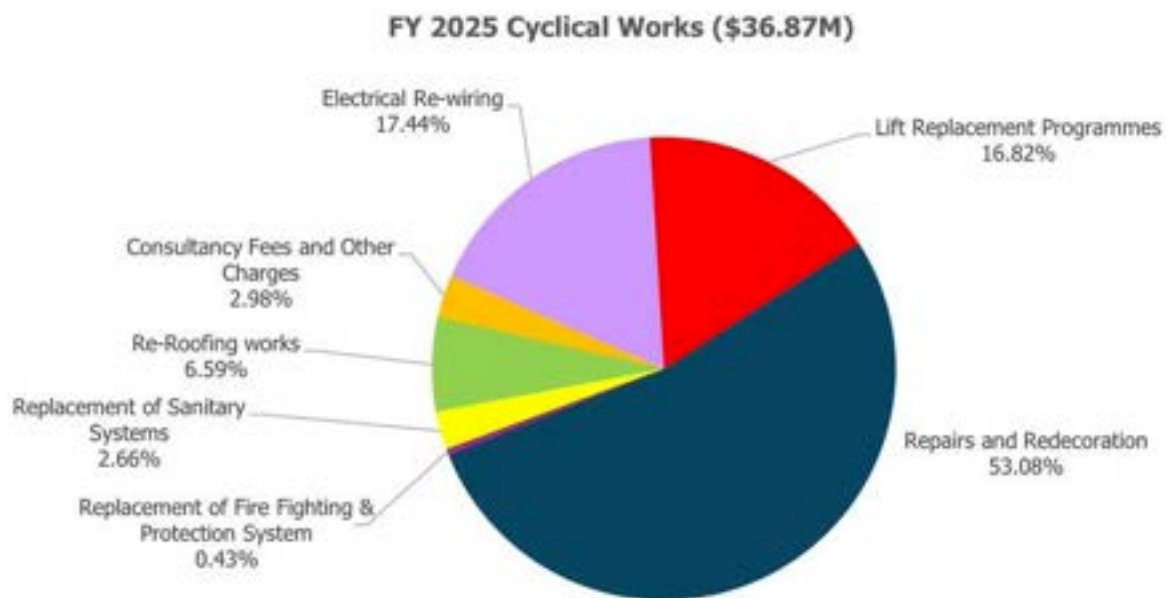
In the Financial Year 2024/2025, we continued in our efforts to enhance the communal facilities in our Town. Through thoughtful planning and close collaboration with our residents and community partners, we have made steady progress in upgrading our estate facilities to better serve your needs.



Improvement Projects

\$2.79 million was allocated to carry out a range of improvement projects across the divisions within our Town, which is **an increase of 79.05%** compared to the previous year. These include construction of covered linkways, fitness corners, playgrounds, and residents' corners – all designed to make our shared spaces more comfortable, inclusive, and enjoyable for residents of all ages.





Cyclical Maintenance Works

To ensure our estate's infrastructure remains safe and well-maintained, we have carried out cyclical maintenance works amounting to **\$36.87 million**, which is **0.08% more** than the previous year. These cyclical works include Repairs and Redecoration (R&R), electrical rewiring, sanitary system replacements (such as water pumps and pipes), and re-roofing. These essential works help to keep our estate infrastructure in good condition, ensuring a safe and pleasant environment for everyone.



Lift Maintenance, Replacement and Enhancement

Lifts are an essential part of daily life in our high-rise HDB living environment. That is why we place strong emphasis on keeping them in good working condition through regular maintenance, overhauls, and timely replacements.

In the Financial Year 2024/2025, we carried out **\$6.39 million** worth of lift-related works across our Town. These include scheduled cyclical maintenance and part replacement works to ensure safety and reliability.

Beyond routine works, we also identified older lifts and those in less optimal condition for our Lift Replacement Programme (LRP) and Lift Enhancement Programme (LEP). These initiatives are part of our ongoing efforts to provide residents with safer, smoother, and more reliable lift services. Through these LRP and LEP initiatives, we have **replaced and upgraded a total of 105 lifts** across various blocks in our Town.





WECARE: OUR FUTURE, OUR CARING HOME

The Council remains committed to the embodiment of “WeCare”, reflecting our dedication to nurturing an inclusive and caring community where every resident feels heard, supported, and proud to call home. This commitment is made possible through close collaboration with our residents and stakeholders.



Launch of 5-Year Masterplan

On 19 April 2025, we launched our 5-Year Masterplan during the Marine Parade Town Carnival. The Carnival was organized as a celebration for the community, bringing together residents, Grassroot Leaders, and partners in a day filled with activities, performances, and exhibitions.

The event attracted about 1,000 residents, who enjoyed stage performances, games, and interactive booths set up across the carnival grounds. Residents also had the opportunity to view showcases of upcoming estate initiatives, learn more about sustainability efforts, and provide feedback on how their neighborhoods can be reflected based on their needs. We were especially heartened by the enthusiasm of our residents who joined in the activities, reflecting the strong community spirit that defines our town.

The launch of the 5-Year Masterplan was the highlight of the Town Carnival. It provided us the opportunity to share the progress we have made since 2020, as well as unveiled the plans that will shape our Town in the coming years.





Here is a glimpse of what residents can look forward to in each division in the coming years that are showcased in our 5-year masterplan:

- **Braddell Heights:** Revamped of Blk 267 Serangoon Avenue 3 (Serangoon Central Village) with new study areas, eateries and wet market, providing more conducive spaces for focused learning, more dining spaces and better marketing experience.
- **Geylang Serai:** Repairs & Redecoration (R&R) Works for Blocks 13 and 14 Haig Road Market and Food Centre that includes repainting, upgrading of common areas and general maintenance, as part of our effort to improve on dining and marketing experiences.
- **Kembangan:** Neighbourhood Renewal Programme (NRP) at Blocks 842, 844, 846 and 848 Sims Avenue to rejuvenate the estate and better meet the residents' needs.
- **MacPherson:** New iconic multi-generational park near Blk 108 Aljunied Crescent designed as a communal space for residents of all ages to connect, play and unwind together.
- **Marine Parade:** Bringing more fun-filled family moments and opportunities for active living with a marine-themed water play park with flying fox and iconic playground near Blk 57 Marine Terrace and a fitness corner with outdoor swings and an event pavilion at Blk 54 Marine Terrace.
- **Mountbatten:** Construction of Sports-in-Precinct @ Pine Close to promote healthy and active living for all ages.

To explore our full masterplan and find out what is in store for your estate, visit: <https://www.mbtc.org.sg/WeCare/>.







ENTERPRISE RISK MANAGEMENT

Marine Parade-Braddell Heights Town Council had put in place a comprehensive Enterprise Risk Management (ERM) Framework that enables our Council to proactively manage risks through a structured process of identification, assessment, mitigation, and monitoring.

As part of our ongoing commitment to good governance, we conducted an annual risk assessment covering four key domains: Financial, Operational, Compliance, and Information Technology. This exercise helped to surface emerging risks, evaluate the strength of internal controls, and develop responsive mitigation measures.

The outcomes of this review were shared with the Management Team, Town Councillors, and relevant stakeholders to support strategic planning, resource prioritisation, and promote a culture of accountability.

Following the recent annual assessment, the Council was assured that our existing ERM Framework and internal controls continued to provide a solid foundation for managing risks across the organisation effectively.



CARING FOR OUR ENVIRONMENT

Caring for our environment is a shared journey, and every step we take together contributes to a big collective effort towards a more sustainable future and a greener home.

Giving Old MRT Seats a New Purpose

In collaboration with the Land Transport Authority (LTA), a **total of 53 sets of old MRT seats** were repurposed into new rest stops across our Town. This initiative reduces waste while providing practical benefits for our residents, showcasing our dedication to sustainability and resourcefulness.



E-Waste Collection

Thanks to our collaboration with ALBA Singapore and the active participation of our residents, we **collected and recycled 103,536kg of e-waste via e-drives, e-waste bins, and bulky waste removal** from April 2024 to May 2025. Through e-drives, e-waste bins, and bulky item removals, we have made it easier for everyone to do their part in protecting the environment.



Littering Picking and Tree Planting Event

We continued in our tradition of organising litter picking and tree planting events within our Town. It is heartening to see residents actively participating in these events alongside our Members of Parliament (MPs) to care for our environment. In conjunction with these events, we also took the opportunity to express our appreciation to our dedicated cleaners for their unwavering efforts in keeping our estate clean. These activities not only inculcate a shared sense of ownership and responsibility for our environment but also help to strengthen the bonds and care within our community.



Solar Panel Installation

A **total of 448 HDB blocks** within Marine Parade-Braddell Heights Town were installed with Solar Photovoltaic (PV) panels. From April 2024 to May 2025, this initiative **reduced 12,523,059.43kg of CO2 – equivalent to removing approximately 4,386 cars from the road or powering 7,043 4-room HDB flats.**





CONCLUSION

Our Council would like to express our heartfelt thanks to all our residents, community partners, and stakeholders for your continued trust, support and collaboration. The progress we have made in improving our estates and deepening community bonds is made possible through the strong partnerships we have built together.

With your continued support, let us shape a future where every resident feels valued, connected, and proud to call Marine Parade-Braddell Heights Town their home.

