



# ANNUAL REPORT

FY23/24



**WEST COAST  
TOWN COUNCIL**

Making West Coast our Best Home, Together.



# MISSION

Making West Coast our Best Home, Together.

# VISION

West Coast Town Council will enhance our estates and improve our infrastructure to support the well-being of our residents.

# WE WILL

01. Build a safe and conducive living environment through sustainable practices.
02. Uphold the highest standards of governance and integrity.
03. Nurture a caring town and a cohesive community.

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# CHAIRMAN'S MESSAGE

Dear Residents,

I am delighted to present the Town Council's Annual Report for Financial Year 23/24. As we reflect on the past year, I would like to express my sincere appreciation for your support, patience, and understanding, which have been instrumental in our progress towards building a stronger, more vibrant community.

We recognise the ongoing challenge of the cost of living and are committed to advocating for initiatives that alleviate the financial burden on our residents. We are pleased to see government support measures such as the GST Voucher scheme, Assurance Package, and Cost of Living Support, which help mitigate the impact of inflation.

As we strive for sustainability, we are exploring ways to build eco-friendly towns, reduce waste, and promote energy efficiency. Our sustainability efforts are in full swing, with initiatives like SG recycling machines, Cloop Textile Recycling, and tree planting programmes to green our community. We are collaborating with government agencies and partners to achieve our sustainability goals and support the Singapore Green Plan 2030.

In addition to these efforts, we are investing in infrastructure to support eco-friendly transportation, including the expansion of EV Charging ports in our estate. This will make it more convenient for residents to adopt eco-friendly transportation options, reducing carbon footprint and creating a more sustainable living environment.

We are also on track to achieve our vision of building the best home for all residents in West Coast GRC & Pioneer SMC through the continuation of Town Improvement works and Neighbourhood Renewal Programmes. Estate upgrading programmes such as Repairs & Redecoration (R&R), the Lift Enhancement programme, and our scheduled cyclical works will continue to be carried out effectively to spruce up our estate.

I extend my heartfelt thanks to my dedicated colleagues and wonderful residents for your unwavering trust and support. Your partnership is the foundation of our achievements, and we are honoured to serve this community together. Let's continue nurturing the spirit of togetherness that makes our community thrive!

**Mr Patrick Tay Teck Guan, BBM**  
Chairman of West Coast Town Council







# CODE OF GOVERNANCE PRACTICES



# CODE OF GOVERNANCE PRACTICES

The West Coast Town Council is dedicated to upholding the principles of the Code of Governance, ensuring transparency and high governance standards in our operations. Our policies and procedures are aligned with the Code's core tenets:

- Council Effectiveness
- Internal Controls & Processes
- Financial Management
- Vendor Management

We have established six committees to oversee vital aspects of our operations, with members selected through a rigorous process based on their experience, skills, and commitment. To ensure resident representation, two-thirds of appointed members must be HDB estate residents within the Town.

Risk management is a top priority, with proactive measures in place:

- Risk Management
- Business Continuity Management
- Internal Controls

Our annual Business Continuity Plan review ensures uninterrupted delivery of essential services. We have appointed M/s Ernst and Young Advisory Pte Ltd to audit and review risks and key controls, facilitating effective controls and policies to address operational risks.

Our Risk Management Framework enables the identification and reporting of key risks, with an annual risk assessment and evaluation of internal controls. We are confident that our framework and policies align with the Ministry of National Development's Code of Governance, effectively mitigating risks encountered by the Town Council.





# SUSTAINABILITY EFFORTS



# SUSTAINABILITY EFFORTS

At West Coast Town, we're dedicated to sustainability and environmental stewardship. Our eco-friendly initiatives promote community involvement and a greener future. We're proud to have:

- Installed EV chargers, supporting green transportation and reducing reliance on fossil fuels
- Harnessed renewable energy with solar panels, powering our community
- Organized tree planting activities, bringing residents together and enhancing urban greenery
- Implemented recycling programs for paper, textiles, and electronic waste, making it easy for residents to reduce their waste footprint



EV Chargers



CLOOP Textile Recycling

These initiatives foster community pride and responsibility, creating a better world for future generations. By working together, we're building a thriving, eco-friendly community and contributing to a healthier environment. We're continually exploring new ways to reduce, reuse, and recycle, and we're excited to see the positive impact of our efforts.

Our initiatives set a standard for environmental responsibility, inspiring others to follow suit. Let's continue to work together towards a greener, brighter future, where sustainability and community spirit thrive.





# FISCAL MANAGEMENT



# FISCAL MANAGEMENT



For the financial year ended 31 March 2024, the Town Council achieved an operating surplus of \$5.68 million after receiving government grant(s). In the absence of the grant, an operating deficit of \$2.84 million would have been recorded. Despite experiencing an increase in expenditure due to the maturing estates, the Town Council remains committed to financial prudence.

To ensure effective resource allocation, we regularly review forecasted projects to assess their relevance to current resident needs. Our improvement works are prioritized based on the greatest benefits to residents, ensuring that our initiatives align with their evolving requirements.





# FINANCIAL STATEMENTS



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

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**FORVIS MAZARS LLP**  
**(FORMERLY KNOWN AS MAZARS LLP)**  
Public Accountants and  
Chartered Accountants  
Singapore

**WEST COAST TOWN COUNCIL**

**FINANCIAL STATEMENTS  
FINANCIAL YEAR ENDED 31 MARCH 2024**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
WEST COAST TOWN COUNCIL**

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**Report on the Audit of Financial Statements**

*Opinion*

We have audited the financial statements of West Coast Town Council (the "Town Council"), which comprise the statement of financial position of the Town Council as at 31 March 2024, and the statements of income and expenditure, comprehensive income, changes in funds and cash flows of the Town Council for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements of the Town Council are properly drawn up in accordance with the provisions of the Town Councils Act 1988 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 2024 and of the financial performance, changes in 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 *Auditors' 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* (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.

*Other Information*

Management is responsible for the other information. The other information relates to the Chairman's Review included in the annual report, which we obtained prior to the date of this report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST COAST TOWN COUNCIL

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### Report on the Audit of Financial Statements (Continued)

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements (Continued)*

The Town Council is established under the Town Councils Act and may be dissolved by the Minister's order published in the Gazette. In preparing the financial statements, management is responsible for assessing the Town Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using going concern basis of accounting.

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

#### *Auditors' 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 auditors' 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.
- 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 auditors' 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 auditors' 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 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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
WEST COAST TOWN COUNCIL

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**Report on the Audit of Financial Statements (Continued)**

**Report on Other Legal and Regulatory Requirements**

*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 *Auditors' 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* (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.

In our opinion:

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

*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.

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



FORVIS MAZARS LLP  
(FORMERLY KNOWN AS MAZARS LLP)  
Public Accountants and  
Chartered Accountants

Singapore  
20 September 2024

# WEST COAST TOWN COUNCIL

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	<u>Note</u>	<u>2024</u> S\$	<u>2023</u> S\$
<b>TOWN COUNCIL FUNDS</b>			
<b>Residential property</b>			
Accumulated surplus	3	14,512,442	10,845,545
Sinking fund	4	114,358,206	115,854,092
Lift replacement fund	5	62,429,871	58,434,066
Town improvement and project fund	6	1,628,008	1,244,168
		192,928,527	186,377,871
<b>Commercial property</b>			
Accumulated surplus	3	1,817,386	1,834,388
Sinking fund	4	24,888,573	24,721,909
Lift replacement fund	5	9,905,580	9,177,888
Town improvement and project fund	6	71,992	55,832
		36,683,531	35,790,017
<b>Carpark</b>			
Accumulated surplus	3	-	-
		<u>229,612,058</u>	<u>222,167,888</u>
<b>REPRESENTED BY:</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	766,165	1,152,794
Intangible asset	9	295,355	402,757
		1,061,520	1,555,551
<b>Current assets</b>			
Financial assets at fair value through income and expenditure	10	36,743,031	35,746,725
Conservancy and service fee receivables	11	1,785,158	1,771,195
Receivable for Neighbourhood Renewal Programme	7	4,633,879	5,881,482
Other receivables	12	12,902,857	8,120,239
Interest receivable		1,602,752	1,675,636
Cash and bank balances	13	195,780,640	195,816,815
		253,448,317	249,012,092
<b>Total assets</b>		<u>254,509,837</u>	<u>250,567,643</u>
<b>Less:</b>			
<b>Non-current liability</b>			
Lease liabilities	14(b)	327,384	692,665
<b>Current liabilities</b>			
Conservancy and service fee received in advance		1,580,589	1,230,283
Advances received for Neighbourhood Renewal Programme	7	1,752,436	421,714
Lease liabilities	14(b)	399,821	387,979
Payables and accrued expenses	15	17,670,021	24,148,757
Current tax payable		3,167,528	1,518,357
		24,570,395	27,707,090
<b>Net current assets</b>		<u>228,877,922</u>	<u>221,305,002</u>
		<u>229,612,058</u>	<u>222,167,888</u>

