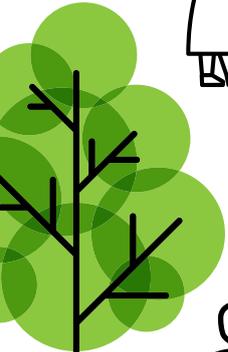


A ALL BOARD!



**BETTER RIDES, AFFORDABLE FARES,
SUSTAINABLE PUBLIC TRANSPORT**

ANNUAL REPORT 2017 / 2018



Better Rides • Affordable Fares • Sustainable Public Transport



94.5%

of commuters satisfied with public transport



325,000

commuters benefitted from lower morning pre-peak fares



28%

reduction in bus and train fare evasion cases



21

recommendations in the Second Advisory Report for an improved public transport experience



98%

daily trips on public transport are made using contactless cards



2.2%

overall reduction in public transport fares



43%

reduction in taxi fare evasion cases



1,000

locations islandwide for public transport ticketing services



22

recommendations submitted by the Family-Friendly Transport Advisory Panel



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VISION MISSION VALUES



VISION

A sustainable public transport system, the preferred choice for all.



MISSION

To work in collaboration with commuters, transport operators and Government agencies to improve our public transport system by:

- Keeping public transport fares affordable while ensuring the sustainability of the public transport system; and
- Providing objective, evidence-based advice to the Government to improve the service quality of public transport and commuters' travelling experience



CORE VALUES

PROFESSIONALISM

Strive for service excellence in what we do and how we do it

INTEGRITY

Uphold high standards of moral and ethical principles

OBJECTIVITY

Be fair and open to differing views with the aim of achieving an optimal balance

INNOVATION

Seek new ways to improve public transport



FY2017/2018: OH! WHAT A RIDE

ADVISORY ROLE

- Completed 2nd Advisory Report "Conversation and Connecting with SG Commuters"; 21 recommendations submitted to the Minister for Transport
- Formation of Family-Friendly Transport Advisory Panel, to submit recommendations to Senior Minister of State for Transport, Dr Lam Pin Min
- Public Transport Customer Satisfaction Survey 2017
- Point-to-point Transport Services Customer Satisfaction Survey 2017
- Bus and Rail Experience Surveys 2017
- Launch of Co-creation trials (Heart Zone, Heartwheels@Linkway) at Outram Park MRT Station with Land Transport Authority, SBS Transit, SMRT Trains, Singapore General Hospital, Singapore National Eye Centre, and National Heart Centre Singapore

REGULATING PUBLIC TRANSPORT FARES

- Approved an overall fare reduction of 2.2%
- Introduced lower morning pre-peak rail fares across the entire rail network. Commuters who tap in with their fare cards at any rail station before 7.45am on weekdays (excluding public holidays) enjoy lower rail fares of up to 50 cents
- Concluded the Fare Formula Review and introduced a revised fare formula (valid from 2018 to 2022)
- Completed the review of Distance Fares Transfer Rules to facilitate more efficient and seamless travel
- Approved 27 new non-public bus fare pricing policy applications and nine renewal applications
- Reviewed proposals from taxi companies to introduce dynamic pricing for booking of charter taxi services via mobile applications

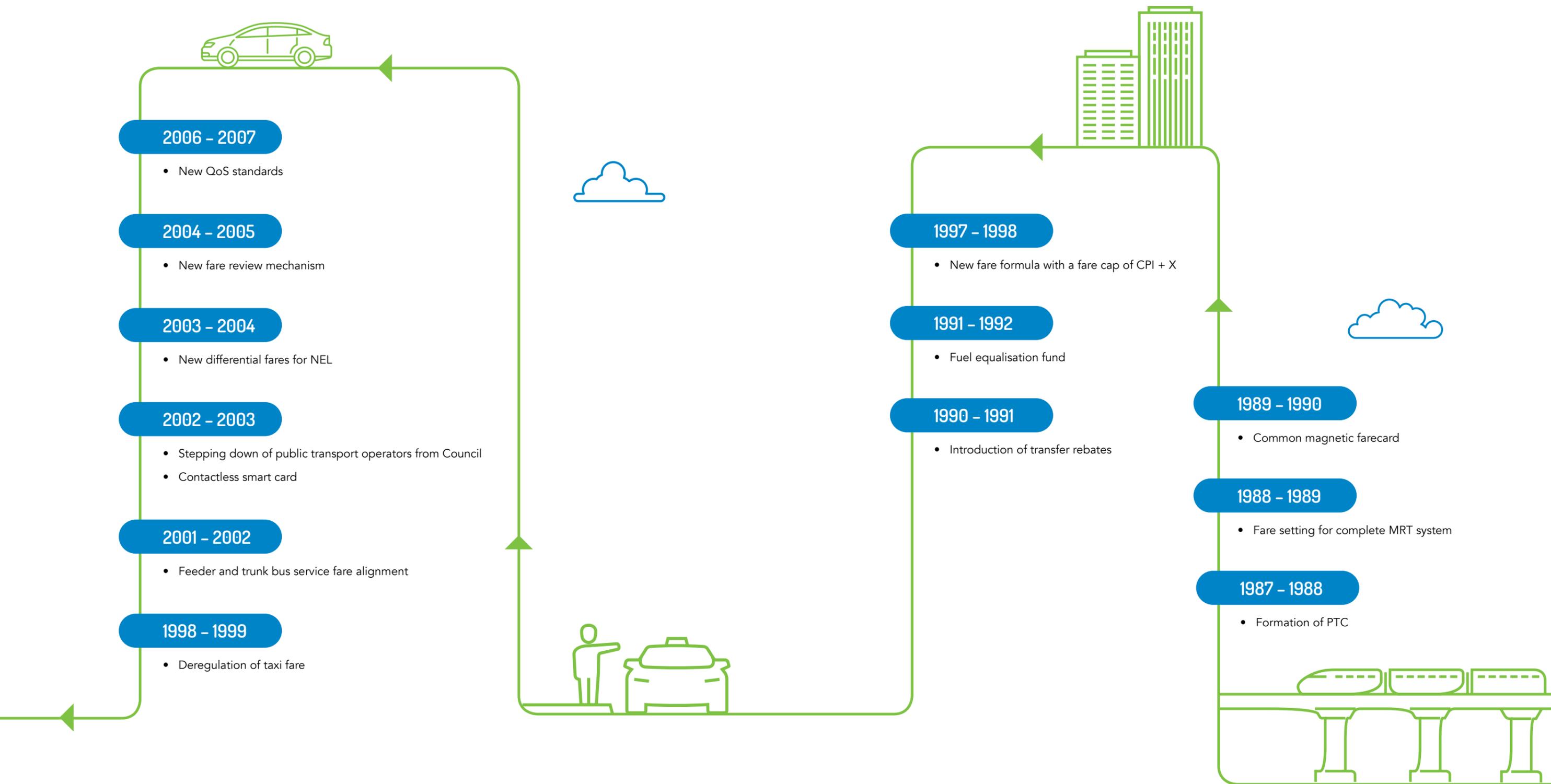


DETECTING FARE EVASION

- Handled 2,754 bus and train fare evasion appeal cases and 208 taxi fare evasion cases in the year in review

CONNECTING WITH COMMUTERS

- Engagements with more than 20,000 SG Commuters
- Addressed a total of 829 public feedback and media queries
- Issued 11 press releases



2006 - 2007

- New QoS standards

2004 - 2005

- New fare review mechanism

2003 - 2004

- New differential fares for NEL

2002 - 2003

- Stepping down of public transport operators from Council
- Contactless smart card

2001 - 2002

- Feeder and trunk bus service fare alignment

1998 - 1999

- Deregulation of taxi fare

1997 - 1998

- New fare formula with a fare cap of CPI + X

1991 - 1992

- Fuel equalisation fund

1990 - 1991

- Introduction of transfer rebates

1989 - 1990

- Common magnetic farecard

1988 - 1989

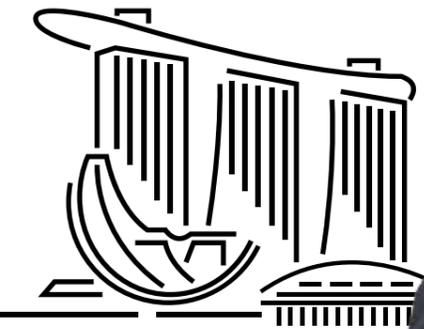
- Fare setting for complete MRT system

1987 - 1988

- Formation of PTC

LET'S GET THERE, TOGETHER.

MESSAGE FROM CHAIRMAN & CHIEF EXECUTIVE



Richard Magnus
Chairman, PTC



Tan Kim Hong
Chief Executive, PTC



2017 marks an important milestone for the Public Transport Council (PTC), not only as the 30th anniversary for the Council but also a time for us to pause, review, and chart the future direction and areas of focus for the organisation.

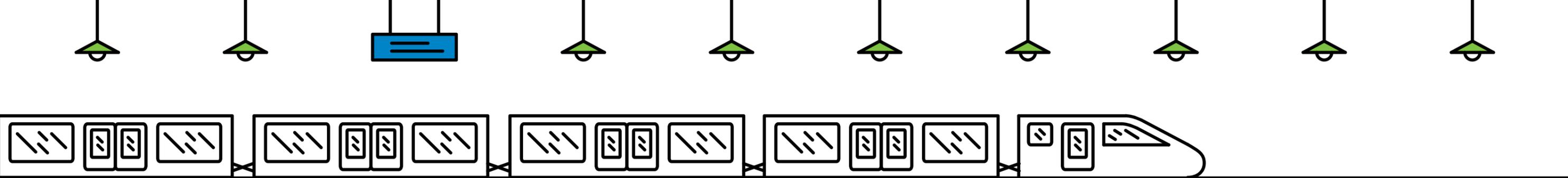
BUILDING STRONG FUNDAMENTALS AND ATTAINING SUSTAINABILITY

Upon re-constitution in 2016, PTC became a full-fledged statutory board with a staff strength of 32. The increase in manpower came with greater responsibility. More than being a fare regulator, PTC is now an independent advisor to the Minister for Transport, entrusted with the role to understand ground sentiments and what matters to commuters. The Council, made up of a broad and diverse representation from society (which include academia, labour union, industry and the people sector), seeks to strike that delicate balance between ensuring affordability of fares for our commuters and the financial sustainability of the public transport system.

Public transport exists for commuters. Our corporate logo highlights the people-centric spirit and our vision to improve the public transport system. The tagline "Better Rides. Affordable Fares. Sustainable Public Transport" encapsulates the core purpose of our work but it is not without challenges.



Similar to the networks in other parts of the world, an ageing public transport infrastructure, changing demographics, increasing commuters' expectations, and escalating expenses are major challenges faced by our public transport system. To add to that, a combination of several unfortunate events in recent years has understandably marred the public's confidence in our public transport system, which is why it is important to re-build trust with our commuters. Our challenge, moving forward, is to actively engage and co-create with commuters to improve their travelling experience.



On this note, allow us to share with you the progress and highlights for the year in review, FY2017/18:

AFFORDABLE FARES, SUSTAINABLE PUBLIC TRANSPORT SYSTEM

For the Fare Review Exercise in 2017, **PTC approved an overall fare reduction of 2.2%**. This is the third consecutive year that PTC has granted a fare reduction. With this reduction, the **Public Transport Affordability Indicator for the second quintile and second decile households continued to improve since 2007**, as wage increases outpaced fare increases. This means that over the last decade, these households have been spending proportionately less of their monthly income on public transport fares.

Using the 2017 negative fare adjustment quantum, the Council **introduced the lower morning pre-peak fares for rail** commuters who travel before 7.45am on weekdays (excluding public holidays). This is an evolution from the Free Pre-Peak Travel trial which was scoped to 18 designated stations. Commuters can now enjoy up to 50 cents in savings islandwide, regardless of their rail travel routes. Since its implementation in December 2017 to March 2018, **more than 325,000 commuters have benefitted from the lower fares, amounting to more than \$9 million in savings.**

With pre-morning peak discount, we hope to nudge commuter behaviour in shifting their travel patterns, to achieve a win-win – spread out travel demand, resulting in more efficient use of our public transport system with better utilisation during non-peak periods – as well as giving commuters less crowded and more comfortable rides.

While we keep a close eye on fares affordability, we must also not lose sight of the financial sustainability of our public transport system. **The review of the fare formula was concluded in early 2018** with the introduction of a new fare formula designed to adapt to the nation's evolving public transport landscape. A **new Network Capacity Factor (NCF) has been introduced to the formula** to better reflect cost movements due to changes in public transport network capacity and ridership. The NCF may be positive or negative. It will be positive where demand grows slower than capacity. Conversely, if capacity remains stagnant in a given year and demand grows faster than capacity, resulting in more crowded trains, the NCF will be negative.