TIN PEI LING
CHAIRMAN
MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

TOWN COUNCILLORS & STANDING COMMITTEE (27 JUNE 2025 TO 26 JUNE 2027)

Marine Parade-Braddell Heights Town Council selects and appoints councillors based on personal attributes such as integrity, honesty, responsibility, and their alignment with the Town Council's Mission. Appointed councillors generally have the ability to communicate and reach out to residents, and build relationship to reflect their needs. At least two-thirds of the appointed councillors shall be residents of any housing estate of the Board within the Town. Key councillors taking charge of committees shall have the core skills and/or competencies in the relevant technical field (such as finance, accounting, audit, estate management, contract administration or communications).

Elected Members

Chairman: Ms Tin Pei Ling
Vice-Chairman: Ms Gho Sze Kee
Vice-Chairman: Mr Seah Kian Peng

Elected Members:
Assoc. Prof. Faishal Ibrahim
Ms Diana Pang Li Yen
Mr Goh Pei Ming

Executive Committee

Chairman: Ms Tin Pei Ling
Vice-Chairman: Ms Gho Sze Kee
Vice-Chairman: Mr Seah Kian Peng

Elected Members:
Assoc. Prof. Faishal Ibrahim
Ms Diana Pang Li Yen
Mr Goh Pei Ming

Members:
Mr Ang Bee Hock BBM
Mr Chua Ming Kok PBM
Mr Goh Yong Seng PBM
Mr Frederick Ho Wee Khoon PBM
Mr Justin Fong Cheng Wah PBM
Mr Lee Tee Loon BBM
Dr Lim Lan Yuan BBM (L), JP
Mr Ngoi Khor Peng PBM
Mr Philip Tan Ling Kwok PBM
Mr Yusof Bin Abdul Lateef BBM

Standing Committee

Finance Committee

Advisor: Mr Seah Kian Peng
Chairman: Mr Philip Tan Ling Kwok PBM
Vice-Chairman: Mr Goh Yong Seng PBM

Members:

Ms Aw Mui Ling
Mr Chan Kam Chuen
Ms Chris Chu Ai Keow PBM
Mr Chua Qing Lin
Mr Joseph Yap Cheng Hwa
Mr Pradeep Kumar PBM
Ms Quah Suat Lay, Nancy, PBM
Ms Sim Pei Ling

Estate Management Committee

Advisor: Assoc. Prof. Faishal Ibrahim
Chairman: Mr Chua Ming Kok PBM
Vice-Chairman: Mr Ngoi Khor Peng PBM

Members:

Mr Daniel Chan Kok Leong PBM
Ms Ho Yu Xian
Mr Jeryl Lim Tswen Jiann
Mr Ken Lee Chun Tat
Ms Mary Lee Choon Tuan PBM
Mr Melvin Chua Ee Song BBM
Mr Ng Chong Soon
Mr Ng Tiong Lin Domenic
Mr Raymond Chan Leng Chye PBM
Mr Seow Yun Hwa William PBM
Mr Tan Eng Poh PBM
Ms Teo Hiok Hoon, Lily, PBM
Mr William Fletcher PBM

Publicity & Outreach Committee

Advisor: Mr Goh Pei Ming
Chairman: Mr Justin Fong Cheng Wah PBM
Vice-Chairman: Mr Yusof Bin Abdul Lateef BBM

Members:

Mr Garrett Oh Boon Kim
Mr Gregory Ong Zhe Zhao
Ms Jesslyn Cheong Fei Siang
Mr Kuah, Zicheng, Elwin
Ms Lee Cheow Eng
Mr Lim Zhi Hao
Mr Roderick Ng
Mr Thomas Thong Ming Yap

Tenders & Contracts Committee

Advisor: Ms Gho Sze Kee
Chairman: Mr Lee Tee Loon BBM
Vice-Chairman: Mr Frederick Ho Wee Khoon PBM

Members:

Mr Baba Maharauf Carrim
Mr Danial Bin Bohan
Mr De Silva Simeon Francis
Mr Lim Ming Hok
Mr Peter Goh Teck Ting
Ms Ruby Ong Siew Kim PBM
Mr Tan Ai Koong PBM
Mr Joey Kum Jing Shen

Audit & Risk Committee

Advisor: Ms Diana Pang Li Yen
Chairman: Mr Ang Bee Hock BBM
Vice-Chairman: Dr Lim Lan Yuan BBM (L), JP

Members:

Ms Chung Kim Man
Ms Grace Li Menghan
Ms Kiran Kaur Dhillon
Ms Joyce Wong Shu Ling
Mr Mike Chee Hiang Chuan
Ms Ng Li Peng
Mr M Subeer Bin Ali Adi PBM
Mr Mukund Premchander
Ms Tricia Soh Meng Hong PBM
Mr Yong Chun Yee PBM

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

(Established under the Town Councils Act 1988)

**AUDITED FINANCIAL STATEMENTS
FINANCIAL YEAR ENDED 31 MARCH 2025**



Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the Chairman's Review 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.



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

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

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

Report on Other Legal and Regulatory Requirements

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Town Council during the financial year ended 31 March 2025 are, in all material respects, in accordance with the provisions of the Act; and
- (b) proper accounting and other records have been kept, including records of all assets of the Town Council whether purchased, donated or otherwise.

Basis for Opinion

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

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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



Auditor's Responsibilities for the Compliance Audit

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

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

A blue ink signature, likely of the auditor, written in a cursive style.

JR CHAN COMPANY
Public Accountants and
Chartered Accountants

Singapore

1 September 2025

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 \$	2024 \$
TOWN COUNCIL FUNDS			
Residential Property			
Accumulated surplus	4	18,554,370	17,546,357
Sinking Funds			
Ordinary Sinking Fund	5	25,614,876	33,453,817
Lift Replacement Fund	6	55,427,490	45,914,732
		81,042,366	79,368,549
Town Improvement and Project Fund	7	753,990	386,190
		100,350,726	97,301,096
Commercial Property			
Accumulated surplus	4	-	312,584
Sinking Funds			
Ordinary Sinking Fund	5	22,938,630	26,250,779
Lift Replacement Fund	6	13,286,851	12,198,020
		36,225,481	38,448,799
Town Improvement and Project Fund	7	66,010	33,810
		36,291,491	38,795,193
Total funds		136,642,217	136,096,289
Represented by:			
Non-current assets			
Plant and equipment	8	166,225	88,885
Right-of-use assets	9	852,170	1,417,908
		1,018,395	1,506,793
Current assets			
Financial assets at fair value through profit or loss	10	45,981,321	41,707,042
Interest receivable		647,695	1,583,617
Conservancy and service fees receivables	11	1,122,822	1,022,026
Other receivables	12	14,987,861	11,386,497
Receivables for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	15	8,958,995	2,552,605
Cash and short-term deposits	13	83,915,365	91,882,473
		155,614,059	150,134,260
Total assets		156,632,454	151,641,053
Less:			
Non-current liability			
Lease liabilities	14	(281,815)	(746,600)
Current liabilities			
Lease liabilities	14	(465,413)	(508,075)
Conservancy and service fees received in advance		(1,005,967)	(983,567)
Payables and accrued expenses	16	(16,281,028)	(12,125,010)
Income tax payable	17	(1,956,014)	(1,181,512)
		(19,708,422)	(14,798,164)
Net assets		136,642,217	136,096,289



TIN PEI LING
Chairman



ANTHONY ONG ENG ANN BBM
Secretary

Date : 1 September 2025

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	2025 \$	2024 \$
Operating income			
Conservancy and Service fees	4	48,832,198	45,702,829
Less: Operating income transfer to Ordinary Sinking Fund	5	(12,696,379)	(11,882,737)
Operating Income transfer to Lift Replacement Fund (minimum required by law)	6	(6,836,511)	(6,398,397)
		29,299,308	27,421,695
Agency fees	4, 18	3,234,589	3,017,631
Other income	4, 19	2,616,817	2,795,585
		35,150,714	33,234,911
Less: Operating expenditure			
Cleaning works		(7,324,368)	(6,997,805)
Managing agent's fees	25	(4,942,090)	(4,880,554)
Lift maintenance		(9,140,190)	(7,789,328)
Other works and maintenance		(8,852,043)	(6,926,865)
Water and electricity		(8,955,550)	(9,495,356)
General and administrative expenditure	20	(2,236,868)	(2,567,738)
		(41,451,109)	(38,657,646)
Operating deficit		(6,300,395)	(5,422,735)
Add: Investment income	4	543,817	614,972
Deficit before income tax and government grants		(5,756,578)	(4,807,763)
Less: Income tax	17	(201,818)	(178,902)
Goods and services tax	21	(927,182)	(702,092)
		(1,129,000)	(880,994)
Deficit before government grants		(6,885,578)	(5,688,757)
Add: Government grants	22	20,661,727	18,260,522
Less: Transfer to Ordinary Sinking Fund	5, 22	(3,579,373)	(3,310,054)
Less: Transfer to Lift Replacement Fund	6, 22	(6,310,411)	(5,908,896)
Less: Transfer to Town Improvement and Project fund	7, 22	(2,511,858)	(1,402,994)
		8,260,085	7,638,578
SURPLUS FOR THE FINANCIAL YEAR		1,374,507	1,949,821
ACCUMULATED SURPLUS AS AT 1 APRIL		17,858,941	16,205,859
Add: Transfer from Town Improvement Project Fund	7	140,922	123,261
Less: Appropriation to Town Improvement Project Fund	7	(820,000)	(420,000)
ACCUMULATED SURPLUS AT 31 MARCH		18,554,370	17,858,941