  
**PATRICK TAY TECK GUAN, BBM**  
Chairman

  
**DR YU SHI MING, BBM**  
Secretary

Singapore  
20 September 2024

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



**WEST COAST TOWN COUNCIL**

**STATEMENT OF INCOME AND EXPENDITURE  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Note</u>	<u>2024</u> <u>S\$</u>	<u>2023</u> <u>S\$</u>
<b>Operating income</b>			
Conservancy and service fees		61,553,917	58,473,903
Less: Operating transfer to:			
- Sinking fund (minimum required by law)	4	16,004,019	15,203,215
- Lift replacement fund (minimum required by law)	5	8,617,548	8,186,346
		<u>36,932,350</u>	<u>35,084,342</u>
Agency fees	16	5,344,093	5,293,108
Other income	17	3,395,896	3,349,310
		<u>45,672,339</u>	<u>43,726,760</u>
Less:			
<b>Operating expenditure</b>			
Cleaning works		7,973,058	7,760,770
Managing agent's fees	18	7,760,448	7,287,374
Lift maintenance		9,828,071	9,891,214
Other works and maintenance		8,435,255	8,683,773
Water and electricity		12,146,117	12,492,281
General and administrative expenditure	21	2,722,841	2,781,525
		<u>48,865,790</u>	<u>48,896,937</u>
<b>Operating deficit</b>		<u>(3,193,451)</u>	<u>(5,170,177)</u>
Add:			
<b>Non-operating income</b>			
Interest income		835,970	365,334
<b>Deficit before taxation and government grants</b>		<u>(2,357,481)</u>	<u>(4,804,843)</u>
Less:			
Income tax	23	487,492	363,991
<b>Deficit after taxation but before government grants</b>		<u>(2,844,973)</u>	<u>(5,168,834)</u>
Add:			
Government grants	25	21,005,908	16,300,463
Less: Transfer to sinking fund	4	3,695,511	2,585,196
Less: Transfer to lift replacement fund	5	7,277,986	6,170,154
Less: Transfer to town improvement and project fund	6	1,504,310	1,579,278
		<u>8,528,101</u>	<u>5,965,835</u>
<b>Surplus for the year</b>		<u>5,683,128</u>	<u>797,001</u>
Add:			
Accumulated surplus at 1 April		12,679,933	12,629,505
Less:			
Appropriation to town improvement and project fund	6	2,033,233	746,573
<b>Accumulated surplus at 31 March</b>		<u>16,329,828</u>	<u>12,679,933</u>

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

**WEST COAST TOWN COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Note</u>	<u>2024</u> <u>S\$</u>	<u>Total</u> <u>2023</u> <u>S\$</u>	<u>2024</u> <u>S\$</u>	<u>Residential</u> <u>Property</u> <u>2023</u> <u>S\$</u>	<u>2024</u> <u>S\$</u>	<u>Commercial</u> <u>Property</u> <u>2023</u> <u>S\$</u>	<u>2024</u> <u>S\$</u>	<u>Carpark</u> <u>2023</u> <u>S\$</u>
<b>Surplus/(Deficit) for the year:</b>									
- Accumulated surplus	3	5,683,128	797,001	4,042,113	(1,155,954)	65,141	315,731	1,575,874	1,637,224
- Sinking fund	4	(1,329,222)	(12,437,634)	(1,495,886)	(11,828,836)	166,664	(608,798)	-	-
- Lift replacement fund	5	4,723,497	1,369,094	3,995,805	795,432	727,692	573,662	-	-
- Town improvement and project fund	6	(1,633,233)	(411,573)	(1,567,250)	(394,493)	(65,983)	(17,080)	-	-
Total surplus/(deficit) for the year		7,444,170	(10,683,112)	4,974,782	(12,583,851)	893,514	263,515	1,575,874	1,637,224
Other comprehensive income, net of tax		-	-	-	-	-	-	-	-
<b>Total comprehensive income/(loss) for the year attributable to Town Council Funds</b>		<u>7,444,170</u>	<u>(10,683,112)</u>	<u>4,974,782</u>	<u>(12,583,851)</u>	<u>893,514</u>	<u>263,515</u>	<u>1,575,874</u>	<u>1,637,224</u>

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



**WEST COAST TOWN COUNCIL**

**STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Total</u> <u>S\$</u>	<u>Residential</u> <u>Property</u> <u>S\$</u>	<u>Commercial</u> <u>Property</u> <u>S\$</u>	<u>Carpark</u> <u>S\$</u>
<b>Balance at 1 April 2022</b>	232,851,000	197,324,498	35,526,502	-
Total comprehensive (loss)/income for the year	(10,683,112)	(12,583,851)	263,515	1,637,224
Add/(Less):				
Inter-fund transfer	-	1,637,224	-	(1,637,224)
<b>Balance at 31 March 2023</b>	<u>222,167,888</u>	<u>186,377,871</u>	<u>35,790,017</u>	<u>-</u>
<b>Balance at 1 April 2023</b>	222,167,888	186,377,871	35,790,017	-
Total comprehensive income for the year	7,444,170	4,974,782	893,514	1,575,874
Add/(Less):				
Inter-fund transfer	-	1,575,874	-	(1,575,874)
<b>Balance at 31 March 2024</b>	<u>229,612,058</u>	<u>192,928,527</u>	<u>36,683,531</u>	<u>-</u>

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

# WEST COAST TOWN COUNCIL

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	<u>Note</u>	<u>2024</u> S\$	<u>2023</u> S\$
<b>Operating activities</b>			
Deficit in income and expenditure statement before taxation and government grants		(2,357,481)	(4,804,843)
Adjustments for:			
Conservancy and service fees transferred to sinking fund	4	16,004,019	15,203,215
Conservancy and service fees transferred to lift replacement fund	5	8,617,548	8,186,346
Amortisation of intangible asset	9	107,402	107,402
Depreciation of property, plant and equipment	8	446,473	572,651
Plant and equipment written off		7	3
Lease interest expense	14(c)	45,976	24,843
Interest income	3	(835,970)	(365,334)
Operating surplus before working capital changes		22,027,974	18,924,283
(Increase)/Decrease in conservancy and service fee and other receivables		(3,540,310)	1,634,599
(Decrease)/Increase in creditors and conservancy and service fee received in advance		(6,127,306)	5,627,558
Net movement in receivable/advances received for Neighbourhood Renewal Programme		2,578,325	(1,409,571)
Cash generated from operations		14,938,683	24,776,869
Income tax paid		-	(594,295)
Sinking fund expenditure	4	(25,812,348)	(30,869,404)
Lift replacement fund expenditure	5	(13,263,987)	(13,783,822)
Town improvement and project fund expenditure	6	(3,137,543)	(1,990,851)
<b>Net cash used in operating activities</b>		<u>(27,275,195)</u>	<u>(22,461,503)</u>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(22,546)	(61,190)
Interest received		7,171,834	1,709,707
Redemption with fund manager	10	-	25,612,559
<b>Net cash generated from investing activities</b>		<u>7,149,288</u>	<u>27,261,076</u>
<b>Cash flows from financing activities</b>			
Increase in pledged in fixed deposit	13	(260)	-
Payment of lease principal		(436,720)	(550,969)
Government grants received		19,762,901	15,952,099
<b>Net cash generated from financing activities</b>		<u>19,325,921</u>	<u>15,401,130</u>
Net (decrease)/increase in cash and cash equivalents		(799,986)	20,200,703
Cash and cash equivalents at beginning of year		195,647,027	175,446,324
Cash and cash equivalents at end of year	13	<u>194,847,041</u>	<u>195,647,027</u>

### Reconciliation of liability arising from financing activities

	<u>1 April</u> <u>2023</u> S\$	<u>Financing</u> <u>cash outflows</u> S\$	<u>Non-cash movement</u>		<u>31 March</u> <u>2024</u> S\$
			<u>Acquisition</u> S\$	<u>Interest</u> <u>expenses</u> S\$	
<b>Liability</b>					
Lease liabilities	1,080,644	(436,720)	37,305	45,976	727,205

  

	<u>1 April</u> <u>2022</u> S\$	<u>Financing</u> <u>cash outflows</u> S\$	<u>Non-cash movement</u>		<u>31 March</u> <u>2023</u> S\$
			<u>Acquisition</u> S\$	<u>Interest</u> <u>expenses</u> S\$	
<b>Liability</b>					
Lease liabilities	472,336	(550,969)	1,134,434	24,843	1,080,644

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



## WEST COAST TOWN COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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#### 1 General information

The Town Council was established on 13 November 2001 under the Town Councils Act 1988 and commenced operations on 1 January 2002. The name was changed from West Coast-Ayer Rajah Town Council to West Coast Town Council on 26 May 2006. In FY 2015/2016, the electoral boundaries were redrawn following the General Elections in September 2015. The Clementi Division and seven blocks in the Ghim Moh Link estate were handed over to the Jurong-Clementi Town Council and Holland-Bukit Panjang Town Council respectively. The legal date of handing over of the maintenance of the common properties for handed over properties was on 1 December 2015.

In FY 2020/2021, the electoral boundaries were redrawn following the General Elections in July 2020. With effect from 28 October 2020, 18,212 and 197 units of residential and commercial properties, 15,157 units of car parks lots and motorcycle lots under the jurisdiction of Chua Chu Kang Town Council were transferred to West Coast Town Council. The Town now comprises the constituencies of West Coast GRC comprising the five divisions of Ayer Rajah-Gek Poh, Boon Lay, Nanyang, Telok Blangah and West Coast, and the Pioneer SMC. The functions of the Town Council are to control, manage, maintain and improve the common property of residential and commercial property in the housing estates of the Housing and Development Board (HDB) within the Town.