Notwithstanding this, the Government will continue to bear the full cost of constructing new public transport infrastructure, such as rail lines and bus depots. Indeed, transport infrastructure takes up a significant share of the nation's budget; second largest after Defence. It is worthwhile to note that NCF is not intended to recover such infrastructure costs or past operating costs.

BETTER RIDES

With the rapid expansion of the rail network over the years, rail stations are being built closer to each other, especially in the city centre. Against this backdrop, **the Council undertook a review of the existing Distance Fares Transfer Rules** with the aim of facilitating more efficient and seamless travel experiences.

By end of 2018, **commuters will be able to make walking transfers between rail stations (kept within 15 minutes) and also utilise more than one rail trip to reach their destination**, without incurring additional boarding charges. Commuters can enjoy shorter travelling time and potentially see a fare reduction as they adjust their current travel routes to leverage on the increasing connectivity of the rail network. We expect more commuters to benefit as our rail network continues to expand with the Thomson-East Coast Line, Circle Line 6, and North East Line Extension projects.

Moving beyond fares, **PTC submitted our second Advisory Report themed "Conversation and Connecting with SG Commuters"** to the Minister for Transport. The report follows through from PTC's inaugural Advisory Report published in August 2016, which contained 17 recommendations for an improved public transport experience for all commuters.

Frank conversations have been captured through PTC's engagement with over 20,000 SG Commuters of diverse profiles and through multiple channels. Many shared with us their willingness to take stronger ownership of the solutions to promote a more caring commuting culture. Hence, birthing the **ground initiative of "Heart Zone" and "Heartwheels@Linkway" at the Outram Park MRT station in August 2017.**

To the many commuters in transit and the volunteers from Singapore General Hospital campus, we want to say a big Thank You! You are the reason for the success of the ground-up initiative. We are glad that you made the difference to those in need, by extending your helping hand.

On 30 June 2017, the **Family-Friendly Transport Advisory Panel was commissioned**. The Panel consulted diverse segments of families like those with young children, special needs dependents, dependents who are seniors, wheelchair users, as well as regular commuters. A total of 22 recommendations were made to Senior Minister of State for Transport, Dr Lam Pin Min. A more family-friendly land transport system will benefit these commuters by **making our public transport more inclusive and commuter-centric.**

JOURNEY FORWARD

The road ahead remains a challenging one for PTC in delivering its vision to make public transport the preferred choice for all. Faced with an ever-changing public transport landscape, increasing commuter expectations, and tighter fiscal constraints, it is imperative that PTC evolves to stay relevant and overcome these challenges. While our fundamentals remain unchanged, we need to refocus our strategic direction in the key areas of: **Digital Transformation, Commuters as our Partners, and Being Future Ready.**

The Government recently launched its "Digital Government Blueprint" as a key pillar for our public service transformation efforts. Digital transformation is critical to raise our service standard to meet rising expectations and demand. Our vision ahead is an end-to-end service delivery that is seamless and can be conducted anytime, anywhere. This would require a change in the current processes, systems integration, greater use of technology and digital platforms, and a digital ready workforce.

Public transport is all about commuters. Commuters want to be engaged for their views and feel connected to the public transport plans. Co-creation allows for commuters' participation and gives them a sense of ownership of our public transport system. It also enables an inclusive public transport system that takes into account the views

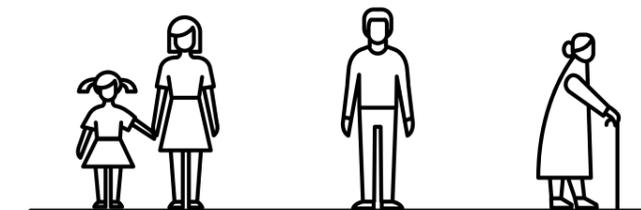
and contributions of commuters who act as value creators and co-producers of public results. Co-creation involves businesses, civil society organisations, communities, and individuals working together in a collaborative manner to deliver outcomes.

To be Future Ready would require us to embrace uncertainty and adopt a more risk-based approach in our policy and regulatory framework. Businesses should be given greater space to innovate and bring new products for the benefit of commuters. We have seen the disruption caused by third party ride-hailing applications such as Grab, and we expect the emergence of more such services in the horizon, for example Mobility as a Service (MaaS) and Account-Based Ticketing. We need to stay nimble, keep abreast of industry changes, and maintain a willingness to change course.

The progress and accomplishments by PTC over the decades have only been made possible with the dedicated support from our Council members. Our appreciation also extends to all our stakeholders and partners for their support and understanding. We look forward to working with everyone to continue this exciting journey to shape the future commuting experience!

Richard Magnus
Chairman, PTC

Tan Kim Hong
Chief Executive, PTC



COUNCIL MEMBERS



**MR RICHARD
MAGNUS**
Chairman



MR TAN KIM HONG
Chief Executive



**MR ABDULLAH
SHAFIE BIN
MOHAMED SIDIK**



**MR ARASU S/O
DURAISAMY**



**ASSOCIATE
PROFESSOR
VINCENT CHUA
CHENG HUAT**



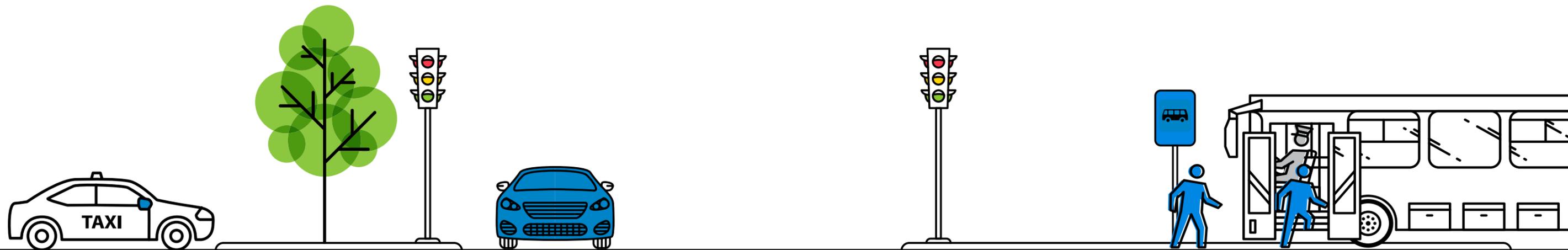
**MS CHUA
LEE HOONG**

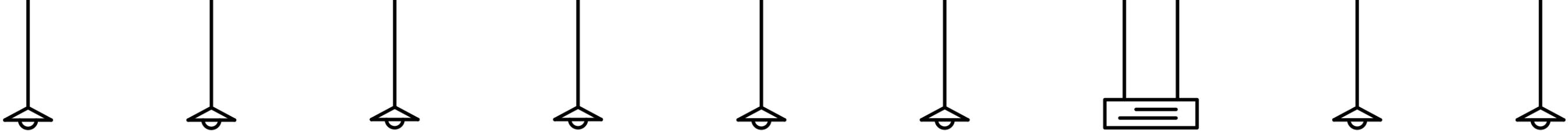


**MS ANNE
CHUA TAI HUA**



**MR GOPINATH
MENON**





MR KARMJIT SINGH



MS LEE HUAY LENG



MR SNG CHERN WEI



ASSOCIATE PROFESSOR PATRICIA TAN MUI SIANG



MDM TAN SEOW PEER



MR YEO TECK GUAN



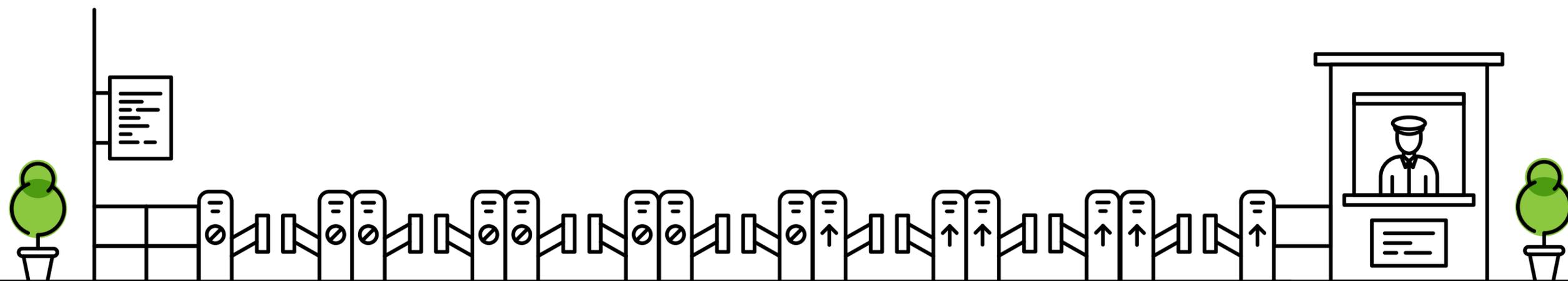
MR ADRIAN CHUA



MR FANG CHIN POH



DR KWOH CHEE KEONG



MR RICHARD MAGNUS

Chairman

Mr Magnus was reappointed Chairman of the Public Transport Council (PTC) on 1 May 2016. Having served on the Council since February 2012, he led the Fare Review Mechanism Committee (FRMC) which was tasked to evaluate and recommend improvements to the public transport fare review mechanism and fare concessionary framework. The FRMC submitted recommendations to the Government in November 2013, which were accepted and subsequently implemented. The fare review mechanism went on to clinch the esteemed International Association of Public Transport's (UITP's) "Smart Financing and Business Model" finalist award at the 61st UITP World Congress & Exhibition in Milan.

Under the leadership of Mr Magnus, PTC was re-constituted as a body corporate in January 2016 and assumed its role as Advisor to the Minister for Transport. PTC's Advisory Reports, presented to the Minister in 2016 and 2018, contained recommendations to enhance the travel experience of public transport users which were well received by both the Government and members of the public.

Mr Magnus was also appointed as co-Chairman of the Family-friendly Transport Advisory Panel in 2017, which aimed to better understand the needs of different types of family units and gather practical recommendations. He was also invited to assume Chairmanship for UITP Asia-Pacific Organising Authorities Platform, to bring together various transport authorities from Asia-Pacific to discuss and learn from one another. Prior to joining PTC, Mr Magnus was Board Director of the Land Transport Authority where he chaired the Downtown Line's Financing Committee.

Mr Magnus is also Chairman and Board Director of several private companies and bodies. He is Singapore's First Representative to the ASEAN Inter-Governmental Commission on Human Rights; and Vice-Chairman of UNESCO's International Bioethics Committee, as well as a Member of the Public Service Commission and the Ministry of Home Affairs' Independent Review Panel. For his contributions to Public Service, he was conferred the Public Administration Medal (Gold) (Bar) in 2003, the Meritorious Service Medal in 2009 and the Public Service Star Medal in 2015. Mr Magnus is also Adjunct Professor for the School of Law, Singapore University of Social Sciences.

MR TAN KIM HONG

Chief Executive

Prior to his appointment to the role of Chief Executive of PTC on 1 July 2017, Mr Tan was the Deputy Group Director of the Public Transport Group of the Land Transport Authority. With more than 18 years of experience in the public transport industry, Mr Tan has led a number of key initiatives including the implementation of Distance Fares, the Bus Service Reliability Framework, and the public bus industry's transition to the bus contracting model.

He was heavily involved as secretariat to the GPC-led Committee in the inaugural review of the Fare Review Mechanism in 2003, and had published papers at the World Conference on Transport Research, and the International Conference on Competition and Ownership in Land Passenger Transport.

MR ABDULLAH SHAFIIE BIN MOHAMED SIDIK

Mr Abdullah Shafie is Chairman of Siglap South Community Centre Management Committee, and Vice-Chairman of Joo Chiat Citizens' Consultative Committee and Joo Chiat Community Club Management Committee. Mr Abdullah Shafie is also President of SATS Workers Union and a member of the Advisory Committee of the Reformatory Training Centre. Active in community and grassroots work, Mr Abdullah Shafie was awarded the Public Service Star (BBM) in 2005 for his service to the community.

MR ADRIAN CHUA

The Deputy Secretary (Administration) at the Ministry of Defence, Mr Chua oversees the defence budget, manpower, information technology and legal issues. He is also the Ministry's Chief Digital Strategy Officer.