TIN PEI LING
Chairman


ANTHONY ONG ENG ANN BBM
Secretary

Date : 1 September 2025

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

	Note	2025 \$	2024 \$
SURPLUS FOR THE FINANCIAL YEAR		1,374,507	1,949,821
MOVEMENT OF VARIOUS FUNDS			
Ordinary Sinking Fund	5	(11,151,090)	(9,242,275)
Lift Replacement Fund	6	10,601,589	6,920,430
Town Improvement and Project Fund	7	(279,078)	(155,739)
		<u>(828,579)</u>	<u>(2,477,584)</u>
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO TOWN COUNCIL FUNDS		<u><u>545,928</u></u>	<u><u>(527,763)</u></u>



TIN PELLING
Chairman

Date : 1 September 2025



ANTHONY ONG ENG ANN BBM
Secretary

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

STATEMENT OF CHANGES IN FUNDS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	Total \$	Residential Property \$	Commercial Property \$	Carpark \$
Balance as at 1 April 2023		136,624,052	97,433,606	39,190,446	-
(Deficit) / Surplus for the year		(527,763)	(1,076,453)	(395,253)	943,943
Inter-funds transfer	4	-	943,943	-	(943,943)
Balance as at 31 March 2024		136,096,289	97,301,096	38,795,193	-
Balance as at 1 April 2024		136,096,289	97,301,096	38,795,193	-
Surplus / (Deficit) for the year		545,928	2,455,998	(3,028,324)	1,118,254
Inter-funds transfer	4	-	593,632	524,622	(1,118,254)
Balance as at 31 March 2025		136,642,217	100,350,726	36,291,491	-

The net surplus/ (deficit) for the year comprises the following:

	Note	2025 \$	2024 \$
Accumulated surplus	4	1,374,507	1,949,821
Ordinary Sinking Fund	5	(11,151,090)	(9,242,275)
Lift Replacement Fund	6	10,601,589	6,920,430
Town Improvement and Project Fund	7	(279,078)	(155,739)
		545,928	(527,763)

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 \$	2024 \$
Operating Activities			
Deficit before income tax and government grants		(5,756,578)	(4,807,763)
Adjustments for:			
Operating income transfer to Ordinary Sinking Fund	5	12,696,379	11,882,737
Operating income transfer to Lift Replacement Fund	6	6,836,511	6,398,397
Interest income		(543,817)	(614,971)
Reversal credit loss on operating receivables	11,12	(71,111)	(91,817)
Loss on write off of plant and equipment		500	-
Depreciation of right-of-use assets	9	565,738	566,835
Lease interest expenses	20	81,836	68,492
Depreciation of plant and equipment	8	48,443	41,220
Operating cash flows before changes in working capital		13,857,901	13,443,130
Movement in working capital:			
Operating receivables		(1,579,761)	(538,732)
Operating payables		4,178,418	(2,410,158)
Net cash flows generated from operations		16,456,558	10,494,240
Goods and services tax	21	(1,746,467)	(1,337,987)
Ordinary Sinking Fund expenditure	5	(30,482,956)	(26,098,348)
Lift Replacement Fund expenditure	6	(6,386,440)	(10,742,757)
Town Improvement and Project Fund expenditure paid	7	(2,790,936)	(1,558,733)
Neighbourhood Renewal Programme and Electrical Load Upgrading Programme expenditure paid	15	(7,895,704)	(1,666,250)
Income tax paid	17	(422,481)	(229,316)
Net cash used in operating activities		(33,268,426)	(31,139,151)
Investing Activities			
Purchase of plant and equipment	8	(126,283)	(61,843)
Decrease/ (Increase) in fixed deposits	13	9,224,000	(47,595,000)
Interest and investment income received		3,670,480	3,449,353
Net cash generated from/ (used in) investing activities		12,768,197	(44,207,490)
Financing Activities			
Government grants received		18,610,438	15,011,648
Repayment of lease liabilities	14	(589,283)	(589,822)
Funding received for Neighbourhood Renewal Programme and Electrical Load Upgrading Programme	15	1,489,314	131
Funding received for Lift Enhancement Programme/ Selective Lift Replacement Programme	6	2,486,615	3,940,488
Net cash generated from financing activities		21,997,084	18,362,445
Net increase/ (decrease) in cash and cash equivalents		1,496,855	(56,984,196)
Cash and cash equivalents at beginning of year		44,008,115	100,992,311
Cash and cash equivalents at end of year	13	45,504,970	44,008,115

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

1. General Information

Marine Parade Town Council (the "Town Council") was formed on 5 July 1989 under the Town Councils Act 1988. The principal 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 Town consists of Marine Parade Group Representation Constituency (GRC), MacPherson Single Member Constituency (SMC) and Mountbatten SMC.

During the 2025 General Election boundary change, MacPherson SMC is absorbed into the Marine Parade-Braddell Heights GRC and the name of the Town Council was changed from Marine Parade Town Council to Marine Parade-Braddell Heights Town Council on 30 May 2025. With the boundary change, Chai Chee estate was handed over to East Coast Town Council on 1 August 2025 while some newly built blocks were taken over from Potong Pasir SMC. The Town now consists of Marine Parade-Braddell Heights GRC and Mountbatten SMC.

The principal office of operations is at 50 Marine Terrace #01-265, Singapore 440050.

The financial statements of the Town Council for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Town Council on 1 September 2025.

2. Summary of material accounting policy information

2.1 Basis of preparation of financial statements

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

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

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

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

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

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.1 Basis of preparation of financial statements (continued)

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

2.2 Adoption of new and amended standards and interpretations

In the current financial year, the Town Council has adopted all the new and revised FRS and INT FRS that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRS and INT FRS does not result in changes to the Town Council's accounting policies and has no material effect on the amounts reported for the current year.

FRS and INT FRS issued but not yet effective:

At the date of authorisation of these statements, the following FRS and INT FRS that are relevant to the Town Council were issued but not yet effective:

	<i>Description</i>	<i>Effective date (annual periods beginning on or after)</i>
FRS 109	Amendments to FRS 109 Financial Instruments	1 January 2026
FRS 107	Amendments to FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
	Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118	FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119	FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
FRS 110	Amendments to FRS 110 Consolidated Financial Statements	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Town Council are in the process of reviewing the presentation and disclosures in the financial statements under FRS 118 and expect that the adoption of this standard and the above will have no material impact on the financial statements in the year of initial application.

2.3 Town Council Funds

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

- Residential Property
- Commercial Property

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.3 Town Council Funds (continued)

The routine fund related to properties under management, together with Sinking Funds and Town Improvement and Project Fund, form the Town Council funds.

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

Sinking Funds comprise of Ordinary Sinking Fund and Lift Replacement Fund.

Under the Town Councils Act, the Ministry of National Development may, from time to time, prescribe the minimum amounts of conservancy and service fees and grants-in-aid to be paid into the Sinking Funds other than Lift Replacement Fund matching grant which does not have a prescribed minimum amount to be paid into the Sinking Funds.

(i) Ordinary Sinking Fund

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

The minimum amounts to be paid by property type, into the Ordinary Sinking Fund are as follows:

Property type service		Percentage of conservancy and service fees and grants-in-aid
(i)	1-room to 5-room and Executive	26% (2024: 26%) of conservancy and service fees and grants-in-aid
(ii)	Shop with living accommodation	26% (2024: 26%) of conservancy and service fees and grants-in-aid
(iii)	Commercial property	26% (2024: 26%) of conservancy and service fees and grants-in-aid

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

The Ordinary Sinking Fund is utilised for cyclical works, including major repainting, renewal or replacement of roofing system, water tanks, pumps and water supply system, lightning protection system and escalators, 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.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.3 Town Council Funds (continued)

(ii) Lift Replacement Fund

In accordance with Section 47(5) of the Town Councils Act, Town Councils are required to establish a new Lift Replacement Fund with effect from 1 April 2017. The establishment of the LRF is a standalone fund to be carved out from the existing Sinking Funds and ring-fenced specifically for lift replacements and other lift-related replacement works.

The minimum amounts to be paid by property type, into the Lift Replacement Fund is as follows:

Property type service	Percentage of conservancy and service fees and grants-in-aid
(i) 1-room to 5-room and Executive	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 income transfers and are deducted from conservancy and service fees and government grants in the statement of income and expenditure.

The Lift Replacement Fund is utilised for major lift works such as capital expenditure including works, plant, equipment, appliances and insurance premium related to the replacement of lifts or lift upgrading works carried out on the common property under the Housing and Development Act.

Town Improvement and Project Fund

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

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

2.4 Inter-fund transfers

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

2.5 Allocation of general overheads

Expenditure not specifically related to any property type managed, such as administrative overheads, tree planting and pruning etc. are allocated to the various property types using equivalent dwelling units ("EDU") as follows:

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

Such allocation by EDU is not applied to the Sinking Funds and Town Improvement and Project Fund.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.6 Government grants

The Town Council receives six types of grants from the Government: Service and Conservancy Charges ("S&CC") grant, Time-limited special funding support, payment from CCCs, Goods and Services Tax ("GST") subvention grant, Lift Replacement Fund Matching Grant and Lift Maintenance Grant ("LMG").