The financial statements of the Town Council for the financial year ended 31 March 2024 were authorised for issue by the members of Town Council on 20 September 2024.

The head office of the Town Council is situated at:

Blk 441A Clementi Avenue 3  
#02-01  
Singapore 121441

#### 2 Summary of material accounting policies

##### (a) Accounting convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRSs") as issued by the Singapore Accounting Standards Council as well as all related interpretations to FRSs ("INT FRSs") and the Town Councils Act 1988. The financial statements are prepared on a going concern basis under the historical cost convention, except as disclosed in the accounting policies below.

##### (b) Basis of preparation of financial statements

(i) The preparation of financial statements in conformity with FRSs requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the Town Council's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2(s).

(ii) Adoption of new and revised standards

On 1 April 2023, the Town Council has adopted the new or revised FRSs that are mandatory for application from that date.

**2 Summary of material accounting policies (Continued)**

**(b) Basis of preparation of financial statements (Continued)**

**(ii) Adoption of new and revised standards (Continued)**

The Town Council adopted the amendments to FRS 1 and FRS Practice Statement 2: Disclosure of Accounting Policies in the current financial period. The amendments require the disclosure of "material" instead of "significant" accounting policy information and provides guidance to assist the Town Council in providing useful, entity-specific accounting policy information for the users' understanding of the financial statements. Accordingly, management had reviewed the accounting policies and updated the information disclosed in Note 2 Summary of material accounting policies in line with the amendments.

**(c) Funds**

**Town Council Fund**

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

Residential Property; and  
Commercial Property

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

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

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

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

**Sinking Fund**

In accordance with Section 47(4) of the Act, Sinking Fund is established for the improvement to, management and maintenance of residential and commercial properties. This fund is maintained as part of the Town Council funds.

Under the Act, the Minister 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 Fund.

With effect from 1 April 2017, the minimum amounts to be paid into the Sinking Fund are revised to 26% of conservancy and service fees and grants-in-aid, excluding the LRF matching grant-in-aid for Residential Property and Commercial Property.

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 and other comprehensive income.



**2 Summary of material accounting policies (Continued)**

**(c) Funds (Continued)**

**Sinking Fund (Continued)**

The Sinking Fund is utilised for cyclical major repainting, renewal or replacement of any roofing system, water tanks, pumps and water supply system, electrical supply system, lightning protection system, major repairs and maintenance of the common area and improvement contributions to the HDB in respect of general upgrading works carried out on the common property as defined under the Housing and Development Act., any other works which may be prescribed from time to time, or for paying at the end of a financial year surpluses to any Lift Replacement Fund as authorized by the Act or the Town Council Financial Rules.

**Lift Replacement Fund**

In accordance with Section 47(5) of the Act, Lift Replacement Fund ("LRF") is established from 1 April 2017, to meet the cost of cyclical lift replacements, lift-related replacement works and lift upgrading works. This fund is maintained as part of the Town Council funds.

Under the Act, the Minister 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 LRF.

With effect from 1 April 2017, the minimum amounts to be paid into the LRF is 14% of conservancy and service fees and grants-in-aid, excluding the LRF matching grant-in-aid for Residential Property and Commercial Property.

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 and other comprehensive income.

To help Town Councils cope with the operating need and long-term capital expenditure requirement for lift replacements and lift-related works, the Ministry of National Development will provide two additional grants-in-aids, namely Lift Maintenance Grant (LMG) and LRF Matching Grant, from 1 April 2017.

**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.

TIPF comprise the amounts set aside for projects to be carried out in the next financial year. All expenditures on town improvement and projects are appropriated from these reserves.

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

**2 Summary of material accounting policies (Continued)****(d) Allocation of general overheads**

Expenditure not specifically related to any property type managed, for example, administrative overheads, tree planting and pruning are allocated to the various property types using equivalent dwelling units as follows:

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

The Town Council apportions 5% of general overheads from Routine Fund to Sinking Fund and Lift Replacement Fund.

**(e) Government grants**

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

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

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

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

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

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

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

In April 2023, the Ministry of National Development ("MND") informed that for Town Councils that need to adjust their Service and Conservancy Charges ("S&CC") to manage operations sustainably, MND will co-share the burden on Town Councils and residents by providing a time-limited Special Funding Support ("SFS") grant equivalent to the additional S&CC income generated from gazetted S&CC increases from FY2023 and FY2024, subject to a cap of 13% of the Town Council's residential S&CC income in the FY 2022 audited financial statements. The Town Council revised its S&CC over two years, effective on 1 July 2023 and 1 July 2024, respectively. The first disbursement of the SFS grant was received by the Town Council in August 2023. It is taken to the income and expenditure statement at the time of receipt.



**2 Summary of material accounting policies (Continued)****(f) Property, plant and equipment**

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

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

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

Furniture, fixtures and fittings	20%
Data processing equipment	33.3%
Office equipment	20%
Renovation	20%
Leasehold premises	Over remaining lease period
Leasehold equipment	Over remaining lease period

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

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

For right-of-use assets for which ownership of the underlying asset is not transferred to the Town Council by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease period is disclosed in Note 14.

The carrying values of property, 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.

**2 Summary of material accounting policies (Continued)**

**(f) Property, plant and equipment (Continued)**

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 property, plant and equipment is recognised in the income and expenditure statement. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

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

**(g) Intangible asset**

Acquired computer software is initially capitalised on the basis of the costs incurred to acquire and prepare the software for its intended use. Direct expenditure which enhances or extends the performance of computer software beyond its specifications, and which can be reliably measured is added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred.

Computer software is subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the income and expenditure statement over their estimated useful lives of 6 years.

The amortisation charge is recognised in the income and expenditure statement and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal, with any gain or loss arising from the derecognition of an intangible asset, being the difference between the net disposal proceeds and the carrying amount of the asset, recognised in the income and expenditure statement.

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

The Town Council reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). 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.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.



**2 Summary of material accounting policies (Continued)**

**(h) Impairment of non-financial assets (Continued)**

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 so 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 financial years. A reversal of an impairment loss is recognised immediately in income and expenditure, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**(i) Financial instruments**

The Town Council recognises a financial asset or a financial liability in its statement of financial position when, and only when, the Town Council becomes party to the contractual provisions of the instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through income and expenditure.

Financial assets

Initial recognition and measurement

All financial assets are recognised on trade date – the date on which the Town Council commits to purchase or sell the asset. With the exception of trade receivables that do not contain a significant financing component or for which the Town Council applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through income and expenditure, which are initially measured at fair value.

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through income and expenditure ("FVTIE"). The classification at initial recognition depends on the Town Council's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Town Council's business model refers to how the Town Council manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Town Council determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

**2 Summary of material accounting policies (Continued)**

**(i) Financial instruments (Continued)**

**Financial assets (Continued)**

**Financial assets at amortised cost**

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in income and expenditure when the asset is derecognised, modified or impaired.

**Financial assets at FVTIE**

A financial asset is subsequently measured at FVTIE if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated FVTIE if, by designating the financial asset as FVTIE, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in income and expenditure.

**Impairment of financial assets**

The Town Council recognises a loss allowance for expected credit losses ("ECL") on financial assets subsequently measured at amortised cost. At each reporting date, the Town Council assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Town Council assumes that the credit risk on a financial asset has not increased significantly since initial recognition.

The Town Council uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Town Council measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Town Council measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in income and expenditure.



**2 Summary of material accounting policies (Continued)**

**(i) Financial instruments (Continued)**

**Financial assets (Continued)**

**Impairment of financial assets (Continued)**

The Town Council directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Town Council's accounting policy for its impairment of financial assets, refer to Note 27.

**Impairment of conservancy and service fees receivables**

Conservancy and service fees receivables are recognized when they are due and payable to the Town Council. The Town Council applies FRS 109, where appropriate, in the measurement and recognition of ECL on these receivables, through the application of an allowance matrix derived based on their historical credit loss experience, adjusted for current conditions and forecasts of future economic conditions. For details, refer to Note 27.

**Derecognition of financial assets**

The Town Council derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Town Council neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset 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 receivables.

**Financial liabilities**

**Initial recognition and measurement**

All financial liabilities are recognised on trade date – the date on which the Town Council commits to purchase or sell the asset. All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through income and expenditure, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through income and expenditure or other financial liabilities.

Financial liabilities are classified as at fair value through income and expenditure if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through income and expenditure comprise derivatives that are not designated or do not qualify for hedge accounting.

**2 Summary of material accounting policies (Continued)**

**(i) Financial instruments (Continued)**

**Financial liabilities (Continued)**

Other financial liabilities

*Trade and other payables*

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in income and expenditure when the liability is derecognised and through the amortisation process.

Derecognition of financial liabilities

The Town Council derecognises financial liabilities when, and only when, the Town Council's obligations are discharged, cancelled or they expire.

**(j) Funds with fund managers**

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

Funds with fund managers comprise mainly equities, bonds, cash and fixed deposits. Equities and bonds are stated on an aggregate portfolio basis and are designated as financial assets at fair value through income and expenditure at inception in the statement of financial position.