He was previously Divisional Director (Manpower Planning and Policy Division) at the Ministry of Manpower, Executive Director (Strategic Planning and Communications Department) and Executive Director (Prudential Policy Department) at the Monetary Authority of Singapore (MAS). Mr Chua also served as a member of the Executive Board of the International Monetary Fund from 2008 to 2010, during the global financial crisis.

Mr Chua graduated from Harvard University with a Master in Public Policy under a MAS Postgraduate Scholarship.

MS ANNE CHUA TAI HUA

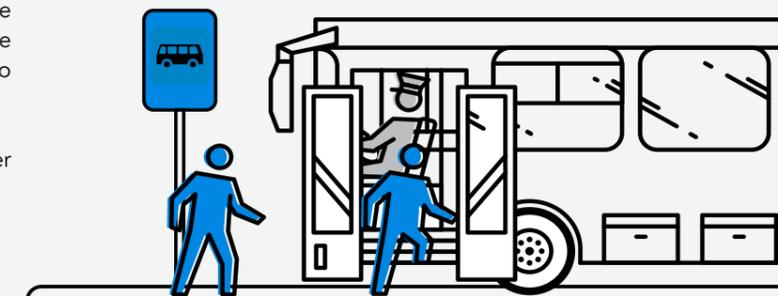
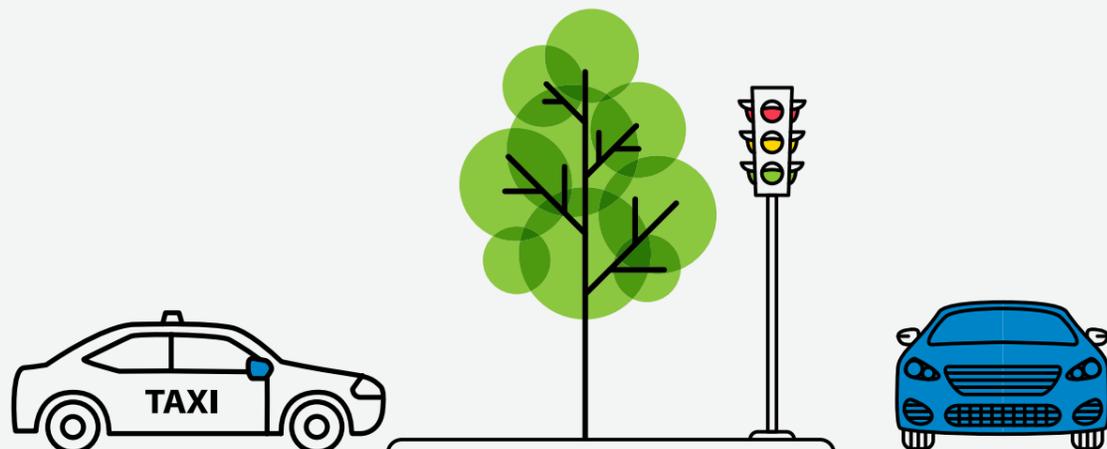
Head of Finance at CapitaLand Commercial Trust, Ms Chua has more than 30 years of experience in the finance and treasury functions with local and multinational organisations. She sits on the Valuation Review Board of the Ministry of Finance. Ms Chua has a Master's Degree of Professional Accounting from the Singapore Management University and a Master of Applied Finance Degree from MacQuarie University.

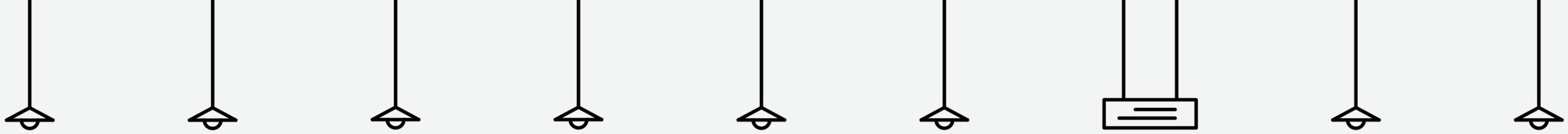
MR ARASU S/O DURAISAMY

Mr Arasu is General Secretary of Singapore Port Workers Union and a Member on NTUC Central Committee. He pursued the OTC Institute-UniSIM Diploma in Employment Relations (DER) and was awarded the Seah Mui Kok Award for Top Unionist in the DER programme.

MS CHUA LEE HOONG

Ms Chua is Senior Director of the Resilience Policy and Research Centre, and Senior Director of the National Security Research Centre, in the Prime Minister's Office. Formerly with the Straits Times for 17 years, including two years as Features Editor, six years as Review Editor and four years as Political Editor, Ms Chua served as a Member of the Board of Directors of the Land Transport Authority from 2008-2014. She has also previously served on the REACH (reaching everyone for active citizenry@ home) Supervisory Panel, the Promote Mandarin Council, the Committee on Ageing Issues and the Bilingualism Fund Publicity and Outreach Committee.





MR FANG CHIN POH

Mr Fang is General Secretary of the National Transport Workers Union and has been active in union work for 35 years. A member of the NTUC Central Committee from 2007 to 2011, Mr Fang is currently a Grassroots Leader and member of the Woodlands Citizen Consultative Committee. He is also a member of the Public Transport Tripartite Committee. Mr Fang received the Comrade of Labour Award and the Comrade of Labour (Star) Award in 2005 and 2015 respectively, as well as the Public Service Medal (PBM) in 2008.

MR GOPINATH MENON

Mr Menon is a freelance transportation engineering consultant who is also a Senior Research Fellow at the Centre for Infrastructure Systems at Nanyang Technological University. He has vast experience in the transport field, specialising in traffic management, road pricing and bus priority schemes. In recognition of his contributions, Mr Menon was awarded the Public Service Star (BBM) in 2010.

MR KARMJIT SINGH

Mr Singh is Chairman of the Chartered Institute of Logistics and Transport Singapore (CILT) where he has been actively involved in logistics professional development for over 15 years. Formerly a Member on the Board of The Logistics Institute – Asia Pacific, National University of Singapore for several years, he is currently an Independent Board Director of the Keppel Telecommunications and Transportation Ltd, a subsidiary of Keppel Corporation. Mr Singh was Chairman of the Advisory Council for e-commerce for Singapore Post Limited and had a role in the General Agreement in Trade and Services deliberations on air transport services in 1991.

DR KWOH CHEE KEONG

Dr Kwoh is the Chairman of Keat Hong Citizens' Consultative Committee and an Associate Professor at the School of Computer Science and Engineering, Nanyang Technological University. Dr Kwoh has been an active grassroots volunteer for more than 20 years. For his service, he was awarded the Public Service Medal (PBM) in 2008.

MS LEE HUAY LENG

Ms Lee heads the Chinese Media Group of Singapore Press Holdings, which includes Lianhe Zaobao, Lianhe Wanbao, Shin Min Daily, the digital platform Zaobao.sg, radio UFM100.3 and 96.3 Hao FM. As a fresh graduate, she joined Lianhe Zaobao in 1994 and kicked off an illustrious 20-year journalistic career that would take her through various roles from sports reporter to political reporter, Hong Kong correspondent, Beijing Bureau Chief, China Editor, News Editor and Deputy Editor. In public service, Ms Lee serves as a member of Founders' Memorial Committee and Lifelong Learning Council. An active alumna of her alma mater, Ms Lee is also Board Director of the National Kidney Foundation and Governor of Singapore International Foundation.

ASSOCIATE PROFESSOR PATRICIA TAN MUI SIANG

Patricia Tan is associate professor of accounting at Nanyang Business School, NTU. She has a PhD Degree in Accounting from the University of British Columbia, and is a Chartered Accountant of Singapore. Prior to joining academia, Patricia worked as an external auditor in one of the international audit firms. Her research interests are in financial reporting issues and valuation. Her research has been published in both professional accounting and top academic journals in the field, and she has presented her research findings at numerous international conferences. She has also jointly conducted various financial reporting consultancy projects and currently serves on various committees in the accounting profession. She has taught courses at many levels, including undergraduate, MBA and MSc.

MR SNG CHERN WEI

Mr Sng is Deputy Director-General of Education (Curriculum) at the Ministry of Education. He holds a Master's Degree from Harvard University and has a Professional Qualification in Leaders in Education Programme from the National Institute of Education. Mr Sng received the Public Administration Medal (Silver) in 2010.

MDM TAN SEOW PEER

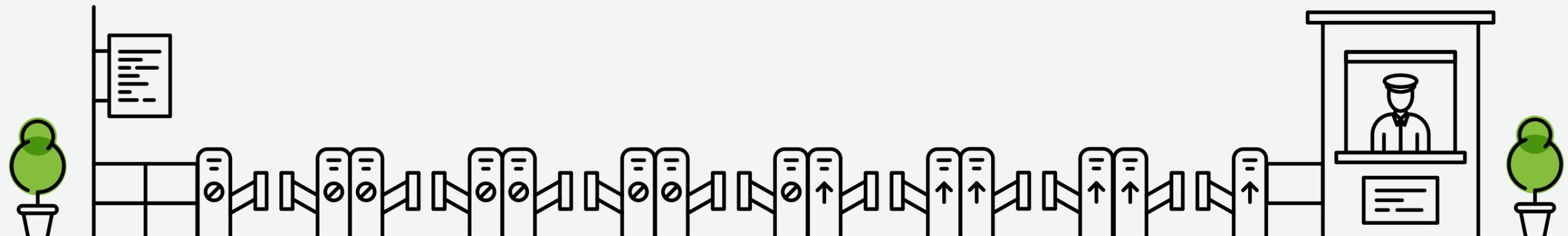
A practising lawyer with Tan Kim Seng & Partners, Mdm Tan is active in community work. The Chairperson of Tiong Bahru Community Centre Management Committee, she received the Public Service Star (BBM) Award in 2011 for her contributions to public service.

ASSOCIATE PROFESSOR VINCENT CHUA CHENG HUAT

Head (Research) in the Office of the President at the Singapore University of Social Sciences (SUSS), Associate Professor Chua holds a PhD in Economics from the University of Chicago. Contributing to the Council since 1999, he has offered much valuable professional input with his strong academic background and ground experience in public transport. For his contributions to the Council, Associate Professor Chua was awarded the Public Service Medal (PBM) in 2007 and the Public Service Star (BBM) in 2015.

MR YEO TECK GUAN

Mr Yeo is Senior Group Director, Public Transport at the Land Transport Authority. He joined the Authority in 1998 and was Director, Public Transport Regulation from 2007 to 2012. He brings to the Council his extensive experience having been involved in the both the regulation of public transport services, and the transition of the public bus industry to a bus contracting model.



ABOUT THE PUBLIC TRANSPORT COUNCIL

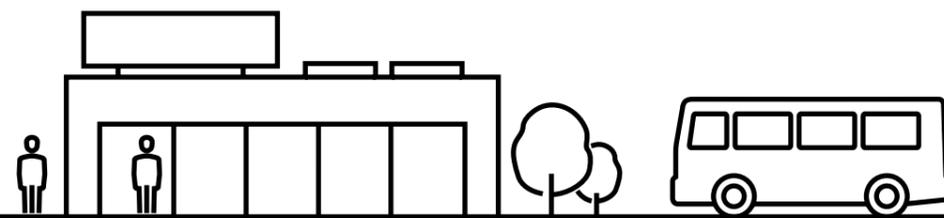
The Public Transport Council (PTC) regulates public transport fares and ticket payment services. It also undertakes the role of advisor to the Minister for Transport on public transport matters. Established in 1987 under the Public Transport Council Act (Cap 259B), PTC operates within the jurisdictions of the Public Transport Council Act and in accordance with overarching public transport policies.

The 17-member Council, by design, has a broad and diverse representation from the society, which includes academia, labour union, industry and the people sector. Many of the Council members commute regularly by public transport for work and leisure, and thus share many of the views and concerns of commuters. The multiplicity of representation and experience of the Council members allow PTC to objectively weigh the considerations of commuters, the Government and public transport operators, so as to provide balanced recommendations to improve the public transport system.