- (i) Service and Conservancy Charges (S&CC) operating grants to meet the current year's operating expenditure are taken to the statement of income and expenditure, except to the extent which is required to be transferred to Ordinary Sinking Fund and Lift Replacement Fund based on the amount prescribed.
- (ii) In view of the impact of external factors on operational costs, Ministry of National Development ("MND") provides a 2-tranche time-limited special funding support to Town Councils that need to adjust their S&CC to help buffer the Town Council and residents from the full impact of the rising maintenance costs. The Town Council received its first tranche of the special funding of \$2,193,492 from MND on 22 August 2023 and the second tranche of \$2,132,410 on 3 June 2024. The special funding support will be subject to the minimum contribution rates of 26% to the Sinking Fund and 14% to the Lift Replacement Fund and the existing regulations under the Town Councils Act.
- (iii) Payments from CCC are granted to provide funding support for community improvement projects under CIPC scheme.
- (iii) The GST Subvention is given as grant-in-aid to the Town Council to assist Town Council for absorbing the GST increases in Service and Conservancy Charges for HDB residential flats. The grant is taken to the statement of income and expenditure, except to the extent which is required to be transferred to Ordinary Sinking Fund and Lift Replacement Fund based on the amount prescribed.
- (iv) Lift Replacement Fund (LRF) Matching Grant is given as grant-in-aid to the Town Council by MND to match 50% of Town Council's contributions to the Lift Replacement Fund to supplement Town Council's savings. The contributions inclusive of (a) quarterly contributions from Service and Conservancy Charges collections and other grants-in-aids, including voluntary contributions beyond the minimum LRF contribution rate; and (b) voluntary contribution of accumulated surplus to the LRF at the end of a financial year, as allowed under Section 47(12) of the amended Town Councils Act.
- (v) Lift Maintenance Grant (LMG) is given as grant-in-aid to the Town Council to cope with the higher lift-related servicing and maintenance costs. LMG disbursed to Town Council annually and the amount disbursed is \$600 for every lift (both residential and commercial) maintained by the Town Council. The grant is taken to the statement of income and expenditure, except to the extent which is required to be transferred to Ordinary Sinking Fund and Lift Replacement Fund based on the amount prescribed.

Government grants are recognised at their fair value where there is reasonable assurance that the attached condition will be complied with and that the grant will be received. Grant in recognition of specific expenditures is recognised as income over the periods necessary to match them with the related expenditure that they are intended to compensate on a systematic basis unless the accounting treatment is specified. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to statement of income and expenditure and other comprehensive income over the expected useful life of the relevant asset by equal annual instalment.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.7 Revenue recognition

Conservancy and service fees are 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 and Ordinary 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.

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

Income from funds placed with fund manager is recognised based on fair value through profit or loss.

Income from temporary occupation licenses and usage of void deck or other common property is recognised on a cash basis.

Due to the increased operating costs on estate maintenance (manpower costs, materials and energy costs) in the Town Council, driven by other external factors, the Town Council has revised its S&CC for residential flats, commercial premises, and market/ food stalls on 1 July 2023 and 1 July 2024.

2.8 Income tax

Tax is provided on the following income:

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

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

Income tax is accounted using the asset and 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, and 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.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.9 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of plant and equipment includes the purchase price and any costs 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. 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 plant and equipment.

Subsequent cost recognised is added to the carrying amount of the asset only when it is probable that 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 statement of income and expenditure when incurred.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Furniture, fixtures and fittings	5 years
Office equipment	5 years
Data processing equipment	3 years

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

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of plant and equipment is recognised in income and expenditure statement.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

2.10 Funds with fund managers

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

Funds with fund managers comprise mainly of equities, bonds, cash and fixed deposits. Equities and bonds are stated on an aggregate portfolio basis and are designated as financial asset through profit or loss at inception in the statement of financial position.

2.11 Financial assets

Classification of financial assets

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

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.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.11 Financial assets (continued)

Initial recognition

Financial assets are recognized when, and only when the Town Council becomes a party to the contractual provisions of the instruments.

At initial recognition, the Town Council measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in income and expenditure statement.

Trade receivables without a significant financing component is initially measured at the transaction price.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Town Council's business model for managing the asset and the contractual cash flow characteristics of the asset.

(i) Amortised costs

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

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.

(ii) Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payment of principal and interest, are measured at FVTOCI. Financial assets measured at FVTOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses. The cumulative gain or loss previously recognized in other comprehensive income is classified from equity to statement of income and expenditure as reclassification adjustment when the financial asset is de-recognised. Interest income from these financial assets is included in other income using effective interest rate method.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.11 Financial assets (continued)

Subsequent measurement (continued)

(iii) Fair value through profit or loss (FVTPL)

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVTOCI are classified as FVTPL. Movement in fair values and interest income is recognised in Statement of Income and Expenditure in the period in which it arises. The Town Council measures its bonds with fund managers at their fair values. These instruments are classified as FVTPL with movements in their fair values recognised in Income and Expenditure Statement. Net gains or net losses on financial assets at fair value through profit or loss includes interest income.

Investments in equity instruments

For investments in equity instruments managed by fund managers, these are classified as FVTPL with movements in their fair value recognized in Income and Expenditure statement. Net gain includes dividend income.

Impairment of financial assets

The Town Council recognises an allowance for expected credit losses ("ECL") for all debt instruments that are measured at amortised cost through statement of income and expenditure or the respective funds. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Town Council recognises lifetime ECL for conservancy and service fees receivables and other receivables (relating solely to the fee incurred and penalty fee imposed on outstanding conservancy and service fees receivables disclosed in Note 11) using simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Town Council's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. The following provision matrix is used:

	Rate of Provision
Live accounts with arrears	
in excess of 6 – 11 months	25%
in excess of 12 – 23 months	50%
in excess of 24 months	100%
Terminated accounts with arrears	100%

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.11 Financial assets (continued)

Impairment of financial assets (continued)

Any subsequent changes in lifetime ECL, both positive and negative, will be recognised immediately in statement of income and expenditure or respective funds.

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

For debt instruments at fair value through other comprehensive income, the Town Council applies the low credit risk simplification. At every reporting date, the Town Council evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Town Council reassesses the internal credit rating of the debt instrument.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Town Council compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Town Council considers historical loss rates for each category of debtors and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the debtors to settle the receivables.

The Town Council assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to meet its contractual cash flow obligations.

The Town Council regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Town Council considers the following as constituting an event of default for internal credit risk management purpose as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable: (i) where there is a breach of financial covenants by the counterparty; or (ii) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors including the Town Council in full without taking into account any collaterals held by the Town Council.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.11 Financial assets (continued)

Write-off policy

The Town Council writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over seven years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Town Council's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in statement of income and expenditure.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Town Council in accordance with the contract and all the cash flows that the Town Council expects to receive, discounted at the original effective interest rate.

If the Town Council has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Town Council measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The Town Council derecognises a financial asset only when the contractual rights to the cash flows from the asset expires, 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 recognises 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.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in statement of income and expenditure.

2.12 Impairment of non-financial assets

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

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

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

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.13 Cash and cash equivalents

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

2.14 Financial Liabilities

Initial recognition, measurement and derecognition of financial liabilities.

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

The financial liability is derecognised when, and only when, its obligations are discharged, cancelled or expired. On derecognition, the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in statement of income and expenditure.

Subsequent measurement

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

2.15 Lease as a lessee

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

As lessee

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

Right-of-use assets

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

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

Data management system	-	6 years
Office premises	-	1 year to 3 years
Office equipment	-	2 years

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.15 Lease as a lessee (continued)

The Town Council's right-of-use assets are presented in Note 9.

Lease liabilities

At the commencement date of the lease, the Town Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Town Council uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The Town Council's lease liabilities are presented in Note 14.

Short-term leases and leases of low-value assets

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

2.16 Payables

Payables are initially measured at fair value (net of transaction costs), and subsequently measured at amortised cost, using the effective interest method.

2.17 Provisions

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

2.18 Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Town Council, directly or indirectly, including any director (whether executive or otherwise) of the Town Council.

2.19 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

2. Summary of material accounting policy information (continued)

2.20 Related parties

A related party is defined as follows:

- (a) A person or close member of that person's family is related to the Town Council if that person:
 - (i) has control or joint control over the Town Council;
 - (ii) has significant influence over the Town Council; or
 - (iii) is a member of the key management personnel of the Town Council or of a parent of the Town Council.
- (b) An entity is related to the Town Council if any of the following conditions applies:
 - (i) the entity and the Town Council are members of the same Town Council (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Town Council of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Town Council or an entity related to the Town Council. if the Town Council is itself such a plan, the sponsoring employers are also related to the Town Council;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.21 Current versus non-current classification

The Town Council presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- (i) Expected to be realised or intended to sold or consumed in normal operating cycle.
- (ii) Held primarily for the purpose of trading.
- (iii) Expected to be realised within twelve months after the reporting period.
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle.
- (ii) It is held primarily for the purpose of trading.
- (iii) It is due to be settled within twelve months after the reporting period.
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Town Council classifies all other liabilities as non-current.