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

**(k) Fair value of financial instruments**

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

**2 Summary of material accounting policies (Continued)**

**(l) Provisions**

Provisions are recognised when the Town Council has a present legal or constructive obligation as a result of a past event, it is probable that the Town Council will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**(m) Leases as a lessee**

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

Where a contract contains more than one lease component, the Town Council allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Town Council applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Town Council recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Town Council is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Town Council applied the recognition exemption allowed under FRS 116 Leases. For these leases, the Town Council recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Town Council by the end of the lease term or the cost of the right-of-use asset reflects that the Town Council will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within "property, plant and equipment".



**2 Summary of material accounting policies (Continued)**

**(m) Leases as a lessee (Continued)**

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Town Council generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Town Council obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Town Council is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Town Council is reasonably certain to terminate early and lease payments for an optional renewal period if the Town Council is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Town Council remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

Amendment to FRS 116: Covid-19 Related Rent Concessions beyond 30 June 2021

In March 2021, the Accounting Standards Council Singapore ("ASC") issued an amendment to FRS 116 Leases to make it easier for lessees to account for COVID-19-related rent concessions such as rent holidays and temporary rent reductions. The amendment is effective for annual reporting periods beginning on or after 1 April 2021. In the financial year ended 31 March 2022, the Town Council early adopted the amendments to the existing standards.

With the amendments, the Town Council as a lessee may elect, as a practical expedient, not to assess whether a rent concession which occurs as a direct consequence of the COVID-19 and which meets all of the following conditions, is a lease modification:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June; and
- there is no substantive change to other terms and conditions of the lease.

**2 Summary of material accounting policies (Continued)**

**(m) Leases as a lessee (Continued)**

Amendment to FRS 116: Covid-19 Related Rent Concessions beyond 30 June 2021 (Continueud)

Where the Town Council makes this election, any changes in lease payments resulting from the rent concession is accounted the same way applying FRS 116 Leases if the change were not a lease modification. The Town Council applied the practical expedient to all rent concessions that meet the conditions above.

There is no material impact from the application of this amendment.

**(n) Income tax**

Income tax is provided on the following income:

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

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

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

**(o) Recognition of income**

The income amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the year arising from the course of the ordinary activities of the Town Council and it is shown net of related tax and rebates.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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**2 Summary of material accounting policies (Continued)**

**(o) Recognition of income (Continued)**

The following income revenues arises in the course of the ordinary activities of the Town Council.

- (i) Conservancy and service fees are recognised when due and payable, in accordance with the then applicable conservancy and service rates.
- (ii) Agency fees are fees received for routine maintenance of HDB's carparks and common property within the Town, and are recognised when due and payable. The fees are measured based on the consideration to which the Town Council expects to be entitled in exchange for transferring the promised services to the counterparty, excluding amounts collected on behalf of third parties, if applicable. It is recognised when or as the Town Council satisfies a performance obligation by transferring a promised service to the counterparty, which is when or as the counterparty obtains control of the service.
- (iii) Interest income from fixed deposits and bonds is recognised using the effective interest method.
- (iv) Income from funds placed with fund managers is recognised in the income and expenditure statement/Sinking Fund/Lift Replacement Fund.
- (v) Other income comprises mainly temporary occupation licenses ("TOL"), liquidated damages and other miscellaneous income and are recognised when due.

**(p) Inter-fund transfer**

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

**(q) Functional currency**

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

**(r) Receivable/advances received for neighbourhood renewal programme**

Neighbourhood Renewal Programme (NRP) is established in respect of the NRP works carried out on the qualifying properties to upgrade the quality of HDB estates. It is implemented by the Town Council with full funding from the Government.

The funding for the programme belongs to the government which is for the specific use of projects under the programme. The Town Council receives a funding of S\$3,400 and S\$1,300 per dwelling unit to cover NRP construction costs, professional and consultancy fees and additional works including repainting and various repair works respectively. In addition, the Town Council shall be entitled to a sum of S\$150 per dwelling unit or S\$125,000, whichever is higher, to cover miscellaneous costs relating to the NRP project. However, if the cost of project works incurred exceeds the funding provided, the Town Council has to bear the cost of excess expenditure.



**2 Summary of material accounting policies (Continued)**

**(s) Critical judgements, assumptions and estimation uncertainties**

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

Critical accounting estimates and assumptions used that are significant to the financial statements are described below:

**(i) ECL for conservancy and service fees receivables**

The Town Council uses an allowance matrix to measure ECLs for conservancy and service fees receivables. The loss rates are based on days past due for groupings of various receivable segments that have similar loss patterns.

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Town Council's historical credit loss experience and forecast of economic conditions may also not be representative of receivable's actual default in the future. The information about the ECLs on the Town Council's receivables is disclosed in Note 27.

The expected loss allowance on the Town Council's receivables as at 31 March 2024 is S\$894,660 (31 March 2023: S\$1,081,334).

**(ii) Income tax**

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

# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 3 Accumulated surplus

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

	Note	<u>2024</u> S\$	<u>Total</u> <u>2023</u> S\$	<u>Residential property</u> <u>2024</u> S\$	<u>2023</u> S\$	<u>Commercial property</u> <u>2024</u> S\$	<u>2023</u> S\$	<u>Carpark</u> <u>2024</u> S\$	<u>2023</u> S\$
<b>OPERATING INCOME</b>									
Conservancy and service fees		61,553,917	58,473,903	57,829,010	54,945,316	3,724,907	3,528,587	-	-
Less: Operating transfer to:									
- Sinking fund (minimum required by law)	4	16,004,019	15,203,215	15,035,543	14,285,782	968,476	917,433	-	-
- Lift replacement fund (minimum required by law)	5	8,617,548	8,186,346	8,096,061	7,692,344	521,487	494,002	-	-
		36,932,350	35,084,342	34,697,406	32,967,190	2,234,944	2,117,152	-	-
Agency fees	16	5,344,093	5,293,108	-	-	-	-	5,344,093	5,293,108
Other income	17	3,395,896	3,349,310	2,669,634	2,620,137	677,549	682,858	48,713	46,315
		45,672,339	43,726,760	37,367,040	35,587,327	2,912,493	2,800,010	5,392,806	5,339,423
Less:									
Operating expenditure		48,865,790	48,896,937	42,139,373	42,695,588	2,874,980	2,499,077	3,851,437	3,702,272
<b>Operating (deficit)/surplus</b>		(3,193,451)	(5,170,177)	(4,772,333)	(7,108,261)	37,513	300,933	1,541,369	1,637,151
Add:									
Non-operating income – interest income		835,970	365,334	722,119	315,073	30,673	13,643	83,178	36,618
<b>(Deficit)/surplus before taxation and government grants</b>		(2,357,481)	(4,804,843)	(4,050,214)	(6,793,188)	68,186	314,576	1,624,547	1,673,769
Less:									
Income tax	23	487,492	363,991	421,074	313,869	17,745	13,577	48,673	36,545
<b>(Deficit)/surplus after taxation but before government grants</b>		(2,844,973)	(5,168,834)	(4,471,288)	(7,107,057)	50,441	300,999	1,575,874	1,637,224
Add:									
Government grants	25	21,005,908	16,300,463	20,655,525	15,960,319	350,383	340,144	-	-
Less: Transfer to									
- Sinking fund	4	3,695,511	2,585,196	3,689,141	2,578,812	6,370	6,384	-	-
- Lift replacement fund	5	7,277,986	6,170,154	7,009,447	5,916,666	268,539	253,488	-	-
- Town improvement and project fund	6	1,504,310	1,579,278	1,443,536	1,513,738	60,774	65,540	-	-
		8,528,101	5,965,835	8,513,401	5,951,103	14,700	14,732	-	-
<b>Surplus/(deficit) for the year</b>		5,683,128	797,001	4,042,113	(1,155,954)	65,141	315,731	1,575,874	1,637,224
Add:									
Accumulated surplus at 1 April		12,679,933	12,629,505	10,845,545	11,079,865	1,834,388	1,549,640	-	-
(Less)/Add:									
Appropriation to town improvement and project fund	6	(2,033,233)	(746,573)	(1,951,090)	(715,590)	(82,143)	(30,983)	-	-
Inter-fund transfer		-	-	1,575,874	1,637,224	-	-	(1,575,874)	(1,637,224)
<b>Accumulated surplus at 31 March</b>		16,329,828	12,679,933	14,512,442	10,845,545	1,817,386	1,834,388	-	-

# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 4 Sinking fund

Note	Total		Residential property		Commercial property	
	2024 S\$	2023 S\$	2024 S\$	2023 S\$	2024 S\$	2023 S\$
Balance at 1 April	140,576,001	153,013,635	115,854,092	127,682,928	24,721,909	25,330,707
Add:						
Income						
Operating transfers from:						
- Conservancy and service fees (minimum required by law)	19(a) 5,522,088	1,729,631	5,298,495	1,657,851	223,593	71,780
	3 16,004,019	15,203,215	15,035,543	14,285,782	968,476	917,433
	21,526,107	16,932,846	20,334,038	15,943,633	1,192,069	989,213
Add:						
Transfer from Government Grants						
- Special Funding Support grant	899,532	-	899,532	-	-	-
- Other government grants	2,795,979	2,585,196	2,789,609	2,578,812	6,370	6,384
- Total	3 3,695,511	2,585,196	3,689,141	2,578,812	6,370	6,384
Less:						
Expenditure	19(b) 25,812,348	31,552,940	24,810,408	29,965,259	1,001,940	1,587,681
Less:						
Income tax	23 738,492	402,736	708,657	386,022	29,835	16,714
<b>(Deficit)/Surplus for the year</b>	<b>(1,329,222)</b>	<b>(12,437,634)</b>	<b>(1,495,886)</b>	<b>(11,828,836)</b>	<b>166,664</b>	<b>(608,798)</b>
Balance at 31 March	139,246,779	140,576,001	114,358,206	115,854,092	24,888,573	24,721,909
Represented by:						
<b>Non-current assets</b>						
<b>Current assets</b>						
Financial assets at fair value through income and expenditure	10 36,743,031	35,746,725				
Conservancy and service fee receivables	496,996	520,523				
Amount owing from Routine Fund	4,741,317	5,243,480				
Other receivables	1,551,554	1,145,725				
Interest receivable	779,450	1,009,261				
Cash and bank balances	100,847,358	102,377,679				
	145,159,706	146,043,393				
Less:						
<b>Current liabilities</b>						
Current tax payable	1,324,272	585,779				
Payables and accrued expenses	4,588,655	4,881,613				
	5,912,927	5,467,392				
<b>Net current assets</b>	<b>139,246,779</b>	<b>140,576,001</b>				
	<b>139,246,779</b>	<b>140,576,001</b>				



# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 5 Lift replacement fund

Note	Total		Residential property		Commercial property	
	2024 S\$	2023 S\$	2024 S\$	2023 S\$	2024 S\$	2023 S\$
Balance at 1 April	67,611,954	66,242,860	58,434,066	57,638,634	9,177,888	8,604,226
Add:						
<b>Income</b>						
20(a) Operating transfer from Conservancy and service fees (minimum required by law)	2,515,137	953,384	2,413,087	913,819	102,050	39,565
3	8,617,548	8,186,346	8,096,061	7,692,344	521,487	494,002
	11,132,685	9,139,730	10,509,148	8,606,163	623,537	533,567
Add:						
Transfer from Government Grants						
– LRF Matching Grant	5,288,095	4,778,124	5,022,986	4,528,074	265,109	250,050
– Special Funding Support grant	484,363	-	484,363	-	-	-
– Other government grants	1,505,528	1,392,030	1,502,098	1,388,592	3,430	3,438
3	7,277,986	6,170,154	7,009,447	5,916,666	268,539	253,488
Less:						
<b>Expenditure</b>						
20(b)	13,263,987	13,783,822	13,116,700	13,576,943	147,287	206,879
Less:						
Income tax	423,187	156,968	406,090	150,454	17,097	6,514
<b>Surplus for the year</b>	4,723,497	1,369,094	3,995,805	795,432	727,692	573,662
Balance at 31 March	72,335,451	67,611,954	62,429,871	58,434,066	9,905,580	9,177,888
Represented by:						
<b>Current assets</b>						
Conservancy and service fee receivables	267,613	280,282				
Amount owing from Routine Fund	2,521,883	3,729,789				
Other receivables	7,042,154	3,618,659				
Interest receivable	727,373	556,754				
Cash and bank balances	67,331,199	67,410,932				
	77,890,222	75,596,416				
Less:						
<b>Current liabilities</b>						
Current tax payable	626,888	203,701				
Payables and accrued expenses	4,927,883	7,780,761				
	5,554,771	7,984,462				
<b>Net current assets</b>	72,335,451	67,611,954				
	72,335,451	67,611,954				

# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 6 Town improvement and project fund

	<u>Note</u>	<u>2024</u> S\$	<u>Total</u> <u>2023</u> S\$	<u>Residential property</u>		<u>Commercial property</u>	
				<u>2024</u> S\$	<u>2023</u> S\$	<u>2024</u> S\$	<u>2023</u> S\$
Balance at 1 April		1,300,000	965,000	1,244,168	923,071	55,832	41,929
Transfer from government grants	3	1,504,310	1,579,278	1,443,536	1,513,738	60,774	65,540
Less:							
Expenditure		3,137,543	1,990,851	3,010,786	1,908,231	126,757	82,620
Deficit for the year		(1,633,233)	(411,573)	(1,567,250)	(394,493)	(65,983)	(17,080)
Appropriation from accumulated surplus	3	2,033,233	746,573	1,951,090	715,590	82,143	30,983
Balance at 31 March		1,700,000	1,300,000	1,628,008	1,244,168	71,992	55,832
Represented by:							
<b>Current asset</b>							
Other receivables		3,530,128	2,603,269				
Less:							
<b>Current liabilities</b>							
Amount owing to Routine Fund		1,590,243	759,920				
Payables and accrued expenses		239,885	543,349				
		1,830,128	1,303,269				
		1,700,000	1,300,000				

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

Out of the total of S\$3,137,543 (2023: S\$1,990,851) expenditure on town improvement projects, S\$1,504,310 (2023: S\$1,579,278) was met by payment from CCC.

# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 7 (Receivable)/Advances received for Neighbourhood Renewal Programme

	<u>2024</u> S\$	<u>2023</u> S\$
Balance at 1 April	(5,459,768)	(4,050,197)
Funding from government	4,058,406	1,669,324
Payment to contractors	<u>(1,480,081)</u>	<u>(3,078,895)</u>
Balance at 31 March	<u>(2,881,443)</u>	<u>(5,459,768)</u>
Represented by:		
Receivable for Neighbourhood Renewal Programme	(4,633,879)	(5,881,482)
Advances received for Neighbourhood Renewal Programme	<u>1,752,436</u>	<u>421,714</u>
Balance at 31 March	<u>(2,881,443)</u>	<u>(5,459,768)</u>

### 8 Property, plant and equipment

	<u>Total</u> S\$	<u>Furniture, fixtures and fittings</u> S\$	<u>Data processing equipment</u> S\$	<u>Office equipment</u> S\$	<u>Renovation</u> S\$	<u>Leasehold premises</u> S\$	<u>Leasehold equipment</u> S\$
<b>Cost</b>							
Balance at 1 April 2022	3,482,921	465,775	260,709	180,835	934,829	1,638,256	2,517
Additions during the year	1,195,624	10,830	46,750	3,610	-	1,134,434	-
Disposals/written off	<u>(1,528)</u>	<u>(298)</u>	<u>-</u>	<u>(1,230)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2023	4,677,017	476,307	307,459	183,215	934,829	2,772,690	2,517
Additions during the year	59,851	-	-	22,546	-	-	37,305
Disposals/written off	<u>(3,481)</u>	<u>(893)</u>	<u>-</u>	<u>(2,588)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2024	4,733,387	475,414	307,459	203,173	934,829	2,772,690	39,822
<b>Accumulated depreciation</b>							
Balance at 1 April 2022	2,953,097	464,496	195,289	167,511	934,252	1,189,765	1,784
Depreciation for the year (Note 21)	572,651	903	55,875	4,626	575	509,939	733
Disposals/written off	<u>(1,525)</u>	<u>(296)</u>	<u>-</u>	<u>(1,229)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2023	3,524,223	465,103	251,164	170,908	934,827	1,699,704	2,517
Depreciation for the year (Note 21)	446,473	2,527	31,258	8,079	-	401,500	3,109
Disposals/written off	<u>(3,474)</u>	<u>(887)</u>	<u>-</u>	<u>(2,587)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 March 2024	3,967,222	466,743	282,422	176,400	934,827	2,101,204	5,626
<b>Carrying amount</b>							
Balance at 31 March 2024	766,165	8,671	25,037	26,773	2	671,486	34,196
Balance at 31 March 2023	1,152,794	11,204	56,295	12,307	2	1,072,986	-

Property, plant and equipment includes right-of-use assets which are presented under leasehold equipment and leasehold premises. Details of the right-of-use assets are disclosed in Note 14(a).

During the financial year, plant and equipment of the Town Council with carrying amount of S\$705,682 (2023: S\$1,072,986) was acquired by means of lease.



# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 9 Intangible asset

	<b>Computer software S\$</b>
<b><u>Cost</u></b>	
At 1 April 2022	644,411
Additions	-
	<hr/>
Balance at 31 March 2023	644,411
Additions	-
	<hr/>
Balance at 31 March 2024	644,411
	<hr/>
<b><u>Accumulated amortisation</u></b>	
At 1 April 2022	134,252
Amortisation charge for the year	107,402
	<hr/>
Balance at 31 March 2023	241,654
Amortisation charge for the year	107,402
	<hr/>
Balance at 31 March 2024	349,056
	<hr/>
<b><u>Carrying amount</u></b>	
At 31 March 2024	295,355
	<hr/>
At 31 March 2023	402,757
	<hr/>

The amortisation expense, which is recognised over the remaining period of the use of the computer software has been included as "general and administrative expenditure" in the income and expenditure statement.