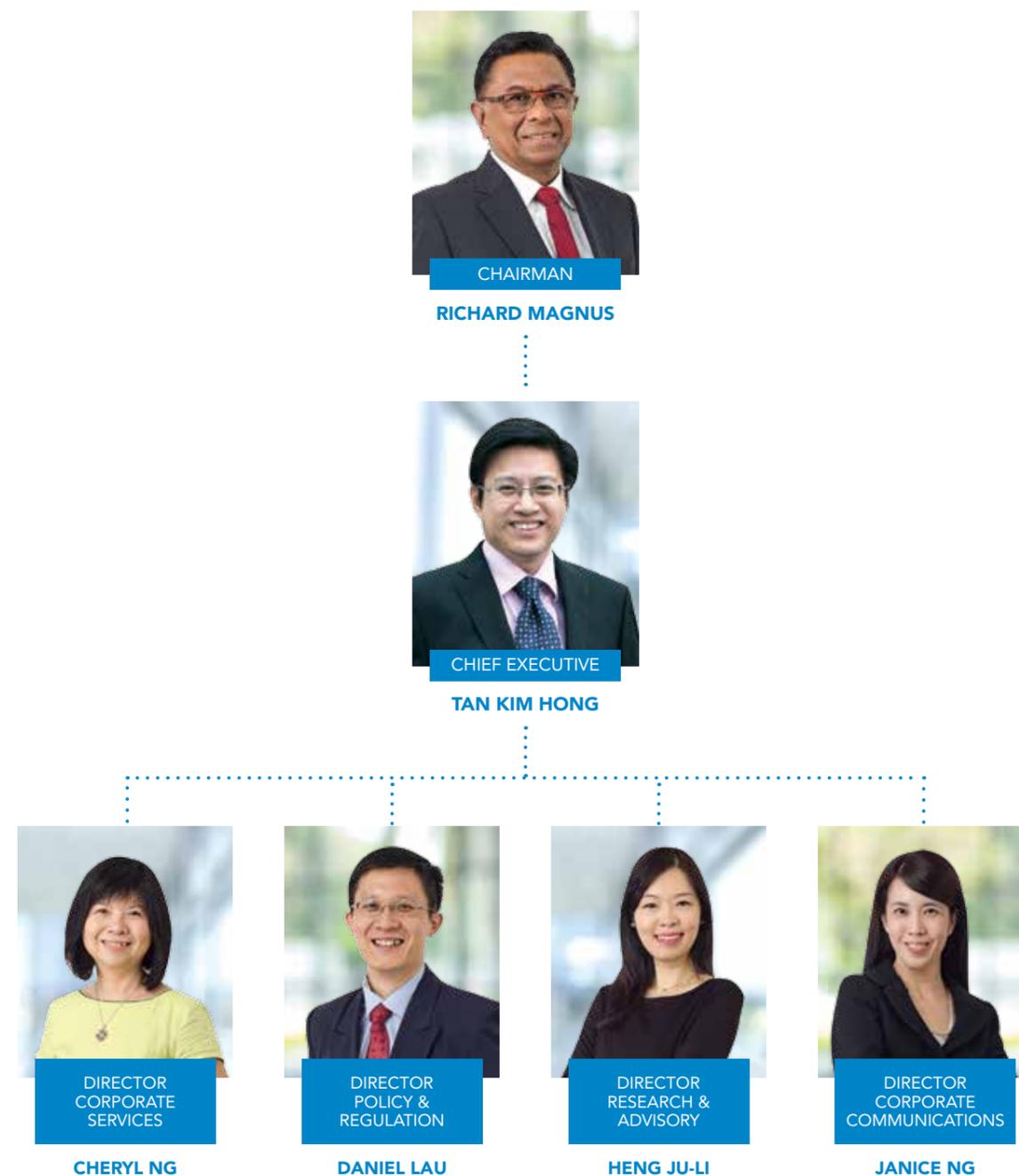
The key statutory powers of PTC include:

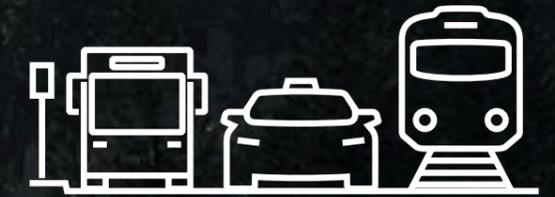
- Regulating bus and train fares (taxi fares had been deregulated since 1 September 1998);
- Regulating ticket payment services for buses and trains;
- Regulating penalty fees to deter fare evasion; and
- Advising the Minister for Transport on public transport matters.

PTC strives to keep public transport fares affordable for commuters while ensuring the sustainability of the public transport system. It also endeavours to enhance the travel experience of commuters by providing objective, data-based advice to the Minister for Transport. PTC works closely with public transport industry players and Government agencies such as the Ministry of Transport and the Land Transport Authority.



ORGANISATION STRUCTURE





KEEPING PUBLIC TRANSPORT FARES AFFORDABLE AND SUSTAINABLE

2017 FARE REVIEW EXERCISE

The allowable fare adjustment quantum for the 2017 Fare Review Exercise is -5.4%. PTC granted an overall fare reduction of 2.2%, and carried over the remaining -3.2% to the next Fare Review Exercise. This was the third consecutive year where fares were reduced.

LOWER MORNING PRE-PEAK RAIL FARES

The 2.2% overall fare reduction was introduced in the form of lower morning pre-peak fares across the entire rail network to encourage off-peak travel. Commuters who tap in at any rail station before 7.45am on weekdays (excluding public holidays) will enjoy fare savings of up to 50 cents. On average, more than 325,000 commuters have benefitted daily since the lower weekday morning pre-peak fares were introduced. We will continue to monitor travel patterns and enhance the fare structure where necessary.

Both commuters and public transport operators benefit from off-peak travel. While commuters see more comfortable and less crowded rides, off-peak travel also ensures that resources are utilised more efficiently by the operators.



A MORE RESPONSIVE FARE FORMULA

In recent years, we have seen many improvements in our public transport system to bring about greater convenience and comfort to commuters. More than 1,000 new buses have been introduced through the Bus Service Enhancement Programme and Bus Contracting Model since 2012. Around 200 new trains were injected into the network to augment the capacity of existing rail lines over the same period. Public transport capacity increased by around 25% from 2012 to 2017. Notwithstanding this, the rail network will continue to expand with the opening of new lines and extensions like the Thomson-East Coast Line (TEL) in years to come.

The capacity upgrades and network expansions are necessary and have been welcomed by commuters. However, they come at a cost. Between 2012 and 2016, annual operating costs rose by over \$900 million, while annual fare revenue only increased by around \$230 million.

It was in this operating context that the PTC conducted and completed its review of the fare formula. PTC's review culminated in the announcement of a new fare formula in March 2018, with this formula valid from 2018 to 2022. While keeping fares affordable, we were also mindful that the new fare formula should be nimble and responsive to industry cost fluctuations as our public transport landscape undergoes significant changes. To this end, PTC introduced the Network Capacity Factor (NCF), and also updated the weights for the price indices and the Productivity Extraction Factor (PEF).



Source: www.gov.sg

COMPONENT	2013-2017 FARE FORMULA	2018-2022 FARE FORMULA	KEY CHANGES
CORE CONSUMER PRICE INDEX (cCPI)¹	0.4 cCPI	0.5 CCPI	Increase in weightage of 0.1 cCPI
WAGE INDEX (WI)²	0.4 WI	0.4 WI	No change
ENERGY INDEX (EI)³	0.2 EI	0.1 EI	Decrease in weightage of 0.1 EI
PRODUCTIVITY EXTRACTION (PE)⁴	Half of operators' productivity gains (estimated to be 0.5%)	Half of operators' productivity gains (estimated to be 0.1%)	No change in formula. Despite the rapid workforce expansion to support the capacity enhancements between 2012 and 2016, the industry managed to achieve average productivity gains of 0.2%. Half of this, or 0.1%, will be shared with commuters through the PEF from 2018 to 2022.
NETWORK CAPACITY FACTOR⁵	NIL	New component. See more details on page 30.	

¹ Change in core Consumer Price Index over preceding year

² Change in average monthly earnings (annual national average) over the preceding year, adjusted to account for any change in the employer's CPF contribution rate

³ Change in energy index (composite index of price changes in electricity and diesel) over the preceding year

⁴ Share of public transport operators (PTO)'s productivity gains

⁵ Measures the change in place kilometres (total distance covered by the operated bus and train trips multiplied by the corresponding bus and train capacities) per passenger kilometre (total distance travelled by each commuter within the public transport network) over the preceding year

• **NETWORK CAPACITY FACTOR**

The NCF is intended to track cost movements against public transport capacity changes and commuter demand going forward. It measures the change in place kilometres (total distance covered by the operated bus and train trips) per passenger kilometre (total distance travelled by each commuter within the public transport network) over the preceding year, with equal weightage to both bus and rail modes, as follows:

$$NCF = 0.5 \times \Delta \frac{\text{Operated train place km}}{\text{Passenger km for train}} + 0.5 \times \Delta \frac{\text{Operated bus place km}}{\text{Passenger km for bus}}$$

The NCF may be positive or negative. It will be positive where demand grows slower than capacity. Conversely, if capacity remains stagnant in a given year and demand grows faster than capacity, resulting in more crowded trains, the NCF will be negative.

The NCF does not recover past operating costs nor infrastructure costs. All infrastructure costs for the construction of new rail lines and other public transport infrastructure will continue to be fully borne by the Government. In addition, the Government will continue to provide significant subsidies for public transport services, estimated to be around S\$9 billion over the next five years.

Why is PTC introducing the Network Capacity Factor (NCF)?

From 2012 to 2017, Singapore's public transport network expanded by

- 1000 NEW BUSES
- 200 NEW TRAINS
- 74KM MORE RAIL LINES
- MORE OPERATED BUS AND TRAIN TRIPS

These expansions incur higher operating costs as they require more

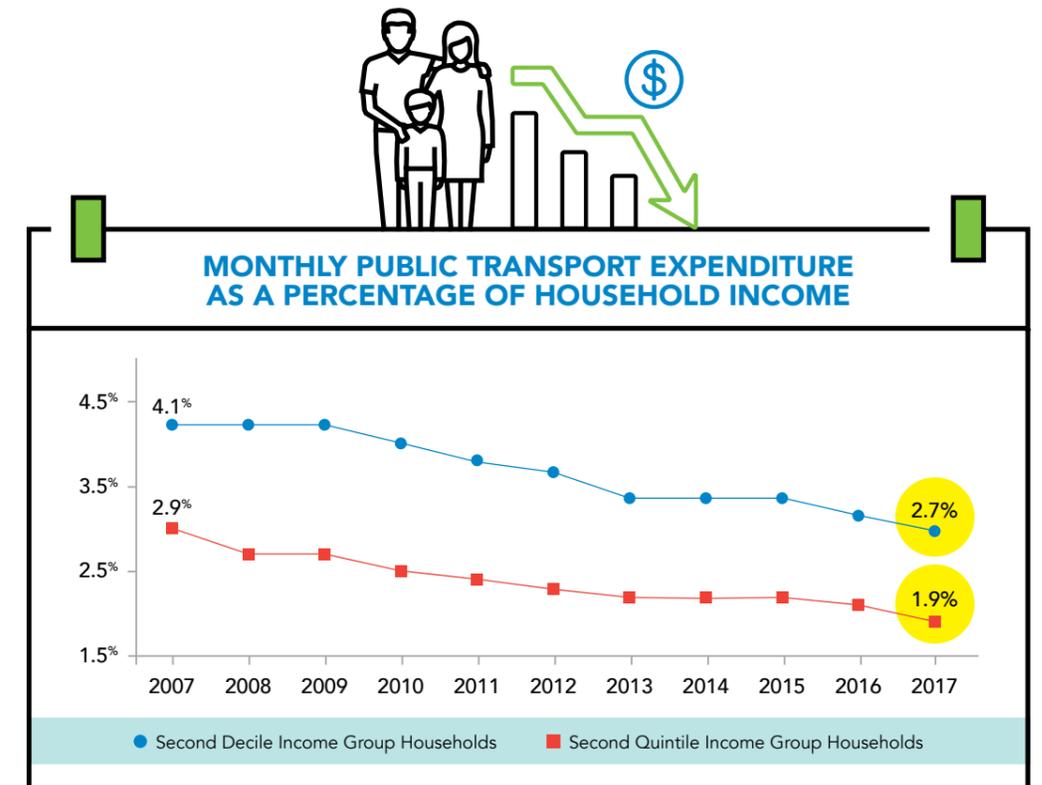
- MANPOWER
- ELECTRICITY
- DIESEL
- MAINTENANCE

The NCF will more accurately measure the extent to which capacity (e.g. running more buses and trains over longer distances for better connectivity) is added beyond actual commuter demand.

- Public transport services will continue to be heavily subsidized by the government
- Public transport civil infrastructure cost will be borne fully by the government

• **AFFORDABLE FARES**

Over the past decade, monthly public transport expenditure as a percentage of monthly household income has fallen for both the second decile group (representing the lower income public transport user) and the second quintile group (representing the average public transport user). This percentage fell from 4.1% to 2.7% for the second decile group and from 2.9% to 1.9% for the second quintile group from 2007 to 2017.