Deferred tax assets and liabilities, if any, are classified as non-current assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2025

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions of the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Town Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the 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.

3.1 Critical judgements made in applying the Town Council's accounting policies

In the process of applying the Town Council's accounting policies, the management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements, apart from these involving estimations described below.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Allowance for credit loss on conservancy and service fees receivables

Upon 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 related ECL are disclosed in Note 11.

Allowance for non-financial assets

At the end of each financial year, an assessment is made on whether there are indicators that the Town Council's non-financial assets are impaired. Where necessary, the Town Council's assessments are based on the estimation of the value-in-use of the assets defined in FRS 36 *Impairment of Assets* by forecasting the expected future cash flows for a year of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows.

Provision for income tax

The Town Council is subject to income taxes in Singapore. Judgement is required in determining the deductibility of certain expenses during the estimation of the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of operations. The Town Council recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters differs from the amounts that were initially recognised, such differences will impact the income tax provisions in the period in which such determination is made.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

4 Accumulated surplus

The surplus for the year attributable to the various activities is carried forward as accumulated surplus in the respective properties as follows:

	Note	Total		Residential Property		Commercial Property		Carpark	
		2025	2024	2025	2024	2025	2024	2025	2024
		\$	\$	\$	\$	\$	\$	\$	\$
Operating income									
Conservancy and service fees		48,832,198	45,702,829	42,598,935	39,825,426	6,233,263	5,877,403	-	-
Less: Operating income transfer to Ordinary Sinking Fund	5	(12,696,379)	(11,882,737)	(11,075,732)	(10,354,612)	(1,620,647)	(1,528,125)	-	-
Operating income transfer to Lift Replacement Fund (minimum required by law)	6	(6,836,511)	(6,398,397)	(5,963,854)	(5,575,561)	(872,657)	(822,836)	-	-
		29,299,308	27,421,695	25,559,349	23,895,253	3,739,959	3,526,442	-	-
Agency fees	18	3,234,589	3,017,631	-	-	-	-	3,234,589	3,017,631
Other income	19	2,616,817	2,795,585	1,920,366	2,245,752	694,967	543,516	1,484	6,317
		35,150,714	33,234,911	27,479,715	26,141,005	4,434,926	4,069,958	3,236,073	3,023,948
Less: Operating expenditure		(41,451,109)	(38,657,646)	(34,189,996)	(32,267,286)	(5,116,979)	(4,277,698)	(2,144,134)	(2,112,662)
Operating (deficit) / surplus		(6,300,395)	(5,422,735)	(6,710,281)	(6,126,281)	(682,053)	(207,740)	1,091,939	911,286
Add: Non-operating income		543,817	614,972	461,489	523,171	40,614	45,942	41,714	45,859
(Deficit) / surplus before income tax and government grants		(5,756,578)	(4,807,763)	(6,248,792)	(5,603,110)	(641,439)	(161,798)	1,133,653	957,145
Less: Income tax	17	(201,818)	(178,902)	(171,424)	(152,568)	(14,995)	(13,132)	(15,399)	(13,202)
Less: Goods and services tax	21	(927,182)	(702,092)	(852,422)	(645,462)	(74,760)	(56,630)	-	-
(Deficit) / surplus before government grants		(6,885,578)	(5,688,757)	(7,272,638)	(6,401,140)	(731,194)	(231,560)	1,118,254	943,943
Add: Government grants	22	20,661,727	18,260,522	20,159,301	17,729,935	502,426	530,587	-	-
Less: Transfer to Ordinary Sinking Fund	5, 22	(3,579,373)	(3,310,054)	(3,570,674)	(3,301,375)	(8,699)	(8,679)	-	-
Less: Transfer to Lift Replacement Fund	6, 22	(6,310,411)	(5,908,896)	(5,865,851)	(5,490,688)	(444,560)	(418,208)	-	-
Less: Transfer to Town Improvement and Project Fund	7, 22	(2,511,858)	(1,402,994)	(2,482,763)	(1,332,673)	(29,095)	(70,321)	-	-
		8,260,085	7,638,578	8,240,013	7,605,199	20,072	33,379	-	-
SURPLUS / (DEFICIT) FOR THE YEAR		1,374,507	1,949,821	967,375	1,204,059	(711,122)	(198,181)	1,118,254	943,943
Add: Accumulated surplus as at 1 April		17,858,941	16,205,859	17,546,357	15,665,448	312,584	540,411	-	-
Add (Less): Inter-funds transfer		-	-	593,632	943,943	524,622	-	(1,118,254)	(943,943)
Add: Transfer surplus from/ (to) Town Improvement and Project Fund	7	140,922	123,261	200,996	119,097	(60,074)	4,164	-	-
Less: Appropriation to Town Improvement and Project Fund	7	(820,000)	(420,000)	(753,990)	(386,190)	(66,010)	(33,810)	-	-
ACCUMULATED SURPLUS AS AT 31 MARCH		18,554,370	17,858,941	18,554,370	17,546,357	-	312,584	-	-

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

5 Ordinary Sinking Fund

Note	Total		Residential Property		Commercial Property	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Balance as at 1 April	59,704,596	68,946,871	33,453,817	41,273,369	26,250,779	27,673,502
Add:						
Operating income transfer from conservancy and service fees	4	12,696,379	11,882,737	11,075,732	10,354,612	1,620,647
Investment and other income	5(i)	4,404,277	2,296,668	4,049,661	2,112,023	354,616
Transfer from government grants on Special Funding Support	4,22	558,396	427,731	558,396	427,731	-
Transfer from government grants on S&CC, GST Subvention and LMG	4,22	3,020,977	2,882,323	3,012,278	2,873,644	8,699
		20,680,029	17,489,459	18,696,067	15,768,010	1,983,962
						1,721,449
Less: Expenditure	5(ii)	(30,482,956)	(26,098,348)	(25,295,458)	(23,005,258)	(5,187,498)
Less: Income tax	17	(685,672)	(191,839)	(630,502)	(176,393)	(55,170)
Goods and services tax	21	(662,491)	(441,547)	(609,048)	(405,911)	(53,443)
Deficit for the year		(11,151,090)	(9,242,275)	(7,838,941)	(7,819,552)	(3,312,149)
						(1,422,723)
Balance as at 31 March		48,553,506	59,704,596	25,614,876	33,453,817	22,938,630
Less: Fair value reserve	8	-	-			26,250,779
Balance as at 31 March		48,553,506	59,704,596			
Represented by:						
Current assets						
Financial assets at fair value through profit or loss	10	45,981,321	41,707,042			
Cash and short-term deposits	13	3,057,018	19,194,650			
Interest receivable		183,829	627,040			
Conservancy and service fees receivables	11	279,262	251,125			
Other receivables	12	517,982	630,811			
Due from accumulated surplus		3,482,289	3,202,590			
		53,501,701	65,613,258			
Total assets		53,501,701	65,613,258			
Less:						
Current liabilities						
Payables and accrued expenses	16	(4,004,505)	(5,526,616)			
Income tax payable	17	(943,690)	(382,046)			
		(4,948,195)	(5,908,662)			
NET ASSETS		48,553,506	59,704,596			

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

5 Ordinary Sinking Fund (continued)

(i) Investment and other income	2025	2024
	\$	\$
Interest income - fixed deposits	395,075	919,016
Fair value gain from financial assets carried at fair value through profit or loss	4,008,690	1,375,144
Other Income	512	2,508
	4,404,277	2,296,668

(ii) Expenditure	2025	2024
	\$	\$
Re-roofing works	2,427,162	3,453,742
Electrical rewiring	6,433,956	3,292,485
Replacement of water pump sets	911,671	361,390
Escalator works	40,392	19,950
Repairs and redecoration	19,575,612	15,052,270
Replacement of water pipes	-	7,972
Replacement of fire fighting & protection system	158,520	279,419
Consultancy fees and other charges	865,363	1,034,925
Replacement of water tank lining	70,280	2,596,195
	30,482,956	26,098,348

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

6 Lift Replacement Fund

Note	Total		Residential Property		Commercial Property	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Balance as at 1 April	58,112,752	51,192,322	45,914,732	40,238,109	12,198,020	10,954,213
Add:						
Operating income transfer from conservancy and service fees	4	6,836,511	6,398,397	5,963,854	5,575,561	872,657
Investment and other income	6(i)	1,820,779	1,937,537	1,673,677	1,781,212	147,102
Selective Lift Replacement Programme		24,768	-	24,768	-	-
Funding for Lift Enhancement Programme		2,461,847	3,940,488	2,454,251	3,805,741	7,596
Transfer from LRF Matching Grant	4,22	4,383,051	4,126,556	3,943,175	3,713,022	439,876
Transfer from government grants on Special Funding Support	4,22	300,677	230,318	300,677	230,318	-
Transfer from government grants on S&CC, GST Subvention and LMG	4,22	1,626,683	1,552,022	1,621,999	1,547,348	4,684
		17,454,316	18,185,318	15,982,401	16,653,202	1,471,915
						1,532,116
Less: Expenditure	6(ii)	(6,386,440)	(10,742,757)	(6,040,894)	(10,496,528)	(345,546)
Less: Income tax	17	(309,493)	(327,783)	(284,591)	(301,388)	(24,902)
Goods and services tax	21	(156,794)	(194,348)	(144,158)	(178,663)	(12,636)
Surplus for the year		10,601,589	6,920,430	9,512,758	5,676,623	1,088,831
						1,243,807
Balance as at 31 March		68,714,341	58,112,752	55,427,490	45,914,732	13,286,851
						12,198,020