### 10 Financial assets at fair value through income and expenditure

Financial assets at fair value through income and expenditure represents funds together with the related profits placed with professional fund managers on the following terms:

The funds with fund managers are administered by Lion Global Investors Ltd and UOB Asset Management Ltd. The fund managers are given discretionary powers within certain guidelines to invest the funds. The funds managed by Lion Global Investors Ltd will expire on 31 October 2025, while that managed by UOB Asset Management Ltd has expired on 30 September 2022.

The fund managers will be entitled to charge a basic administration fee and receive performance fees for the excess, before income tax, of the market value of the fund over the specified performance benchmark at the end of the management term or termination date, if earlier.

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

**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**10 Financial assets at fair value through income and expenditure (Continued)**

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Balance at beginning of year	36,083,273	62,379,368
Disposal during the year	-	(25,612,559)
Investment income	1,270,107	330,029
Management fees	(51,963)	(85,970)
Other expenses	(58)	(7,850)
Fair value gain/(loss)	556,159	(919,745)
	<u>37,857,518</u>	<u>36,083,273</u>
Balance at end of year	<u>37,857,518</u>	<u>36,083,273</u>

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

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

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Investments in:		
Quoted equities	6,624,997	4,435,739
Quoted bonds	30,118,034	31,310,986
	<u>36,743,031</u>	<u>35,746,725</u>
Financial assets at fair value through income and expenditure	36,743,031	35,746,725
Cash and deposits (Note 13)	883,049	119,498
Accrued interest and other receivables (Note 12)	240,169	225,220
Other Payables (Note 15)	(8,731)	(8,170)
	<u>37,857,518</u>	<u>36,083,273</u>
Balance at end of year	<u>37,857,518</u>	<u>36,083,273</u>

**11 Conservancy and service fee receivables**

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Conservancy and service fee receivables	2,495,578	2,662,615
Interest receivable on late payments	184,240	189,914
Less: Allowance for impairment	(894,660)	(1,081,334)
	<u>1,785,158</u>	<u>1,771,195</u>
	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Movements in above allowance:		
Balance at 1 April	(1,081,334)	(1,051,020)
Write back from/(Charged to) income and expenditure statement (Note 21)	186,674	(31,442)
Allowance utilised	-	1,128
	<u>(894,660)</u>	<u>(1,081,334)</u>
Balance at 31 March	<u>(894,660)</u>	<u>(1,081,334)</u>

**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**11 Conservancy and service fee receivables (Continued)**

Conservancy and service fee receivables are due on the first day of the month, without demand and without deduction. Payments made within the month will not be liable for late payment penalty. Conservancy and service fee receivables with short duration are not discounted and the carrying amounts are assumed to be a reasonable approximation of fair value.

Conservancy and service fee receivables that are individually determined to be impaired at the end of the reporting period relate to lessees/tenants that are in financial difficulties and/or those lessees/ tenants who had shifted out of the estate. These receivables are not secured by any collateral or credit enhancements.

**12 Other receivables**

	<u>2024</u> S\$	<u>2023</u> S\$
Deposits	114,198	113,348
Prepayments	217,869	225,400
Claims for Citizens' Consultative Committee funding receivable	3,403,190	2,576,017
Lift Enhancement Programme ("LEP") grant receivable	4,662,024	1,440,295
Selective Lift Replacement Programme ("SLRP") grant receivable	745,223	775,150
Electrical Load Upgrading disbursement receivable	15,898	146,852
LRF Matching grant receivable	1,151,527	1,049,391
Receivables for funds with fund managers (Note 10)	240,169	225,220
Recoverables from contractors	920,722	144,291
GST receivable	459,213	763,909
GST subvention receivable	851,618	657,614
Service and conservancy charge grant receivable	118,009	-
Others	3,197	2,752
	<u>12,902,857</u>	<u>8,120,239</u>

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

**13 Cash and bank balances**

	<u>2024</u> S\$	<u>2023</u> S\$
Cash and deposits held by fund managers (Note 10)	883,049	119,498
Fixed deposits	174,389,396	170,641,661
Cash and bank balances	<u>20,508,195</u>	<u>25,055,656</u>
	<u>195,780,640</u>	<u>195,816,815</u>

**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**13 Cash and bank balances (Continued)**

The fixed deposits have an average maturity of 3.0 months (2023: 4.0 months) from the end of the financial year. The fixed deposits have weighted average effective interest rate of 1.88% (2023: 2.32%) per annum. Fixed deposit amounting to S\$50,550 (2023: S\$50,290) has been pledged with a bank for the issue of letters of guarantee on behalf of the Town Council.

Cash and cash equivalents in the statement of cash flows comprise:

	<u>2024</u> S\$	<u>2023</u> S\$
Cash and bank balances as shown above	195,780,640	195,816,815
Cash and deposits held by fund managers (Note 10)	(883,049)	(119,498)
Pledged deposit	(50,550)	(50,290)
	<u>194,847,041</u>	<u>195,647,027</u>

**14 The Town Council as a lessee**

The Town Council leases office spaces under a 36-month lease arrangement, with option to renew after that date. Lease payments are made monthly and are at a fixed rate throughout the lease period.

Recognition exemptions

The Town Council has certain office rental and equipments with lease terms of 12 months or less and/or of low value. For such leases, the Town Council has elected not to recognise right-of-use assets and lease liabilities.

**(a) Right-of-use asset**

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

	<u>Total</u> S\$	<u>Leasehold premises</u> S\$	<u>Leasehold equipment</u> S\$
At 1 April 2022	449,224	448,491	733
Additions	1,134,434	1,134,434	-
Depreciation	(510,672)	(509,939)	(733)
	<u>1,072,986</u>	<u>1,072,986</u>	<u>-</u>
At 31 March 2023	1,072,986	1,072,986	-
Additions	37,305	-	37,305
Depreciation	(404,609)	(401,500)	(3,109)
	<u>705,682</u>	<u>671,486</u>	<u>34,196</u>

The total cash outflow for leases during the financial year ended 31 March 2024 is S\$436,720 (2023: S\$550,969).



**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**14 The Town Council as a lessee (continued)**

**(b) Lease liabilities**

	<b><u>2024</u></b> <b>S\$</b>	<b><u>2023</u></b> <b>S\$</b>
Lease liability – non-current	327,384	692,665
Lease liability - current	399,821	387,979
	<u>727,205</u>	<u>1,080,644</u>

The maturity analysis of lease liabilities is disclosed in Note 27.

**(c) Amounts recognised in income and expenditure**

	<b><u>2024</u></b> <b>S\$</b>	<b><u>2023</u></b> <b>S\$</b>
Interest expense on lease liabilities	45,976	24,843
Expense relating to short term assets	189,945	71,864
Expense relating to low-value assets	3,508	5,147

**15 Payables and accrued expenses**

	<b><u>2024</u></b> <b>S\$</b>	<b><u>2023</u></b> <b>S\$</b>
Accounts payable and accrued liabilities – Third parties	13,357,729	21,215,968
Accounts payable and accrued liabilities – Related party	3,925,550	2,500,274
Refundable deposits	261,660	292,588
Payables from fund with fund managers (Note 10)	8,731	8,170
Contributions for ROS**	14,461	14,461
Service and conservancy charge grant payable	-	1,685
Other creditors	101,890	115,611
	<u>17,670,021</u>	<u>24,148,757</u>

The average credit period taken to settle trade payables is about 30 days (2023: 30 days). The other payables are with short-term durations. The carrying amounts are assumed to be a reasonable approximation of fair values.

\*\* These represent contributions received from shop owners for the co-sharing of costs in respect of improvement works at Boon Lay Shopping Centre under the HDB revitalization of shops scheme ("ROS"). Under the ROS, project costs will be shared by the shop owners, HDB and the Town Council in the proportion of 50%, 40% and 10% respectively.

**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**16 Agency fees**

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

**17 Other income**

	<u>2024</u> S\$	<u>2023</u> S\$
Administrative fees	11,154	12,203
Interest on late payment for sold flats	80,465	77,327
Interest on late payment for rented flats	17,582	19,626
Liquidated damages	236,452	216,125
Miscellaneous incentive and subsidies	119,106	132,203
Sundry fines	72,841	86,307
Sundry income	171,880	172,479
Temporary Occupation Licence income	2,304,429	2,313,417
Temporary Occupation Licence income (one-time payment)	176,849	178,013
Use of common property	17,980	14,710
Use of void decks	-	20
Use of water and electricity in void decks	187,158	126,880
	<u>3,395,896</u>	<u>3,349,310</u>

**18 Managing agent's fees**

The Town Council does not have any employees on its payroll as all its daily operations have been outsourced to a managing agent for a fee of S\$7,760,448 (2023: S\$7,287,374) for the current financial year.