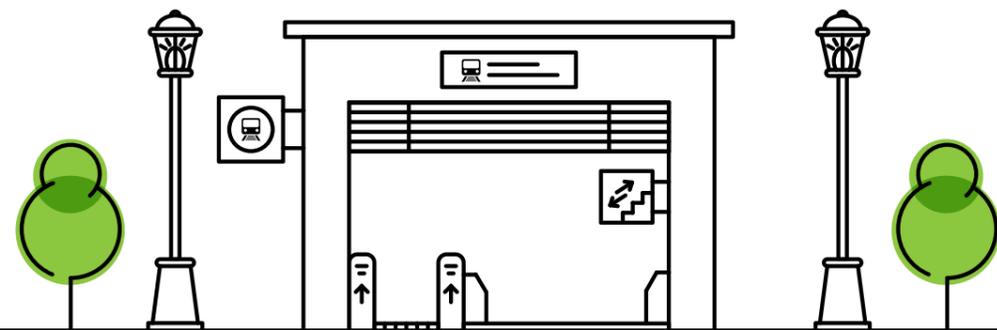


ENHANCED DISTANCE FARES TRANSFER RULES

With more rail lines opening, PTC also announced an enhancement to the Distance Fares Transfer Rules to facilitate more efficient and seamless travel. Commuters will be able to make walking transfers or utilise multiple rail trips to reach their destination, without incurring additional boarding charge. The enhanced transfer rules (appended in the table below) will take effect together with the fare adjustments for the 2018 Fare Review Exercise at the end of 2018.

	CURRENT DISTANCE FARES TRANSFER RULES	ENHANCED TRANSFER RULES
JOURNEY TIME	All journeys must be within two hours of the first boarding	
NUMBER OF TRANSFERS	Maximum of five transfers can be made within a journey	
RULE FOR RAIL TRAVEL	One single entry and exit allowed for rail for each journey	Multiple rail transfers allowed with no additional boarding charges NEW
TRANSFER TIME LIMIT	45 minutes for transfers (i) Between rail station and bus service (ii) Between different bus services	
	No transfer allowed between different rail stations	15 minutes for transfers between different rail stations NEW
OTHER CONDITIONS	<ul style="list-style-type: none"> • Current bus service must not be the same as the preceding bus service • No exit and re-entry at the same station 	

With these changes, at least 6,000 daily journeys can see shorter travel times and lower fares. We expect more commuters to benefit as they adjust their current travel routes to take advantage of the new transfer rules, and the opening of new rail lines.



TAXI FARE STRUCTURE

The taxi fare structure was standardised in 2015 to allow commuters greater ease in comparing fares across different taxi companies. However, taxi fares remain de-regulated and may still be adjusted according to market forces. With a standardised structure, each taxi company has only one set of unit fares for its standard taxis and another set for its premium taxis. Each taxi company will also have just one booking fee each for peak-period, off-peak and advance bookings for standard as well as premium taxis. During the year in review, taxi companies introduced flat fare taxi booking to better match demand through dynamic pricing. This provides an additional option and certainty to commuters where the fares will not change regardless of the route used or en route traffic conditions. PTC reviewed the proposals from taxi companies to introduce such dynamic pricing for booking of charter taxi services through mobile applications.

FARE PRICING POLICY FOR NON-PUBLIC BUSES

Non-public bus services are provided on a commercial basis, giving commuters a choice between taking non-public buses or public transport. To safeguard commuter interests, PTC requires operators of non-public bus services to submit their fare pricing policies for approval before they can implement the fares for their services. The fare pricing policy lists the principles and conditions under which a non-public bus operator charges fares for the services it offers, such as requiring the operator to give commuters advanced notice of any fare changes prior to its implementation. During the year in review, PTC approved 36 of such applications on fare pricing policy.





SAFEGUARDING COMMUTERS' INTEREST IN TICKET PAYMENT SERVICES

Currently, about 98% of daily public transport trips are made using CEPAS-compliant (Contactless e-Purse Application Standard) cards, which include EZ-link and NETS FlashPay cards. To safeguard commuters' interest, all fees and charges related to these cards (such as top-ups and refunds) are regulated by PTC.

Transit Link Pte Ltd, EZ-Link Pte Ltd, and Network for Electronic Transfers (Singapore) Pte Ltd are licensed under this regulatory regime. They each clear more than \$300 million of transit transactions annually.

For commuters' convenience, there are more than 1000 service points located at bus interchanges, bus terminals, bus stops and rail stations where commuters can buy, top-up, replace and receive refunds for their cards. Topping-up at these service points is free-of-charge.

The Land Transport Authority (LTA) has started a pilot on Account-based Ticketing, which is a transit fare collection system that enables commuters to use contactless debit or credit cards for fare payments without the need for top-ups. PTC is currently reviewing the ticket payment service regulatory framework in light of this new fare payment mode.





DETECTING FARE EVASION

TAKING ACTION TO PREVENT FARE EVASION

Fare evasion takes place when commuters do not pay their fares, underpay or misuse concession passes and non-transferable tickets. Such behaviour can possibly lead to significant losses that threaten the financial sustainability of the public transport system.

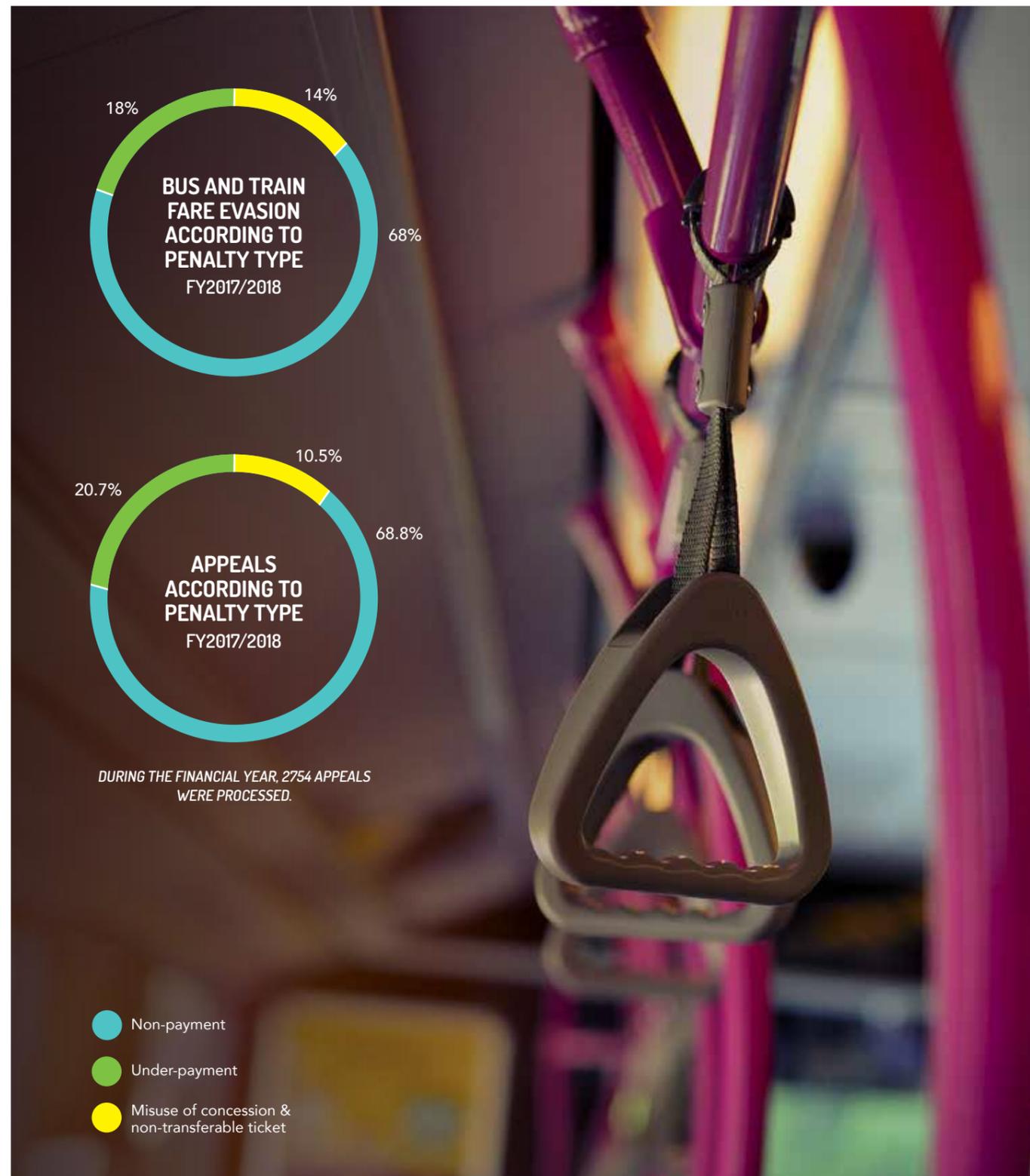
To safeguard the interests of the industry and commuters who pay the correct fare, PTC implemented the penalty fee regime to deter fare evasion on our bus and train systems. Public Transport Officials, identified by Authority Cards issued by PTC, inspect commuters' tickets for proper fare payment and undertake enforcement against those found evading fares.



A total of 5,509 fare evasion cases were detected in FY2017/18. Non-payment of fares was the most prevalent form of fare evasion on buses and trains.

Commuters penalised for fare evasion can make an appeal to the PTC, especially if an offence is committed under extenuating circumstances. To make the appeal process more efficient, PTC launched the revamped Penalty Fee e-appeal portal on its website in 2017. Commuters can submit appeals via the portal to have their cases reviewed. PTC ensures that all appeals are carefully evaluated, and leniency may be granted for cases with extenuating circumstances.

About 51% of the cases were settled by fare evaders through payment of the penalty fee or composition sum. The remaining cases were resolved by appeals or escalated for settlement in court due to non-payment of the composition sum.



BUS AND TRAIN FARE EVASION ON A DECLINE

PTC implemented the penalty framework in 2008 and introduced tougher penalties in 2016 as stronger deterrence against bus and train fare evasion. The penalty framework has been effective in curbing fare evasion despite increasing ridership levels, with the total number of fare evasion cases dropping by 28% over the past financial year alone. In particular, the rate of fare evasion on buses has dropped significantly and has remained consistently low since the implementation of the penalty framework. PTC will stay vigilant and work closely with our agency partners and public transport operators to keep fare leakage to a minimum.



IN FY2008/2009
5.8 OUT OF 1,000 COMMUTERS WERE FOUND EVADING BUS FARE

IN FY2017/2018
1.6 OUT OF 1,000 COMMUTERS WERE FOUND EVADING BUS FARE

CORRESPONDING DROP IN TAXI FARE EVASION CASES

The taxi fare evasion penalty framework seeks to safeguard taxi drivers' livelihoods.

In 2016, PTC introduced larger penalties on fare evaders to better protect our taxi drivers. Public education efforts have raised awareness of these tougher penalties and the reporting procedures for taxi drivers who encounter fare evaders. As a result, PTC has seen a drop of 43% in taxi fare evasion cases over the past financial year. 208 cases of taxi fare evasion were investigated during FY2017/18 in partnership with LTA.



PTC will continue to monitor and work closely with LTA to ensure that the penalty framework remains effective in safeguarding the interests of our taxi drivers.



ADVISORY ROLE – CONVERSATION AND CONNECTING WITH SG COMMUTERS

Mummy,
I am taller
than 0.9m.
I need
a child card
for free travel.

SBS Transit
0.9m
0.6
0.5
0.4
0.3
0.2
0.1

ADVISORY ROLE – CONVERSATION AND CONNECTING WITH SG COMMUTERS

To fulfil our mandate of ensuring a progressive, inclusive and sustainable public transport system for Singapore, PTC engages various groups of commuters and stakeholders to obtain evidence-based insights that shape the recommendations we propose as an independent advisor. In the international arena, PTC also drives efforts to enhance collaboration among different transport authorities.



This year's highlights under PTC's advisory role are: the launch of PTC's co-creation initiatives; the submission of our second Advisory Report to the Minister for Transport; our appointment as Chair for the UITP Asia-Pacific Organising Authority Platform (OAP) for two years from 2017; and our appointment as joint secretariat with LTA to support the work of the Family-friendly Transport Advisory Panel (FFTAP).



"Heartwheels@Linkway" was introduced to assist those with mobility issues in the walk along the 210-metre pedestrian linkway connecting the East-West Line and North East Line at Outram Park MRT station. Fellow commuters are encouraged to extend a helping hand to commuters in need by using the wheelchairs provided to push them along the linkway.