Represented by:

Current assets

Cash and short-term deposits
Interest receivable
Conservancy and service fees receivables
Other receivables
Due from accumulated surplus

13	59,908,119	50,599,254
	383,008	856,589
11	150,376	135,225
12	7,851,493	6,475,476
	1,832,896	1,688,946
	70,125,892	59,755,490
	70,125,892	59,755,490

Total assets

Less:

Current liabilities

Payables and accrued expenses
Income tax payable

16	(774,295)	(1,157,394)
17	(637,256)	(485,344)
	(1,411,551)	(1,642,738)
	68,714,341	58,112,752

NET ASSETS

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

6 Lift Replacement Fund (continued)

(i) Investment income	2025	2024
	\$	\$
Interest income - fixed deposits	1,673,265	1,796,184
Interest income - bank	147,514	132,185
Other Income	-	9,168
	1,820,779	1,937,537

(ii) Expenditure	2025	2024
	\$	\$
Lift cyclical maintenance works	2,387,364	2,218,129
Lift overhauls and replacement works	674,743	3,927,400
Replacement of Lift Position Display Panel	458,880	252,736
Lift Enhancement Programme	2,637,554	4,189,940
Project management and other charges	227,899	154,552
	6,386,440	10,742,757

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

7 Town Improvement and Project Fund

Note	Total		Residential Property		Commercial Property	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Balance as at 1 April	420,000	279,000	386,190	256,680	33,810	22,320
Transfer from government grants	4,23 2,511,858	1,402,994	2,482,763	1,332,673	29,095	70,321
Expenditure	7(i) (2,790,936)	(1,558,733)	(2,667,957)	(1,470,256)	(122,979)	(88,477)
Deficit for the year	(279,078)	(155,739)	(185,194)	(137,583)	(93,884)	(18,156)
Transfer from / (to) accumulated surplus*	4 (140,922)	(123,261)	(200,996)	(119,097)	60,074	(4,164)
	-	-	-	-	-	-
Appropriation from accumulated surplus **	4 820,000	420,000	753,990	386,190	66,010	33,810
Balance as at 31 March	820,000	420,000	753,990	386,190	66,010	33,810

Represented by:

Current asset

Due from accumulated surplus	820,000	420,000
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(i) Expenditure

Construction of covered linkways and pavilion	2,032,226	837,708
Construction/upgrading of playground, fitness corner etc	301,044	206,131
Residents' and study corner	34,064	24,017
Outdoor facilities	423,602	490,877
	2,790,936	1,558,733

* At the end of each financial year, the Town Council would transfer any surplus or deficit from the Town Improvement Project Fund to the accumulated surplus.

** The amount required by Town Improvement Project Fund for the following year would then be appropriated from the accumulated surplus.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

8 Plant and equipment

	Note	Furniture, fixtures and fittings \$	Office equipment \$	Data processing equipment \$	Total \$
<u>Cost</u>					
As at 31 March 2023		945,874	204,390	159,204	1,309,468
Additions		26,411	4,913	30,519	61,843
Written off		(2,160)	(7,270)	(19,926)	(29,356)
As at 31 March 2024		970,125	202,033	169,797	1,341,955
Additions		83,133	2,750	40,400	126,283
Written off		-	(6,913)	(29,972)	(36,885)
As at 31 March 2025		1,053,258	197,870	180,225	1,431,353
<u>Accumulated depreciation</u>					
As at 31 March 2023		918,488	199,876	122,842	1,241,206
Depreciation	20	11,130	2,141	27,949	41,220
Written off		(2,160)	(7,270)	(19,926)	(29,356)
As at 31 March 2024		927,458	194,747	130,865	1,253,070
Depreciation	20	24,492	1,731	22,220	48,443
Written off		-	(6,413)	(29,972)	(36,385)
As at 31 March 2025		951,950	190,065	123,113	1,265,128
<u>Net book value</u>					
As at 31 March 2024		42,667	7,286	38,932	88,885
As at 31 March 2025		101,308	7,805	57,112	166,225

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

9 Right-of-use assets	Data management system \$	Office premises \$	Office equipment \$	Total \$
Cost				
As at 31 March 2023	1,857,275	727,624	44,541	2,629,440
Additions	-	316,974	-	316,974
End of lease term	-	(320,563)	-	(320,563)
As at 31 March 2024	1,857,275	724,035	44,541	2,625,851
Additions	-	-	-	-
End of lease term	-	-	-	-
As at 31 March 2025	1,857,275	724,035	44,541	2,625,851
Accumulated depreciation				
As at 31 March 2023	696,478	256,533	8,660	961,671
Charge to profit or loss	309,546	242,442	14,847	566,835
End of lease term	-	(320,563)	-	(320,563)
As at 31 March 2024	1,006,024	178,412	23,507	1,207,943
Charge to profit or loss	309,546	241,345	14,847	565,738
End of lease term	-	-	-	-
As at 31 March 2024	1,315,570	419,757	38,354	1,773,681
Net carrying amount				
As at 31 March 2024	851,251	545,623	21,034	1,417,908
As at 31 March 2025	541,705	304,278	6,187	852,170

10 Financial assets at fair value through profit or loss

The funds with fund manager are administered by Lion Global Investors Ltd. The fund manager is given discretionary powers within certain guidelines to invest the funds. The fund manager is entitled to charge a monthly management fee based on the month-end net assets valuation of the funds at an agreed rate.

Cash and fixed deposits included in investment with fund manager cannot be freely withdrawn for use by the Town Council until the expiry or termination of fund management agreement. This agreement can be terminated by either party giving a notice period of 1 month.

The funds are invested in accordance with the Town Councils Act.

	Note	2025 \$	2024 \$
Balance at beginning of year		42,195,855	40,820,711
Interest income		839,450	986,617
Management fees		(16,274)	(15,269)
Change in fair value		3,185,514	403,796
Balance at end of the year		46,204,545	42,195,855

At the end of the reporting period, the investments with fund manager comprised the following:

		2025 \$	2024 \$
At fair value			
- Unquoted Equity Fund		2,208,000	1,620,000
- Quoted Equity Fund		6,890,461	6,734,240
- Quoted Bonds		36,882,860	33,352,802
Financial assets at fair value through profit or loss		45,981,321	41,707,042
Cash and fixed deposits held in trust by fund managers	13	39,395	279,358
Interest receivables		183,829	209,455
		46,204,545	42,195,855
Taken up in:			
Ordinary Sinking Fund		46,204,545	42,195,855

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

11 Conservancy and service fees receivables

	Note	2025 \$	2024 \$
Conservancy and service fees receivables		2,449,802	2,472,510
Less: Allowance for credit loss		(1,326,980)	(1,450,484)
Net		1,122,822	1,022,026
Taken up in:			
Accumulated surplus		693,184	635,676
Ordinary Sinking Fund	5	279,262	251,125
Lift Replacement Fund	6	150,376	135,225
		1,122,822	1,022,026

Conservancy and service fees receivables are non-interest bearing and are generally on 30 days (2024: 30 days) credit term.

The movements in allowance for credit loss are as follows:

		2025 \$	2024 \$
Balance as at 1 April		1,450,484	1,573,047
Write off during the year		(65,780)	(23,698)
Reversal to profit or loss	20	(57,724)	(98,865)
Balance as at 31 March		1,326,980	1,450,484

12 Other receivables

	Note	2025 \$	2024 \$
Deposits		611,927	545,812
Claims for Citizens' Consultative Committee funding receivable		3,725,473	2,855,271
Billing for work carried out, reimbursement from HDB		1,081,419	290,188
Billing for work carried out, reimbursement from contractors		53,525	77,804
Billing for work carried out, reimbursement from NEA		51,959	20,419
Receivable from MND		630,689	581,419
GST receivable		455,701	-
Grant receivable		928,782	922,340
Prepayments		-	-
SLRP funding receivable from HDB		6,756,948	5,631,573
Other receivables*		969,995	768,534
Less: Allowance for credit loss		(278,557)	(306,863)
Net		14,987,861	11,386,497
Taken up in:			
Accumulated surplus		6,618,386	4,280,210
Ordinary Sinking Fund	5	517,982	630,811
Lift Replacement Fund	6	7,851,493	6,475,476
		14,987,861	11,386,497

The movements in allowance for credit loss for other receivables are as follows:

		2025 \$	2024 \$
Balance as at beginning of year		306,863	337,526
(Reversal)/ Charge to profit or loss	20	(13,387)	7,048
Written off during the year		(14,919)	(37,711)
Balance as at year end		278,557	306,863

*Other receivables consist of fee incurred and penalty fee imposed on outstanding conservancy and service fees receivables. ECL is provided on the same basis as conservancy and service fees receivables.