**19 Sinking fund income and expenditure**

**(a) Income**

	<u>2024</u> S\$	<u>2023</u> S\$
Interest Income - Bank fixed deposits	3,747,843	1,729,631
Income/gain on investment with fund managers	1,774,245	-
	<u>5,522,088</u>	<u>1,729,631</u>

**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**19 Sinking fund income and expenditure (Continued)**

**(b) Expenditure**

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Reroofing works	2,176,529	493,736
Electrical rewiring	5,111,700	7,055,430
Replacement of water pumps	-	316,530
Replacement of booster pumps	-	426,800
Redecoration and repainting	17,583,615	17,525,824
Replacement of water pipes	103,360	374,640
Replacement of refuse chute flushing system	-	148,294
Replacement of FRP water tanks	-	554,000
Replacement of stainless steel tank lining	-	268,000
Replacement of pressure tanks	-	48,000
Replacement of fire alarm panel	30,579	-
Replacement of fire pump control panel	-	213,500
Replacement of fire pumps	27,860	378,500
Project management fees	845,239	1,023,083
Other major works	(430,612)	1,762,413
General and administrative expenses (Note 21)	75,074	76,988
Unclaimable GST	289,004	203,666
Fair value loss on financial assets at fair value through income and expenditure	-	683,536
	<u>25,812,348</u>	<u>31,552,940</u>

**20 Lift replacement fund income and expenditure**

**(a) Income**

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Interest Income - Bank fixed deposits	<u>2,515,137</u>	<u>953,384</u>

**(b) Expenditure**

	<u><b>2024</b></u> <b>S\$</b>	<u><b>2023</b></u> <b>S\$</b>
Replacement of main sheaves and ropes	863,303	2,902,719
Replacement of ARD batteries	508,542	471,975
Replacement of EBOPS batteries	70,950	170,257
Replacement of lift position display panels	1,688,264	3,038,874
Replacement of inverter units	1,027,420	2,014,634
Lift overhauls and replacement	7,348,583	3,548,818
Lift enhancement work	928,015	743,065
Project management fees	326,157	435,576
General and administrative expenses (Note 21)	40,424	41,454
Unclaimable GST	444,989	371,948
Others	17,340	44,502
	<u>13,263,987</u>	<u>13,783,822</u>

**WEST COAST TOWN COUNCIL****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024****21 General and administrative expenditure**

The general and administrative expenditure comprises the following:

	<u>2024</u> S\$	<u>2023</u> S\$
Advertising, publicity and public relations	248,203	277,910
Audit fee	69,150	73,200
Computer services fees	407,580	398,529
Depreciation of property, plant and equipment (Note 8)	446,473	572,651
Amortisation of intangible asset	107,402	107,402
(Write back)/Additional of doubtful debts (Note 11)	(186,674)	31,442
Lease expense	45,976	24,843
Plant and equipment not capitalised	9,232	216
Office expenses	362,829	315,227
Operating lease expense	189,945	71,864
Property tax	246,187	252,066
Unclaimable GST	282,196	279,046
Secretary and Town Councillors' allowances*	339,000	226,200
Others	270,840	269,371
	<u>2,838,339</u>	<u>2,899,967</u>

\* Secretary and Town Councillors are key management of the Town Council. Key management remuneration refers to Secretary and Town Councillors' allowances.

This is allocated to the following expenditure:

	<u>2024</u> S\$	<u>2023</u> S\$
Operating expenditure	2,722,841	2,781,525
Sinking fund expenditure (Note 19(b))	75,074	76,988
Life replacement fund expenditure (Note 20(b))	40,424	41,454
	<u>2,838,339</u>	<u>2,899,967</u>

**22 Goods and services tax**

Government grants received by the Town Council are considered non-taxable supplies. Therefore, input tax claimable is based on a formula determined by the Inland Revenue Authority of Singapore. The unclaimed portion is charged to sinking fund expenditure (Note 19 (b)), lift replacement fund expenditure (Note 20(b)) and general and administrative expenditure (Note 21) during the financial year.



**WEST COAST TOWN COUNCIL**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**23 Income tax**

	<b>Note</b>	<b>2024 S\$</b>	<b>2023 S\$</b>
Current financial year		1,649,112	923,876
Under/(Over) provision in respect of prior years		59	(181)
<b>Tax expense</b>		<b>1,649,171</b>	<b>923,695</b>
Taken up in:			
Income and expenditure statement			
- Current financial year		487,571	363,990
- (Over)/Under provision in respect of prior years		(79)	1
	3	487,492	363,991
Sinking Fund			
- Current financial year		738,354	402,918
- Under/(Over) provision in respect of prior years		138	(182)
	4	738,492	402,736
Lift Replacement Fund			
- Current financial year		423,187	156,968
	5	423,187	156,968
		<b>1,649,171</b>	<b>923,695</b>

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

	<b>2024 S\$</b>	<b>2023 S\$</b>
Investment and interest income	8,067,092	4,098,657
Dividend income	26,597	18,392
Grant and other income	23,277,255	18,265,904
Less:		
Allowable expenses/Exempt Income	(336,415)	(298,709)
	<b>31,034,529</b>	<b>22,084,244</b>
Tax at statutory rate of 17%	5,275,870	3,754,321
Concessionary tax relief	(67,588)	(72,799)
Tax deducted at source	(296)	-
Tax remission of government grants under Section 92(2) of Singapore Income Tax Act 1947	(3,558,874)	(2,757,646)
Under/(Over) provision in respect of prior years	59	(181)
	<b>1,649,171</b>	<b>923,695</b>

## WEST COAST TOWN COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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#### 24 Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions with related parties on terms mutually agreed during the financial year are as follows:

	<u>2024</u> S\$	<u>2023</u> S\$
Energy saving cost charged by a related party*	1,683,707	1,922,421
Management agent fee charged by a related party	7,760,448	7,287,374
Project management fee charged by a related party	1,517,021	1,513,499
Contract for services and works charged by a related party	9,894	9,959
Repair and maintenance works charged by a related party	<u>5,587,004</u>	<u>2,602,199</u>

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

Related party relates to the managing agent of the Town Council which manages the operations of the Town Council.

# WEST COAST TOWN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

### 25 Government grants

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

	<u>Total</u>		<u>Conservancy and service grant</u>		<u>Payment from Citizens' consultative committee</u>		<u>Life maintenance grant</u>		<u>Government GST subvention</u>		<u>LRF matching grant</u>		<u>Special Funding Support grant</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Government Grants received/ receivable during the year	21,005,908	16,300,463	6,826,347	6,695,155	1,504,310	1,579,278	986,400	986,400	2,941,021	2,261,506	5,288,095	4,778,124	3,459,735	-
Less: Transfer to - Sinking fund	(3,695,511)	(2,585,196)	(1,774,849)	(1,740,741)	-	-	(256,464)	(256,464)	(764,666)	(587,991)	-	-	(899,532)	-
- Lift replacement fund	(7,277,986)	(6,170,154)	(955,689)	(937,322)	-	-	(138,096)	(138,096)	(411,743)	(316,612)	(5,288,095)	(4,778,124)	(484,363)	-
- Town improvement and project fund	(1,504,310)	(1,579,278)	-	-	(1,504,310)	(1,579,278)	-	-	-	-	-	-	-	-
	<u>8,528,101</u>	<u>5,965,835</u>	<u>4,095,809</u>	<u>4,017,092</u>	<u>-</u>	<u>-</u>	<u>591,840</u>	<u>591,840</u>	<u>1,764,612</u>	<u>1,356,903</u>	<u>-</u>	<u>-</u>	<u>2,075,840</u>	<u>-</u>

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

	<u>2024</u>	<u>2023</u>
	S\$	S\$
Total grants received/receivable at 1 April	243,317,105	227,016,642
Grants received/receivable during the year	<u>21,005,908</u>	<u>16,300,463</u>
Total grants received/receivable as at 31 March	<u>264,323,013</u>	<u>243,317,105</u>

## WEST COAST TOWN COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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#### 26 Commitments for capital expenditure

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

	<u>2024</u> S\$	<u>2023</u> S\$
Amounts approved and contracted for	36,235,512	48,397,716
Amounts approved but not contracted for	96,220,426	116,151,086
	<u>132,455,938</u>	<u>164,548,802</u>

#### 27 Risk management policies for financial instruments

The Town Council's financial instruments comprise certain cash and cash equivalents, and various items including investment in financial assets, certain other receivables, other payables and accrued expenses 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. There is no significant liquidity risk as sufficient cash is maintained. Risks management policies and systems are reviewed regularly to reflect changes in the operational environment and market conditions.

There have been no changes since the last financial year to the Town Council's exposure to these financial risks or the manner in which it manages and measures the risk.

##### ***Credit risk***

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Town Council. The Town Council's exposure to credit risk arises primarily from Conservancy and service fee receivables from household owners. For other financial assets (including investment securities and cash), the Town Council minimises credit risk by dealing exclusively with high credit rating counterparties.

The Town Council has adopted a policy of only dealing with creditworthy counterparties. The Town Council performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

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

The Town Council has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 6 months or there is significant difficulty of the counterparty.

The Town Council categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 2 years past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**27 Risk management policies for financial instruments (Continued)**

***Credit risk (Continued)***

The Town Council's current credit risk grading framework comprises the following categories:

Category	Description	Basis of recognising Expected Credit Losses ("ECL")
1	Low credit risks <sup>Note 1</sup>	12-months ECL
2	Non-significant increase in credit risks since initial recognition and financial asset is ≤ 1 month past due	12-months ECL
3	Significant increase in credit risks since initial recognition <sup>Note 2</sup> or financial asset is > 1 month past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired <sup>Note 3</sup>	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount <sup>Note 4</sup>	Written off

**Note 1. Low credit risk**

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Town Council assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

**Note 2. Significant increase in credit risk**

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Town Council compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Town Council considers both past due (i.e. whether it is more than 1 year past due) and forward-looking quantitative and qualitative information.