The trials received overwhelmingly positive responses from commuters and were extended with continued support from SGH, LTA, the public transport operators, and new partners from SGH Campus (Singapore National Eye Centre and National Heart Centre Singapore). PTC also expanded the Heart Zone

initiative to two other hospitals, namely Tan Tock Seng Hospital and Ng Teng Fong General Hospital at Novena and Jurong East MRT stations respectively.

CONNECTING WITH COMMUTERS

The insights that drive PTC's recommendations are obtained from our interactions with diverse groups of commuters through focus group discussions and surveys. We cover a variety of public transport issues to ensure that we remain up-to-date on what our commuters are thinking and experiencing on the ground.

PTC conducted eight surveys in this past year of review alone. These were the Bus Experience Survey, Rail Experience Survey, Public Transport Customer Satisfaction Survey (PTCSS), Point-to-Point Transport Services Customer Satisfaction Survey (PCSS), a survey with Bukit Panjang LRT commuters and three other surveys to understand commuters' reactions to the 2017 rail episodes⁶.

LAUNCH OF CO-CREATION INITIATIVES

In PTC's first Advisory Report, commuters said that helpfulness is a matter of importance. Helpful commuters make a difference and can improve their commuting experience.

In response to this, PTC launched two co-creation trials in August 2017, the "Heart Zone" and "Heartwheels@Linkway", together with SBS Transit, SMRT Trains and Singapore General Hospital (SGH). The Heart Zones are visible platforms at two designated areas within Outram Park MRT station for commuters to assist their fellow elderly, frail or visually-impaired commuters in navigating to and within SGH.



SECOND ADVISORY REPORT: CONVERSATION AND CONNECTING WITH SG COMMUTERS

The second Advisory Report followed from PTC's inaugural Advisory Report published in August 2016, which contained 17 recommendations for an improved public transport experience for all commuters. The Government studied these recommendations, and several initiatives are already being implemented progressively.

Through extensive conversations with our commuters and stakeholders and the findings from our co-creation initiatives, PTC obtained rich insights that were distilled into 21 recommendations for our second Advisory Report. These recommendations fall under four main categories:

- 1) growing co-creation in public transport;
- 2) making public transport more inclusive;
- 3) exploring technologies like Mobility as a Service (MaaS) to enhance the door-to-door needs of SG commuters; and
- 4) improving commuters' rail journeys in the aspects of comfort, customer service, cleanliness and information.

⁶ 7 October tunnel flooding between Bishan and Braddell MRT stations and the 15 November train collision at Joo Koo MRT Station.

UITP ASIA-PACIFIC OAP

PTC Chairman, Mr Richard Magnus, was appointed the first Chairperson of the UITP Asia-Pacific Organising Authorities Platform (OAP) for a period of two years in 2017. The OAP is a network of public transport organising authorities in the Asia-Pacific region, with a common goal of working towards enhancing public transport for commuters. It is also a platform for PTC to drive its international benchmarking efforts.

PTC chaired two OAP meetings during the past year. The first meeting was hosted by the Land Public Transport Commission of Malaysia and held in Kuala Lumpur in September 2017, and the second meeting was hosted by the Department of Transportation, Taipei City Government, and held in Taipei in March 2018. The discussions at these meetings were focused on enhancing the attractiveness of public transport; new mobility; and data sharing and policy.

FAMILY-FRIENDLY TRANSPORT ADVISORY PANEL (FFTAP)

In June 2017, the Government commissioned an advisory panel to look into how Singapore's land transport system could be made more family-friendly. PTC Chairman, Mr Richard Magnus, and Chairman of the Government Parliamentary Committee (GPC) for Transport, Mr Sitoh Yih Pin, were appointed as Co-Chairmen of the Panel. The Panel was represented by members from key stakeholder groups, such as academia, grassroots, parents with young children, seniors and people with special needs. PTC and LTA were appointed as joint secretariat to support the work of the Panel.

The Panel reached out to over 3,000 users of the transport system and conducted an extensive public consultation exercise through in-depth interviews, focus group discussions, REACH (Reaching Everyone for Active Citizenry @ Home) listening points and an online survey.

On 30 April 2018, the Panel presented 22 recommendations to the Senior Minister of State for Transport, Dr Lam Pin Min. The recommendations were based on four key themes:

- ✓ greater ease of access for families;
- ✓ more family-friendly spaces;
- ✓ promoting a caring commuting culture; and
- ✓ Mobility as a Service.

Recommendations that are accepted by SMS Lam will be incorporated into LTA's Land Transport Master Plan.



COLLABORATION WITH LOCAL TERTIARY INSTITUTIONS

During the year, PTC completed several projects with different universities.

During the previous year, PTC worked with the Institute of Systems Science at National University of Singapore (NUS-ISS) to design the Rail Experience Survey and Bus Experience Survey. This year, PTC continued to collaborate with NUS-ISS to analyse the results and report the findings of both surveys.

PTC leveraged the expertise of Singapore University of Technology and Design (SUTD) in the area of the future of transport to help us gain a deeper understanding on the state of advancement and research in areas such as MaaS. The findings were incorporated into PTC's 2nd Advisory Report and the FFTAP report.

We also collaborated with the Living Analytics Research Centre at Singapore Management University to better understand the sentiments held by our rail commuters through data analysis of tweets about their commuting experiences.





LISTENING TO THE PEOPLE

How does PTC know whether our efforts are effective? Where do we get inspiration to keep going and continuously improve what we do? Among many reasons, it is our hope to continue to engage commuters widely to develop a good understanding of their needs, and at the same time be able to explain the financial considerations behind constant fare adjustments. Captured through focus group discussions, public feedback platforms and customer satisfaction surveys, the valuable feedback from our commuters ensures that our efforts are aligned with the interests of the very people the public transport system exists to serve.

This year, 37 focus group discussions were held with 231 commuters to solicit their views on our public transport system and various fares-related issues. In addition, more than 20,000 commuters were engaged through a series of surveys to allow us to better understand ground sentiments.

HEARING IT THROUGH MULTIPLE CHANNELS

PTC welcomes feedback from members of the public through various channels, including the toll-free hotline, online feedback portal, email, facsimile and REACH (Reaching Everyone for Active Citizenry @ Home) portal. These platforms provide us with useful insights into commuters' travel experiences and expectations. With these, we can identify service gaps and look at areas where the public transport system can be improved.



We value every commuter's feedback and we strive to respond to each one in a prompt and effective manner. For this year in review, we received a total of 773 public feedback.



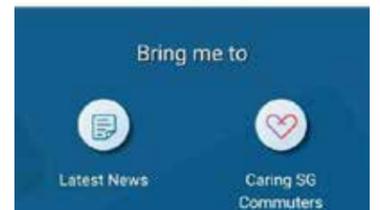
REACHING OUT, MAKING CONNECTIONS

Keeping the public and our commuters updated on our major events and initiatives is important to PTC.

We provide timely updates across a variety of public communications platforms, including the newly revamped PTC website and Facebook page, as well as our Chairman's blog, all of which serve as key platforms for the Council to share their thoughts and insights on PTC's work and different aspects of public transport-related issues.

We also work with the media through media queries to ensure members of the public can better understand the rationale behind our decisions and initiatives that are reported in the news. In FY2017/18, PTC responded to a total of 56 media queries, many of which were clarifications for the Fare Review Exercise, Fare Formula Review and fare evasion cases.

We believe public engagement is an ongoing process and a two-way conversation. With time and trust, we aim to reach out to more stakeholders in understanding their needs, as well as collaborating in realising our vision of building an efficient, affordable, sustainable and more inclusive public transport system for Singapore.



PTC's revamped website

	Regular fare	Fare before 7.45am
Adult	\$1.61	\$1.11
Senior citizen	\$0.87	\$0.37
Student	\$0.58	\$0.08

- Starting from 29 December 2017
- Tap-in before 7.45am on weekdays
- At any MRT or LRT station
- Enjoy up to \$0.50* off per train trip
- Here's an example when you travel from Jurong East to Bishan.

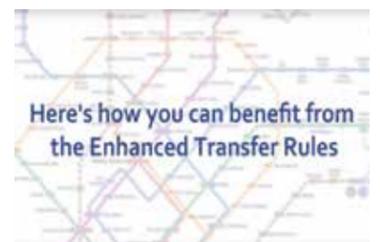
2017 Fare Review Exercise infographic



2017 Fare Review Exercise animation video



2nd Advisory Report video



Enhanced Transfer Rules video



REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

ASSURANCE PARTNERS LLP
Public Accountants and Chartered Accountants

GENERAL INFORMATION

1. REGISTERED ADDRESS

510 Thomson Road
#12-03, SLF Building
Singapore 298135

2. COUNCIL MEMBERS

Mr. Richard Magnus
Mr. Tan Kim Hong
Mr. Abdullah Shafie Bin Md Sidik
Mr. Adrian Chua
Ms. Anne Chua Tai Hua
Mr. Arasu s/o Duraisamy
Ms. Chua Lee Hoong
Mr. Fang Chin Poh
Mr. Gopinath Menon
Mr. Karmjit Singh
Dr. Kwoh Chee Keong
Ms. Lee Huay Leng
Associate Professor Patricia Tan Mui Siang
Mr. Sng Chern Wei
Mdm. Tan Seow Peer
Associate Professor Vincent Chua Cheng Huat
Mr. Yeo Teck Guan

3. BANKER

Overseas-Chinese Banking Corporation Limited

4. INDEPENDENT AUDITOR

ASSURANCE PARTNERS LLP
Public Accountants & Chartered Accountants



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63	Statement of Changes in Equity
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STATEMENT BY THE MEMBERS OF PUBLIC TRANSPORT COUNCIL (“COUNCIL”)

In our opinion,

- (a) the accompanying financial statements of the Public Transport Council (hereafter to be called the “Council”) as set out on pages 61 to 77 are properly drawn up in accordance with the provisions of the Public Transport Council Act, Cap. 259B (the “Act”) and Statutory Board Financial Reporting Standards, so as to present fairly, in all material respects, the financial position of the Council as at 31 March 2018 and the results, changes in equity and cash flows of the Council for the financial year then ended; and
- (b) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Council during the year have been, in all material respects, in accordance with the provisions of the Act; and
- (c) proper accounting and other records have been kept, including records of all assets of the Council whether purchased, donated or otherwise.

On behalf of the Council,



RICHARD MAGNUS
Chairman



TAN KIM HONG
Chief Executive

Singapore

Date: 29 June 2018

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF PUBLIC TRANSPORT COUNCIL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

(Constituted under the Public Transport Council Act, Cap 259B)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the Public Transport Council (the “Council”) which comprise the statement of financial position as at 31 March 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Public Transport Council Act, Cap. 259B (the “Act”) and Statutory Board Financial Reporting Standards in Singapore (“SB-FRSs”) so as to present fairly, in all material respects, the financial position of the Council as at 31 March 2018 and the results, changes in equity and cash flows of the Council for the financial year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for other information. The other information comprises the Statement by the Members of the Public Transport Council set out on page 56.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC TRANSPORT COUNCIL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

(Constituted under the Public Transport Council Act, Cap 259B)

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and SB-FRSs, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. A statutory board is constituted on its Act and its dissolution requires Parliament's approval. In preparing the financial statements, Management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Council or for the Council to cease operations.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC TRANSPORT COUNCIL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

(Constituted under the Public Transport Council Act, Cap 259B)

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Council during the 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 Council whether purchased, donated or otherwise.