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

13 Cash and short-term deposits

	Note	2025 \$	2024 \$
Cash on hand		10,000	11,000
Cash at banks		18,339,970	16,874,115
Cash and fixed deposits held in trust by fund managers	10	39,395	279,358
		<u>18,389,365</u>	<u>17,164,473</u>
Fixed deposits with financial institutions		65,526,000	74,718,000
		<u>83,915,365</u>	<u>91,882,473</u>
Taken up in:			
Accumulated surplus		20,950,228	22,088,569
Ordinary Sinking Fund	5	3,057,018	19,194,650
Lift Replacement Fund	6	59,908,119	50,599,254
		<u>83,915,365</u>	<u>91,882,473</u>
Fixed deposits			
- Maturing in more than 3 months		38,371,000	47,595,000
- Maturing within 3 months		27,155,000	27,123,000
		<u>65,526,000</u>	<u>74,718,000</u>

Fixed deposits are placed for a period of 5 to 12 months. The interest rates range from 2.45% to 2.88% (2024: 3.33% to 4.15%) per annum. The weighted average effective interest rates per annum relating to fixed deposits is 2.82% (2024: 3.93%).

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

	2025 \$	2024 \$
Cash and short-term deposits	83,915,365	91,882,473
Less: Fixed deposits maturing more than 3 months	(38,371,000)	(47,595,000)
Less: Cash and fixed deposits held in trust by fund managers	(39,395)	(279,358)
Cash and cash equivalents per statement of cash flows	<u>45,504,970</u>	<u>44,008,115</u>

14 Lease liabilities

	2025 \$	2024 \$
Current liabilities	465,413	508,075
Non-current liabilities	281,815	746,600
	<u>747,228</u>	<u>1,254,675</u>
<u>Contractual cash flows</u>		
Within 1 year	545,319	589,911
Year 2	344,338	545,319
Year 3	-	343,710
	<u>889,657</u>	<u>1,478,940</u>
Less: Future interest expenses	(142,429)	(224,265)
Present value of lease liabilities	<u>747,228</u>	<u>1,254,675</u>

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

	2025 \$	2024 \$
At beginning of year	1,254,675	1,459,030
New leases during the year	-	316,974
<u>Changes from financing cash flows</u>		
Repayment of lease liabilities	(589,283)	(589,821)
<u>Non-cash changes</u>		
Interest expense	81,836	68,492
At end of year	<u>747,228</u>	<u>1,254,675</u>

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

14 Lease liabilities (continued)

Amount recognised in Income and Expenditure	2025 \$	2024 \$
<u>Leases under FRS 116</u>		
Interest expense on lease liabilities	81,836	68,492

The Town Council has entered into lease contracts for its office premises, office equipment and data management system. The lease for office premises typically runs for 3 years, with an option to renew the lease after that date. Lease payment is renegotiated upon renewal based on prevailing market conditions. The estimated reinstatement cost for the lease of office premises is insignificant.

The lease term for the data management system is 6 years, with an option to enter for the maintenance services after that date. The Town Council reserves the right to exercise for the option years but the option years are not recognised for the reason of uncertainty from business perspective.

15 Receivables for Neighbourhood Renewal Programme (NRP) and Electrical Load Upgrading (ELU) Programme

	2025 \$	2024 \$
Balance as at 1 April	2,552,605	886,486
Funding from government	(1,489,314)	(131)
Payments to contractors	7,895,704	1,666,250
	6,406,390	1,666,119
Balance as at 31 March	8,958,995	2,552,605

Neighbourhood Renewal Programme ("NRP") was introduced in August 2007 in response to feedback received from residents during the Forum on HDB Heartware for more active consultation on the improvements to be provided in their precincts. Blocks built up to 1989 and have not undergone the Main Upgrading Programme (MUP) or Interim Upgrading Programme (IUP) are eligible for NRP. In 2024, NRP was extended to include flats built up to 1999. The funding for the programme comes from the government and is for the specific use of projects under the programme. However, if the cost of project works incurred exceeds the funding provided, the Town Council has to bear the cost of excess expenditures.

The ELU Programme was introduced to upgrade the incoming electrical supply for HDB apartments blocks with a 40 amps main switch instead of 30 amps.

16 Payables and accrued expenses	Note	2025 \$	2024 \$
Accruals for completed works		615,758	343,632
Accrued operating expenses		13,994,592	10,398,513
Time-limited special funding support received in advance		533,103	548,373
Refundable deposits		909,960	502,973
GST Payable		-	37,281
Other payables		227,615	294,238
		16,281,028	12,125,010
Taken up in:			
Accumulated surplus		11,502,228	5,441,000
Ordinary Sinking Fund	5	4,004,505	5,526,616
Lift Replacement Fund	6	774,295	1,157,394
		16,281,028	12,125,010

Payables are non-interest bearing and are generally on 30 - 90 days (2024: 30 - 90 days) credit term.

As at 31 March 2025, included in the accrued operating expenses is an amount of \$584,679 (2024: \$637,387) payable to the managing agent with a credit term of 30 days (2024: 30 days).

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

17 Income tax

	Note	2025 \$	2024 \$
Current tax expense		1,257,198	695,926
(Over)/ Under-provision of tax in previous financial years		(60,215)	2,598
		1,196,983	698,524
Taken up in:			
Accumulated surplus	4	201,818	178,902
Ordinary Sinking Fund	5	685,672	191,839
Lift Replacement Fund	6	309,493	327,783
		1,196,983	698,524

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

	2025 \$	2024 \$
<u>Taxable income and deductible expenses</u>		
Interest and investment income	6,768,493	3,671,942
Government grants and other income	20,555,258	18,214,188
Trade income	607,810	437,043
Allowable expenses	-	(43,477)
	27,931,561	22,279,696
Tax calculated at a tax rate of 17% (2024: 17%)	4,748,365	3,787,548
Tax remission of government grants under section 92(2) of Singapore Income Tax Act	(3,473,742)	(3,074,197)
Singapore statutory stepped income exemption	(17,425)	(17,425)
Current tax expense	1,257,198	695,926
(Over)/ Under-provision of tax in previous financial years	(60,215)	2,598
	1,196,983	698,524

The movements in income tax payable are as follows:

	Note	2025 \$	2024 \$
Balance as at 1 April		1,181,512	712,304
Payments during the year		(422,481)	(229,316)
Current year income tax expense		1,257,198	695,926
(Over)/ Under-provision of tax in previous financial years		(60,215)	2,598
Balance as at 31 March		1,956,014	1,181,512
Taken up in:			
Accumulated surplus		375,068	314,122
Ordinary Sinking Fund	5	943,690	382,046
Lift Replacement Fund	6	637,256	485,344
		1,956,014	1,181,512

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

18 Agency fees

These are fees received from routine maintenance of HDB's car parks in the Town.

19 Other income

	2025 \$	2024 \$
Penalty on late payment of conservancy and services fees	97,954	89,805
Liquidated damages imposed on contractors	151,835	265,460
Temporary occupational licenses	1,986,736	2,013,758
Usage of void deck, water, electricity and common property	306,401	347,069
Others	73,891	79,493
	2,616,817	2,795,585

20 General and administrative expenditure

	Note	2025 \$	2024 \$
Advertising, publicity and public relations		53,165	601,591
Audit fees		30,910	41,359
Computer services and fees		103,786	81,149
Depreciation of plant and equipment	8	48,443	41,220
Depreciation of right-of-use assets	9	565,738	566,835
Insurance premium		133,279	93,054
Lease interest expenses	14	81,836	68,492
Office upkeep expenditure		120,732	105,715
Office supplies and stationery		133,904	133,102
Others		230,985	191,780
Property tax		200,589	206,191
Staff salaries and related expenses		295,699	215,443
Telecommunication		98,842	94,169
Town Councillors' allowances		210,071	219,455
Reversal for credit loss on receivables, net	11,12	(71,111)	(91,817)
		2,236,868	2,567,738

21 Goods and Services Tax ("GST")

Government grants received by the Town Council are considered non-taxable supplies. Therefore, input tax claimable is based on a formula determined by the Inland Revenue Authority of Singapore. The unclaimable portion is charged to statement of income and expenditure.