Forward-looking information includes the assessment of the latest payment trend of the debtor, adjusted for the Town Council's best practices in deriving the provision matrix with the recommended guidelines provided by the Ministry of National Development and the most recent news or market talks about the debtor, as applicable. In its assessment, the Town Council will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Town Council presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are > 1 month past due, unless the Town Council has reasonable and supportable information that demonstrates otherwise.



**27 Risk management policies for financial instruments (Continued)**

***Credit risk (Continued)***

**Note 3. Credit impaired**

In determining whether financial assets are credit-impaired, the Town Council assesses whether one or more events that have a detrimental impact on the estimated future cashflows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 6 months past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

**Note 4. Write off**

Generally, the Town Council writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write off.

The Town Council performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

Conservancy and service fee receivables consist of a large number of household owners, thus Town Council do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

**Conservancy and service fee receivables (Note 11)**

The Town Council uses the practical expedient under FRS 109 in the form of allowance matrix to measure the ECL for conservancy and service fee receivables, where the loss allowance is equal to lifetime ECL.

The ECL for Conservancy and service fee receivables are estimated using an allowance matrix by reference to the historical credit loss experience of the debtors for the last 3 years prior to the respective reporting dates for various debtor groups that are assessed by internal ratings and the economic environment which could affect the ability of the debtors to settle the financial assets.

Conservancy and service fee receivables are written off when there is evidence to indicate that the Town Council has no reasonable expectations of recovering the debts, including situations when the lessee/tenant or ex-lessee/tenant has abandoned the flat, their whereabouts is unknown, upon their demise or they are in financial hardship.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

**27 Risk management policies for financial instruments (Continued)**

***Credit risk (Continued)***

Conservancy and service fee receivables (Note 11) (Continued)

Conservancy and service fee receivables are written off when there is evidence indicates that the Town Council has no reasonable expectations of recovery the debts, including that the lessee/tenant or ex-lessee/tenant has abandoned the flat, is unknown, cessation, or financial hardship.

	<u>Current</u>	<u>Past due ≤ 6 months</u>	<u>Past due 6 months to 12 months</u>	<u>Past due 12 months to 24 months</u>	<u>Past due more than 24 months</u>	<u>Total</u>
<b>31 March 2024</b>						
Expected credit loss rates	0%	0%	25%	50%	100%	
Conservancy and service fee receivables (gross) (S\$)	687,689	366,095	420,941	462,855	557,998	2,495,578
Loss allowance (S\$)	-	-	105,235	231,427	557,998	894,660
<b>31 March 2023</b>						
Expected credit loss rates	0%	0%	25%	50%	100%	
Conservancy and service fee receivables (gross) (S\$)	738,527	285,975	391,152	526,830	720,131	2,662,615
Loss allowance (S\$)	-	-	97,788	263,415	720,131	1,081,334

The movement in the loss allowance during the financial year and the Town Council's exposure to credit risk in respect of the trade receivables is as follows:

	<b>Conservancy and service fee receivables</b>	
<u>Internal credit risk grading</u>	<u>2024</u> <u>S\$</u>	<u>2023</u> <u>S\$</u>
<b>Loss allowance</b>		
Balance at 1 April	1,081,334	1,051,020
Write (back)/off recognised	(186,674)	31,442
Impairment loss recognised	-	(1,128)
Balance at 31 March	894,660	1,081,334
<b>Gross carrying amount</b>		
At 31 March	2,495,578	2,662,615
<b>Net carrying amount</b>		
At 31 March	1,600,918	1,581,281

Other receivables (Note 12) and Receivable for Neighbourhood Renewal Programme (Note 7)

As of 31 March 2024, the Town Council recorded other receivables excluding prepayments and GST receivables of S\$12,225,775 (31 March 2023: S\$7,130,930) and receivable for neighbourhood renewal programme of S\$4,633,879 (31 March 2023: S\$5,881,482).

**27 Risk management policies for financial instruments (Continued)**

***Credit risk (Continued)***

Other receivables (Note 12) and Receivable for Neighbourhood Renewal Programme (Note 7) (Continued)

The Town Council assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Town Council measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Financial assets at fair value through income and expenditure (Note 10)

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

***Interest rate risk***

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

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

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

Surplus funds are placed with reputable banks and/or invested in bonds.

If Singapore dollar interest rates had been 25 (2023: 25) basis points lower/higher with all other variables held constant, the Town Council's deficit before government grants for the year would have been S\$215,102 (2023: S\$287,864) higher/lower, arising mainly as a result of lower/higher interest income from the Town Council's fixed deposits with banks.

***Liquidity risk***

Liquidity risk arises in the general funding of the Town Council's operating activities. It includes the risks of not being able to fund operating activities at settlement dates and liquidate investments in a timely manner at a reasonable price. At present, the Town Council has invested its surplus funds in current accounts and short-term deposits to ensure availability of funds.

WEST COAST TOWN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

27 Risk management policies for financial instruments (Continued)

*Liquidity risk (Continued)*

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

	<u>Total</u> S\$	<u>Less than</u> <u>1 year</u> S\$	<u>Between</u> <u>2 and 5 years</u> S\$
<b><u>As at 31 March 2024</u></b>			
Conservancy and service receivables	1,785,158	1,785,158	-
Other receivables (excluding prepayments and GST receivables)	12,225,775	12,225,775	-
Receivable for Neighbourhood Renewal Programme	4,633,879	4,633,879	-
Interest receivable	1,602,752	1,602,752	-
Cash and bank balances	195,780,640	195,780,640	-
Lease liabilities	763,220	426,948	336,272
Payables and accrued expenses	17,670,021	17,670,021	-
	<u>Total</u> S\$	<u>Less than</u> <u>1 year</u> S\$	<u>Between</u> <u>2 and 5 years</u> S\$
<b><u>As at 31 March 2023</u></b>			
Conservancy and service receivables	1,771,195	1,771,195	-
Other receivables (excluding prepayments and GST receivables)	7,130,930	7,130,930	-
Receivable for Neighbourhood Renewal Programme	5,881,482	5,881,482	-
Interest receivable	1,675,636	1,675,636	-
Cash and bank balances	195,816,815	195,816,815	-
Lease liabilities	1,180,556	456,056	724,500
Payables and accrued expenses	24,148,757	24,148,757	-

***Market price risk***

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Town Council is exposed to market price risks arising from its investment with fund managers classified as financial assets at fair value through income and expenditure.

Market price risk is applicable to investments in equity shares or similar instruments. As equities are invested through fund managers, the exposure to market price risk is minimal.

NOTES TO THE FINANCIAL STATEMENTS  
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**27 Risk management policies for financial instruments (Continued)**

***Market price risk (Continued)***

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Town Council's operational activities are carried out in Singapore dollar. Hence, its exposure to foreign currency risk is minimal.

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

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

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

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

There were no changes in the Town Council's approach to funds management during the financial year. The Town Council is not subject to externally imposed requirements. As at the end of the reporting period, the Town Council's total funds amounted to S\$229,612,058 (2023: S\$222,167,888).

**29 New or revised accounting standards and interpretations not yet adopted**

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

FRS	Title	Effective date (annual periods beginning on or after)
FRS 1	Amendments to FRS 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
FRS 110, FRS 28	Amendments to FRS 110 and FRS 28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined
FRS 116	Amendments to FRS 116: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
FRS 7, FRS 107	Amendments to FRS 7 and FRS 107: <i>Supplier Finance Arrangements</i>	1 January 2024
FRS 21, FRS 101	Amendments to FRS 21: <i>Lack of Exchangeability</i>	1 January 2025
Various	Amendments to FRS 1: <i>Non-current Liabilities with Covenants</i>	1 January 2024



## WEST COAST TOWN COUNCIL

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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#### 29 New or revised accounting standards and interpretations not yet adopted (Continued)

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

The Town Council does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Town Council in the year of their initial adoption.

#### 30 Fair value of financial instruments

##### Fair values

The carrying amount of financial assets and liabilities with a maturity of less than one year is assumed to approximate their fair values.

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.

##### Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

##### Assets measured at fair value

The following table shows an analysis of each class of assets and liabilities measured at fair value at 31 March 2024.

	<u>Level 1</u> S\$	<u>Level 2</u> S\$	<u>Level 3</u> S\$	<u>Total</u> S\$
<b><u>Recurring fair value measurement</u></b>				
<b><u>At 31 March 2024</u></b>				
Financial assets, fair value through income and expenditure (Note 10)	36,743,031	-	-	36,743,031
<b><u>Recurring fair value measurement</u></b>				
<b><u>At 31 March 2023</u></b>				
Financial assets, fair value through income and expenditure (Note 10)	35,746,725	-	-	35,746,725

**31 Events subsequent to the reporting date**

The Town Council revised its Service and Conservancy Charges ("S&CC") for flats, shops/offices, and markets/cooked food stalls over two years, effective on 1 July 2023 and 1 July 2024, respectively. The S&CC increases range from 10% to 14%.

The second tranche of the time-limited Special Funding Support grant that the Town Council is eligible to receive has been disbursed by Ministry of National Development on 3 June 2024.