Basis for Opinion

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUBLIC TRANSPORT COUNCIL

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

(Constituted under the Public Transport Council Act, Cap 259B)

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

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

Auditor's Responsibilities for the Compliance Audit

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

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



ASSURANCE PARTNERS LLP

Public Accountants and Chartered Accountants

Singapore

Date: 29 June 2018

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Note	2017/2018 S\$	2016/2017 S\$
EQUITY			
Share Capital	(5)	194,628	-
Accumulated Surplus	(6)	372,977	159,181
		567,605	159,181
REPRESENTED BY:			
NON-CURRENT ASSETS			
Plant and equipment	(7)	200,428	118,142
CURRENT ASSETS			
Other receivables	(8)	116,796	86,095
Grants receivable	(13)	363,449	795,954
Bank balances	(9)	552,207	289,964
		1,032,452	1,172,013
LESS: CURRENT LIABILITIES			
Other payables	(10)	3,000	3,000
Security deposits		12,000	12,000
Accrued operating expenses	(11)	526,502	997,832
Consolidated fund payable		43,790	-
		585,292	1,012,832
Net current assets		447,160	159,181
Less:			
NON-CURRENT LIABILITY			
Deferred capital grants	(12)	(79,983)	(118,142)
Total net assets		567,605	159,181

The accompanying notes form an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2017/2018 S\$	2016/2017 S\$
INCOME			
Penalty fee		123,970	173,280
Others		581	5,141
		124,551	178,421
LESS: EXPENDITURE			
Council members' allowance		107,663	105,978
Depreciation of plant and equipment	(7)	64,610	29,966
Entertainment and refreshments		10,460	10,702
General administration		71,436	49,630
IT expenditure/maintenance		691,968	563,009
Loss on disposal of plant and equipment		2,469	56,603
Others		23,529	20,300
Penalty fee scheme		435,959	516,090
Publicity		56,878	63,139
Rental of office		258,515	222,801
Staff costs			
- Staff salaries, allowances and benefits		3,246,589	2,741,241
- Central Provident Fund contributions		448,697	394,813
Staff training		116,294	136,745
Survey and research fee		690,904	354,524
Transport		31,162	30,391
		6,257,133	5,295,932
Deficit before government grants and contributions to consolidated fund		(6,132,582)	(5,117,511)
GOVERNMENT GRANTS			
Deferred capital grants amortised	(12)	43,356	86,569
Operating grants	(13)	6,346,812	4,793,885
Surplus/(deficit) before contributions to consolidated fund		257,586	(237,057)
LESS: CONTRIBUTIONS TO CONSOLIDATED FUND			
- Current year's contributions	(11)	(43,790)	-
Surplus/ (deficit) for the year		213,796	(237,057)
Other comprehensive income		-	-
Total comprehensive income/ (loss) for the year		213,796	(237,057)

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	Share capital S\$	Accumulated surplus S\$	Total S\$
Balance as at 1 April 2016		-	396,238	396,238
Total comprehensive loss for the year		-	(237,057)	(237,057)
Balance as at 31 March 2017		-	159,181	159,181
Capital injection for the year	(6)	194,628	-	194,628
Total comprehensive income for the year		-	213,796	213,796
Balance as at 31 March 2018	(5,6)	194,628	372,977	567,605

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

	Note	2017/2018 S\$	2016/2017 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before government grants and contributions to consolidated fund		(6,132,582)	(5,117,511)
Adjustments for:			
Depreciation of plant and equipment		64,610	29,966
IT expenditure/ maintenance reimbursed by government grants	(19,20)	151,275	139,210
Loss on disposal of plant and equipment		2,469	56,603
Operating deficit before working capital changes		(5,914,228)	(4,891,732)
Change in operating assets and liabilities		(30,701)	(13,578)
Increase in receivables		(471,330)	338,575
Increase in payables		(6,416,259)	(4,566,735)
Cash flows used in operations		-	(13,356)
Contributions to consolidated fund		(6,416,259)	(4,580,091)
Net cash used in operating activities		(12,832,518)	(9,171,826)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment	A	(149,605)	(7,826)
Cash received on sale of plant and equipment		240	
Cash used in investing activities		(149,365)	(7,826)
CASH FLOWS FROM FINANCING ACTIVITIES		194,628	-
Additions to share capital	(5)	194,628	
Operating grants received	(13)	6,633,239	3,993,625
Cash generated from financing activities		6,827,867	3,993,625
Net increase/(decrease) in cash and cash equivalents		262,243	(594,292)
Bank balances at beginning of the year		289,964	884,256
Bank balances at end of the year	(9)	552,207	289,964
NOTE TO THE STATEMENT OF CASH FLOWS			
A. Purchase of plant and equipment			
Aggregate cost of plant and equipment acquired	(7)	149,605	40,070
Accrued operating expenses		-	(32,244)
		149,605	7,826
Capital injection received to acquire plant and equipment		144,408	-
Cash payment made to acquire plant and equipment		5,197	7,826
Purchase of plant and equipment		149,605	7,826

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

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

1. THE COUNCIL'S INFORMATION

The Public Transport Council (the "Council") was constituted under the Public Transport Council Act, Cap. 259B.

The Council's principal place of operations is located at 510 Thomson Road, #12-03, SLF Building, Singapore 298135.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The Council presents its financial statements in Singapore dollars ("S\$"), which is also its functional currency. These financial statements are prepared in accordance with the historical cost convention except as disclosed in the accounting policies below, and comply with Statutory Board Financial Reporting Standards ("SB-FRS"), including related Interpretations promulgated by the Accountant-General and the provisions of the Public Transport Council Act, Cap. 259B.

Interpretations and amendments to published standards effective in 2018

On 1 April 2017, the Council adopted the new or amended SB-FRSs, and INT SB-FRSs that are mandatory for application for the financial year. Changes to the Council's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

The adoption of these new or amended SB-FRSs, and INT SB-FRSs did not result in substantial changes to the accounting policies of the Council and had no material effect on the amounts reported for the current or prior financial years.

Standards issued

The following are the new or amended Standards and Interpretations for the current financial year.

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 109 Financial Instruments	1 January 2018
Amendments to SB-FRS 115 Revenue from Contracts with Customers	1 January 2018
SB-FRS 116 Leases	1 January 2019

Except for SB-FRS 116, Management anticipates that the adoption of the above SB-FRSs in future periods will not have a material impact on the financial statements of the Council in the period of their initial adoption.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Basis of preparation (cont'd)

Standards issued (cont'd)

SB-FRS 116 Leases

SB-FRS 116 will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Council's operating leases. As at the reporting date, the Council has non-cancellable operating lease commitments of S\$672,643 (Note 15). However, the Council has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Council's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under SB-FRS 116.

SB-FRS 116 is effective for annual periods beginning on or after 1 January 2019 with early adoption permitted. The Council is currently assessing the impact of SB-FRS 116 and plans to adopt the standard on the required effective date.

(b) Contribution to Consolidated Fund

The contribution to the consolidated fund is required under Section 3(a) of the Statutory Corporations (Contribution to Consolidated Fund) Act (Cap. 319(A)). The contribution is pegged at the prevailing statutory income tax rate for corporate bodies. Accounting surplus would be used for the purpose of computing the contribution and this is accounted for on an accrual basis.

(c) Employee Benefits

Defined Contribution Plans

The Council makes contributions to the state provident fund (Central Provident Fund). Such contributions are recognised as compensation expenses in the same period as the employment that gave rise to the contributions.

(d) Revenue Recognition

Interest income is recognised on accrual basis.

Penalty fee is recognised at the point of collection of the settlement.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Depreciation is calculated on the straight line basis so as to write off the cost of the assets over their estimated useful lives. The annual rates of depreciation are as follows:

Renovation	5 years
Furniture and fittings	5 years
Computer equipment	3 years
Office equipment	5 years
Computer software	5 years

Plant and equipment costing below \$1,000 per item are charged to the statement of comprehensive income during the financial year.

(f) Impairment of non-financial Assets

The carrying amounts of the Council's assets subject to impairment are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

An impairment loss is charged to the statement of comprehensive income. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

(g) Financial Assets

Classification

The Council classifies its financial assets in the following category: loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables comprise "bank balances", "grants receivable" and "other receivables" and they are presented as current assets on the statement of financial position.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial Assets (cont'd)

Recognition and derecognition

The Council initially recognises loans and receivables on the date that they are originated.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in income or expenditure.

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs.

Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the 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 profit or loss.

Impairment

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

(h) Other Receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. Receivables with a short duration are not discounted.

When there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of the receivables, an impairment loss is recognised. The amount of the impairment loss is measured as the difference between the carrying value of the receivable and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of the receivable is reduced directly or through the use of an allowance account. The amount of the loss is recognised in the profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The amount of the reversal shall be recognised in the profit or loss.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Other Payables

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(j) Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Council if that person:

- (i) Has control or joint control over the Council;
- (ii) Has significant influence over the Council; or
- (iii) Is a member of the key management personnel of the Council or of a parent of the Council.

(b) An entity is related to the Council if any of the following conditions apply:

- (i) The entity and the Council are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Council or an entity related to the Council. If the Council is itself such a plan, the sponsoring employers are also related to the Council;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Council or to the parent of the Council.

Key management personnel

Key management personnel refers to the Council members and Directors having the authority and responsibility for planning, directly and controlling the activities of the Council.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grants will be received and all attaching conditions will be complied with.

Government grants to meet the current period's operating expenses are recognised as income in the financial period in which the operating expenses are incurred.

Grants received from the Ministry of Transport for capital expenditure are taken to the deferred capital grants account upon the utilisation of the grants for purchase of plant and equipment and intangible assets, which are capitalised, or to income or expenditure for purchase of plant and equipment and intangible assets which are written off in the year of purchase.

Deferred capital grants are recognised as income over the periods necessary to match the depreciation, amortisation, write-off and/or impairment loss of the plant and equipment and intangible assets purchased with the related grants. Upon the amortisation or disposal of plant and equipment and intangible assets, the balance of the related deferred capital grants is recognised as income to match the carrying amount of the plant and equipment and intangible assets disposed of.

(l) Leases

Operating Leases

Leases whereby the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases.

When the Council is the lessee, operating lease payments are recognised as an expense in the income and expenditure statement on a straight line basis over the lease term.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Impairment of loans and receivables

Management reviews its loans and receivables for objective evidence of impairment. Judgment is made as to whether there is observable data indicating that there has been a significant change in the recoverability of the loans and receivables.

Where there is objective evidence of impairment, judgment is required as to whether an impairment loss should be recorded as an expense.

(b) Estimated useful lives of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these plant and equipment to be within 3 to 5 years. Changes in the expected level of usage and technological developments could impact the useful economic lives and the residual values, if any, of these assets, therefore future depreciation charges could be revised.

(c) Impairment of plant and equipment

The above assets are reviewed for impairment whenever there is an indication that these assets may be impaired. The Council considers the guidance of SB-FRS 36 in assessing whether there is any indication that an item of the above assets may be impaired. This assessment requires significant judgement.

If any such indication exists, the recoverable amount of the assets is estimated to ascertain the amount of impairment loss. The recoverable amount is defined as the higher of the fair value less cost to sell and value-in-use.

In determining the value-in-use of assets, the Council applies a discounted cash flow model where the future cash flows derived from such assets are discounted at an appropriate rate. Forecasts of future cash flow are estimated based on financial budgets and forecasts approved by the management.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

4. PRINCIPAL ACTIVITIES

The principal activities of the Council under the Public Transport Council Act, Cap. 259B are:

- (a) to set or approve fares and fare pricing policies for bus services, train services and taxi services in Singapore;
- (b) to promote and facilitate the integration of bus fares and train fares to ensure the provision of efficient public passenger transport services and facilities;
- (c) to evaluate and recommend to the Government improvements to, or otherwise advise the Government in respect of, bus services, train services and taxi services in Singapore so that they —
 - (i) may satisfy all reasonable passenger demands in Singapore for bus services, train services and taxi services;
 - (ii) may offer an attractive alternative to private motor vehicle transport, and the extent of such travel, in Singapore;
 - (iii) are effectively and efficiently integrated so as to facilitate seamless travel for passengers within and between different modes of land transport and greater mobility within communities in Singapore; and
 - (iv) provide viable public passenger transport services at a reasonable cost to the community and the Government;
- (d) to undertake surveys or other arrangements to obtain public feedback on any matter relating to the provision of bus services, train services and taxi services in Singapore;
- (e) to exercise licensing and regulatory functions in respect of the provision of ticket payment services in Singapore; and
- (f) to perform such functions as the Minister may, by order published in the Gazette, assign.

5. SHARE CAPITAL

The Council received proceeds from equity financing of \$194,628 from the Ministry of Finance in 2018. 194,628 ordinary shares issued were held by the Minister for Finance, a body incorporated by the Minister for Finance (Incorporation) Act (Chapter 183) in its capacity as shareholder under the Capital Management Framework for statutory boards.