Disallowed input tax in the respective funds are as follows:

	Note	2025 \$	2024 \$
Accumulated surplus	4	927,182	702,092
Ordinary Sinking Fund	5	662,491	441,547
Lift Replacement Fund	6	156,794	194,348
		1,746,467	1,337,987

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

22 Government grants

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

Note	Total		Service and Conservancy Charges Grant		Lift Replacement Fund Matching Grant		Payment from Citizens Consultative Committees		Time-limited Special Funding Support		GST Subvention Grant		Lift Maintenance Grant	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Government grants received/receivable	18,182,950	16,235,952	8,308,160	8,239,283	4,383,051	4,126,556	2,511,858	1,402,994	2,147,681	1,645,119	-	-	832,200	822,000
GST Subvention received/receivable	2,478,777	2,024,570	-	-	-	-	-	-	-	-	2,478,777	2,024,570	-	-
4	20,661,727	18,260,522	8,308,160	8,239,283	4,383,051	4,126,556	2,511,858	1,402,994	2,147,681	1,645,119	2,478,777	2,024,570	832,200	822,000
Less: Transfers to														
- Ordinary Sinking Fund	4, 5	(3,579,373)	(3,310,054)	(2,160,121)	(2,142,214)	-	-	-	(558,396)	(427,731)	(644,483)	(526,388)	(216,373)	(213,721)
- Lift Replacement Fund	4, 6	(6,310,411)	(5,908,896)	(1,163,143)	(1,153,499)	(4,383,051)	(4,126,556)	-	(300,677)	(230,318)	(347,031)	(283,442)	(116,509)	(115,081)
- Town Improvement and Project Fund	4, 7	(2,511,858)	(1,402,994)	-	-	-	-	(2,511,858)	(1,402,994)	-	-	-	-	-
	8,260,085	7,638,578	4,984,896	4,943,570	-	-	-	-	1,288,608	987,070	1,487,263	1,214,740	499,318	493,198

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

	2025	2024
	\$	\$
Balance as at beginning of the year	399,633,907	381,373,385
Add: Grants received/receivable	20,661,727	18,260,522
Balance as at end of the year	420,295,634	399,633,907

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

23 Inter-fund transfers

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

24 Commitments

Approved Town Council's expenditure not provided for in the financial statements as at the financial year-end is as follows:

	2025 \$	2024 \$
Amount approved and contracted for	25,499,858	33,393,296
Amount approved but not contracted for	26,144,850	10,146,988
	51,644,708	43,540,285

25 Significant related party transactions

Marine Parade-Braddell Heights Town Council is managed by the managing agent, M/s C&W Services (S) Pte Ltd. Related party relates to the managing agent which provides key management personnel in the management of Town Council's operations.

	2025 \$	2024 \$
Town Councillors' allowances	210,071	219,455

The following are significant transactions that took place between the Town Council and its managing agent on terms agreed between the parties during the financial year:

	2025 \$	2024 \$
- Managing agent fees	4,942,090	4,880,554
- Project management and other fees	3,044,910	3,138,552

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

26 Financial instruments and financial risk

The Town Council's financial instruments comprised of cash and cash equivalents, investments in financial assets carried at fair value through profit or loss, conservancy and service fees receivables and other receivables, accrued expenses and other payables that arise from its operations.

The main risks arising from the Town Council's financial instruments are credit risk and market risk. The Town Council is not exposed to foreign exchange risk. Risks management policies and systems are reviewed regularly to reflect changes in the operational environment and market conditions.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. Financial assets subject to credit risk consist principally of cash balances with banks, conservancy and service fee receivables from household owners, other receivables and investment securities. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the financial year.

The cash with banks are held with 6 (2024: 6) regulated banks. For investments in securities, the Town Council minimise credit risk by dealing with high credit rating counterparts. The other receivables comprise mainly receivables from government agencies. Impairment of these financial instruments are measured on the 12-month expected credit loss basis as there is no significant increase in credit risk of these financial instruments since initial recognition. The Town Council considers that these financial instruments have low credit risk.

For conservancy and service fees receivables, an ongoing credit evaluation is performed on the financial conditions of the receivables and credit losses are recognised in statement of income and expenditure. The allowance for credit loss of conservancy and service fees receivables totalling \$1,326,980 (2024: \$1,450,484) is determined at the reporting date (Note 11).

The Town Council measures loss allowance for conservancy and service fees receivables using simplified approach at an amount equal to lifetime expected credit losses ("ECLs"), 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 debtor segments, the loss allowance based on past due status is not further distinguished between the Town Council's different debtor bases.

The following table provides information about the Town Council's exposure to credit risk and ECLs for conservancy and service fees receivables as at 31 March 2025.

	Past due				
	0 - 5 months	6 - 11 months	12 - 23 months	over 24 months	Total
31 March 2025					
Provision on individual basis					
Lifetime expected credit loss rate	100%	100%	100%	100%	
Gross carrying amount of terminated account (\$)	44,531	111,210	53,953	82,714	292,408
Loss allowance of terminated account (\$)	(44,531)	(111,210)	(53,953)	(82,714)	(292,408)
Provision on collective basis					
Lifetime expected credit loss rate	0%	25%	50%	100%	
Gross carrying amount excluding terminated account (\$)	766,323	280,533	292,200	818,338	2,157,394
Loss allowance excluding terminated account (\$)	-	(70,133)	(146,101)	(818,338)	(1,034,572)
Total loss allowance	(44,531)	(181,343)	(200,054)	(901,052)	(1,326,980)
	Past due				
	0 - 5 months	6 - 11 months	12 - 23 months	over 24 months	Total
31 March 2024					
Provision on individual basis					
Lifetime expected credit loss rate	100%	100%	100%	100%	
Gross carrying amount of terminated account (\$)	36,277	41,309	37,559	172,573	287,718
Loss allowance of terminated account (\$)	(36,277)	(41,309)	(37,559)	(172,573)	(287,718)
Provision on collective basis					
Lifetime expected credit loss rate	0%	25%	50%	100%	
Gross carrying amount excluding terminated account (\$)	651,283	291,412	304,369	937,729	2,184,793
Loss allowance excluding terminated account (\$)	-	(72,853)	(152,184)	(937,729)	(1,162,766)
Total loss allowance	(36,277)	(114,162)	(189,743)	(1,110,302)	(1,450,484)

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

26 Financial instruments and financial risk (cont'd)

Credit risk (cont'd)

The Town Council keeps assessing the expected credit loss rates based on the Town Council's historical credit loss experience over the past years, adjusted for factors that are specific to the debtors, and an assessment of both the current and forecast general economic conditions at the end of the reporting period over the expected lives of the receivables.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period. A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

There is no concentration of credit risk with respect to conservancy and service fees receivables, as the Town Council has a large number of household owners.

The total amount receivable from each individual account is aged based on the earliest invoice which is still outstanding as at each month end.

Market risk

Equity price risk

The Town Council is exposed to securities price risk from financial assets which are classified on the statement of financial position at fair value through profit or loss. Fluctuations in the equity price risk of a security may result from perceived changes in the underlying economic characteristics of the financial assets and the market conditions. The investment portfolio with fund managers is monitored by the fund managers, on a regular basis, so as to assess changes in fundamentals and valuation. Guidelines have been set by the Finance and Investment Committee to manage the exposure of the investment portfolio so as to reduce exposures to market volatility by diversifying the investment portfolio into equities, bonds and other financial assets.

At the end of the reporting period, the Town Council has a total investment in unquoted equity fund of \$2,208,000 (2024:\$1,620,000) and quoted equity fund of \$6,890,461 (2024: \$6,734,240). A 10% increase (decrease) in the underlying equity prices at the reporting date would increase (decrease) financial assets at fair value through profit or loss and sinking funds surplus by \$909,846 (2024:\$835,424).

Interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Town Council's interest rate risk primarily relates to its interest earning fixed deposits with banks.

Sensitivity analysis

At the end of the reporting period, if interest rates had been 100 (2024: 100) basis points lower/ higher with all other variables held constant, the Town Council's surplus net of tax would have been \$543,866 (2024: \$620,159) lower/ higher, arising mainly as a result of lower/higher interest income on fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Town Council will encounter difficulty in meeting financial obligations due to shortage of funds. The Town Council manages the liquidity risk by maintaining sufficient cash, internally generated cash flows, as well as on basis of expected payment dates of the financial liabilities.

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

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

Financial instruments by category

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

	2025 \$	2024 \$
Financial assets at fair value through profit or loss	45,981,321	41,707,042
Financial assets at amortised cost	109,632,738	108,427,218
Less: financial liabilities at amortised cost	(18,034,223)	(14,325,971)
Net	137,579,836	135,808,289

MARINE PARADE-BRADDELL HEIGHTS TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

27 Fair value of financial assets and liabilities

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

The Town Council does not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

The fair value for quoted bonds and quoted equity funds at fair value through profit or loss are determined by reference to their quoted bid prices at the end of the reporting date and are categorised under the Level 1 of the fair value hierarchy. The fair value of an unquoted equity fund is based on the published net asset value of the fund at the end of the reporting period and is classified under Level 2 of the fair value hierarchy.

28 Funds management

The Town Council's objectives when managing funds are:

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

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

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

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

The Town Council's total funds amounted to \$136,642,217 (2024: \$136,096,289).

29 Subsequent Events

Changes in electoral boundaries

By virtue of the writ of election issued on 15 April 2025, a general election was called for on 3 May 2025. As a result of the redrawing of the electoral boundaries after the general elections and the issue of Town Councils (Declaration) Order 2025 on 30 May 2025, Marine Parade Town Council has been renamed as Marine Parade-Braddell Heights Town Council and has handed approximately 7,959 units of residential and commercial properties to East Coast Town Council on 1 August 2025 and taken over approximately 1,267 residential units from the some of the newly built blocks at Potong Pasir SMC. With the handover, the total EDU managed by the Town Council has been reduced by 6,837 with conservancy and service income expected to reduce by approximately \$4.5 million per annum.

Further, as the members elected for the constituency stood in elections for the same political party, hence there will be a transfer of 80% surpluses as at 31 March 2024 after Parliamentary election to the Ordinary Sinking Funds and Lift Replacement Funds of the Town Council, in accordance with Town Council Act 1988. The surpluses to be transferred to Ordinary Sinking Fund and Lift Replacement Fund after taking into consideration of capital commitments of Town Improvement works and capital expenditures as at 14 April 2025 (the day before the writ of election) approximates \$8.6 million.



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