6. ACCUMULATED SURPLUS

The balance represents unutilised surplus of the Council.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

7. PLANT AND EQUIPMENT

	Renovation S\$	Furniture and fittings S\$	Computer equipment/ software S\$	Office equipment S\$	Total S\$
<i>Cost</i>					
At 1 April 2016	120,946	36,142	148,792	5,022	310,902
Additions	-	-	37,962	2,108	40,070
Disposals	-	(3,544)	(147,660)	-	(151,204)
At 31 March 2017	120,946	32,598	39,094	7,130	199,768
Additions	139,938	8,982	-	686	149,605
Disposals	-	(10,638)	(1,133)	-	(11,771)
At 31 March 2018	260,884	30,941	37,961	7,816	337,602
<i>Accumulated depreciation</i>					
At 1 April 2016	30,115	18,936	92,188	5,022	146,261
Depreciation charge	24,189	4,245	1,182	350	29,966
Disposals	-	(3,544)	(91,057)	-	(94,601)
At 31 March 2017	54,304	19,637	2,313	5,372	81,626
Depreciation charge	47,441	4,776	11,892	502	64,610
Disposals	-	(7,930)	(1,133)	-	(9,063)
At 31 March 2018	101,745	16,483	13,072	5,874	137,173
<i>Carrying amount</i>					
At 31 March 2017	66,642	12,961	36,781	1,758	118,142
At 31 March 2018	159,139	14,458	24,889	1,942	200,428

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

8. OTHER RECEIVABLES

	2017/2018 S\$	2016/2017 S\$
Accrued income	53,953	14,450
Deposits	60,606	65,073
Prepayments	2,237	6,572
	<u>116,796</u>	<u>86,095</u>

Other receivables are denominated in Singapore dollars.

9. BANK BALANCES

	2017/2018 S\$	2016/2017 S\$
Cash in bank	<u>552,207</u>	<u>289,964</u>

Bank balances are denominated in Singapore dollars.

10. SECURITY DEPOSITS

	2017/2018 S\$	2016/2017 S\$
Balance at beginning of the year	12,000	12,500
Less: Refunds	-	(500)
Balance at end of the year	<u>12,000</u>	<u>12,000</u>

11. STATUTORY CONTRIBUTION TO CONSOLIDATED FUND

	2017/2018 S\$	2016/2017 S\$
Provision for current year contributions	<u>43,790</u>	-
Reconciliation of effective tax rate:		
Surplus/(deficit) before contributions to consolidated fund	<u>257,586</u>	<u>(237,057)</u>
Tax at statutory rate of 17%	43,790	(40,300)
Effect of:		
- Deferred tax assets not recognised	-	40,300
	<u>43,790</u>	<u>-</u>

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

12. DEFERRED CAPITAL GRANTS

	2017/2018 S\$	2016/2017 S\$
Balance at beginning of the year	118,142	164,641
Transfer from operating grants (Note 13)	5,197	40,070
Amount taken to statement of comprehensive income [Note 2(k)]	<u>(43,356)</u>	<u>(86,569)</u>
Balance at end of the year	<u>79,983</u>	<u>118,142</u>

13. GRANTS RECEIVABLE

	2017/2018 S\$	2016/2017 S\$
Balance at beginning of the year	795,954	94,834
Amount taken to statement of comprehensive income [Note 2(k)]	6,346,812	4,793,885
Transfer to deferred capital grants (Note 12)	5,197	40,070
Operating grants received during the year	<u>(6,633,239)</u>	<u>(3,993,625)</u>
Reimbursements of Agency Facility Management Services and Systems Maintenance from Ministry of Transport (Notes 19 & 20)	<u>(151,275)</u>	<u>(139,210)</u>
Balance at end of the year	<u>363,449</u>	<u>795,954</u>
Government grants representing:		
Grants receivable	<u>363,449</u>	<u>795,954</u>

14. LICENCE FEES

All licence fees received by the Council are taken into the Consolidated Fund and bank account maintained by the Accountant - General's Department in accordance with Section 26B(2) of the Public Transport Council Act, Cap. 259B. The following licence fees received during the financial year are therefore not included in the statement of comprehensive income or statement of financial position of the Council.

	2017/2018 S\$	2016/2017 S\$
Ticket payment service licence fees	<u>26,700</u>	<u>26,700</u>

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

15. OPERATING LEASE COMMITMENTS

As at the reporting date, the Council has the following commitments under non-cancellable operating lease of office premise where the Council is the lessee:

	2017/2018 S\$	2016/2017 S\$
Payable within one year	260,763	112,830
Payable after one year but not later than five years	411,880	1,482
	<u>672,643</u>	<u>114,312</u>

16. RELATED PARTY TRANSACTIONS

The total key management personnel compensation is as follows:

	2017/2018 S\$	2016/2017 S\$
Short-term benefits of key management personnel	1,237,758	1,146,655
Employer's contribution to Central Provident Fund	86,700	100,650
	<u>1,324,458</u>	<u>1,247,305</u>

17. FINANCIAL RISK MANAGEMENT

The Council's activities expose it to minimal financial risks. The Council does not have a formal overall risk management programme but reviews the overall risk on an informal basis. Risk management is determined and carried out by the Council's Management.

(i) Credit risk

Cash and cash equivalents and other receivables represent the Council's maximum exposure to credit risk. Cash and cash equivalents are placed with a regulated financial institution in Singapore. Other receivables include mainly rental deposits of S\$60,606 (2017: S\$65,073) placed with the landlord under the terms of the tenancy agreement. None of the receivables are past due and/or impaired as at the year ends.

(ii) Interest rate risk

The Council has no exposure to changes in interest rate except for the bank balances placed with a financial institution, which are assessed to be insignificant.

(iii) Foreign exchange risk

The Council has no exposure to foreign exchange risk as its activities are carried out in Singapore dollars.

NOTES TO FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2018

17. FINANCIAL RISK MANAGEMENT (CONT'D)

(iv) Liquidity and cash flow risk

Liquidity risk is the risk that the Council will not be able to meet its financial obligations as and when they fall due. The Council manages liquidity risk by maintaining sufficient funding from the Government to finance its operations.

The Council exercises prudent liquidity and cash flow risk management policies and aims at maintaining high level of liquidity and cash flow at all times.

The Council's financial liabilities are expected to mature within one year.

(v) Capital risk

Capital consists of accumulated surplus of the Council and share capital. The Council's operations are fully funded by the government, and it is not subject to externally imposed capital requirements.

18. FINANCIAL INSTRUMENTS

The carrying amounts of cash and cash equivalents, receivables and payables approximate their fair values due to their short term nature.

The aggregate carrying amounts of loans and receivables and financial liabilities at amortised costs are as follows:

	2017/2018 S\$	2016/2017 S\$
Loans and receivables	969,609	1,100,367
Financial liabilities at amortised cost	<u>541,502</u>	<u>1,012,832</u>

19. AGENCY FACILITY MANAGEMENT SERVICES GRANT

The Council incurred S\$151,275 (2016: S\$94,185) for the Agency Facility Management services, which encompass helpdesk, onsite engineers support and network support. The amount was funded via operating grants retained and disbursed by the Ministry of Transport.

20. SYSTEMS MAINTENANCE GRANT

The corporate website was revamped during financial year 2017 and was funded through equity injection. Hence, no system maintenance grant (2016: S\$45,025) was given for the enhancement and maintenance of the corporate website in financial year 2017 which used to be funded via operating grants retained and disbursed by the Ministry of Transport.

21. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements of the Council for the year ended 31 March 2018 were authorised for issue by the Council on 29 June 2018.

PUBLIC TRANSPORT FARES



BUS FARES (W.E.F. 29 DECEMBER 2017)

a) Adult Fare Structure (Trunk Services)

DISTANCE	FARE PER RIDE (CENT)	
	CARD	CASH
UP TO 3.2 KM	77	140
3.3 KM – 4.2 KM	87	160
4.3 KM – 5.2 KM	97	160
5.3 KM – 6.2 KM	107	160
6.3 KM – 7.2 KM	116	180
7.3 KM – 8.2 KM	123	180
8.3 KM – 9.2 KM	129	180
9.3 KM – 10.2 KM	133	200
10.3 KM – 11.2 KM	137	200
11.3 KM – 12.2 KM	141	220
12.3 KM – 13.2 KM	145	220
13.3 KM – 14.2 KM	149	220
14.3 KM – 15.2 KM	153	220
15.3 KM – 16.2 KM	157	230
16.3 KM – 17.2 KM	161	230
17.3 KM – 18.2 KM	165	230
18.3 KM – 19.2 KM	169	230
19.3 KM – 20.2 KM	172	240
20.3 KM – 21.2 KM	175	240
21.3 KM – 22.2 KM	178	240
22.3 KM – 23.2 KM	181	240
23.3 KM – 24.2 KM	183	250
24.3 KM – 25.2 KM	185	250
25.3 KM – 26.2 KM	187	250
26.3 KM – 27.2 KM	188	250
27.3 KM – 28.2 KM	189	250
28.3 KM – 29.2 KM	190	250
29.3 KM – 30.2 KM	191	250
30.3 KM – 31.2 KM	192	250
31.3 KM – 32.2 KM	193	250
32.3 KM – 33.2 KM	194	250
33.3 KM – 34.2 KM	195	250
34.3 KM – 35.2 KM	196	250
35.3 KM – 36.2 KM	197	250
36.3 KM – 37.2 KM	198	250
37.3 KM – 38.2 KM	199	250
38.3 KM – 39.2 KM	200	250
39.3 KM – 40.2 KM	201	250
OVER 40.2 KM	202	250

b) Adult Fare Structure (Feeder Services)

DESCRIPTION	CARD	CASH
FARE PER RIDE (CENT)	77	140

c) Senior Citizen Fare Structure (Trunk Services)

DISTANCE	FARE PER RIDE (CENT)	
	CARD	CASH
UP TO 3.2 KM	54	100
3.3 KM – 4.2 KM	61	100
4.3 KM – 5.2 KM	68	100
5.3 KM – 6.2 KM	75	100
6.3 KM – 7.2 KM	81	130
OVER 7.2 KM	87	130

d) Senior Citizen Fare Structure (Feeder Services)

DESCRIPTION	CARD	CASH
FARE PER RIDE (CENT)	54	100

e) Student Fare Structure (Trunk Services)

DISTANCE	FARE PER RIDE (CENT)	
	CARD	CASH
UP TO 3.2 KM	37	65
3.3 KM – 4.2 KM	42	65
4.3 KM – 5.2 KM	47	65
5.3 KM – 6.2 KM	52	65
6.3 KM – 7.2 KM	55	85
OVER 7.2 KM	58	85

f) Student Fare Structure (Feeder Services)

DESCRIPTION	CARD	CASH
FARE PER RIDE (CENT)	37	65

g) Adult Fare Structure (Express Services)

DISTANCE	FARE PER RIDE (CENT)	
	CARD	CASH
UP TO 3.2 KM	137	220
3.3 KM – 4.2 KM	147	220
4.3 KM – 5.2 KM	157	220
5.3 KM – 6.2 KM	167	220
6.3 KM – 7.2 KM	176	220
7.3 KM – 8.2 KM	183	220
8.3 KM – 9.2 KM	189	235
9.3 KM – 10.2 KM	193	235
10.3 KM – 11.2 KM	197	235
11.3 KM – 12.2 KM	201	250
12.3 KM – 13.2 KM	205	250
13.3 KM – 14.2 KM	209	250
14.3 KM – 15.2 KM	213	250
15.3 KM – 16.2 KM	217	265
16.3 KM – 17.2 KM	221	265
17.3 KM – 18.2 KM	225	265
18.3 KM – 19.2 KM	229	265
19.3 KM – 20.2 KM	232	280
20.3 KM – 21.2 KM	235	280
21.3 KM – 22.2 KM	238	280
22.3 KM – 23.2 KM	241	280
23.3 KM – 24.2 KM	243	300
24.3 KM – 25.2 KM	245	300
25.3 KM – 26.2 KM	247	300
26.3 KM – 27.2 KM	248	300
27.3 KM – 28.2 KM	249	300
28.3 KM – 29.2 KM	250	300
29.3 KM – 30.2 KM	251	300
30.3 KM – 31.2 KM	252	300
31.3 KM – 32.2 KM	253	300
32.3 KM – 33.2 KM	254	300
33.3 KM – 34.2 KM	255	300
34.3 KM – 35.2 KM	256	300
35.3 KM – 36.2 KM	257	300
36.3 KM – 37.2 KM	258	300
37.3 KM – 38.2 KM	259	300
38.3 KM – 39.2 KM	260	300
39.3 KM – 40.2 KM	261	300
OVER 40.2 KM	262	300



h) Senior Citizen Fare Structure (Express Services)

DESCRIPTION	CARD FARE PER RIDE (CENT)
UP TO 3.2 KM	99
3.3 KM – 4.2 KM	106
4.3 KM – 5.2 KM	113
5.3 KM – 6.2 KM	120
6.3 KM – 7.2 KM	126
OVER 7.2 KM	132

i) Student Fare Structure (Express Services)

DESCRIPTION	CARD FARE PER RIDE (CENT)
UP TO 3.2 KM	67
3.3 KM – 4.2 KM	72
4.3 KM – 5.2 KM	77
5.3 KM – 6.2 KM	82
6.3 KM – 7.2 KM	85
OVER 7.2 KM	88

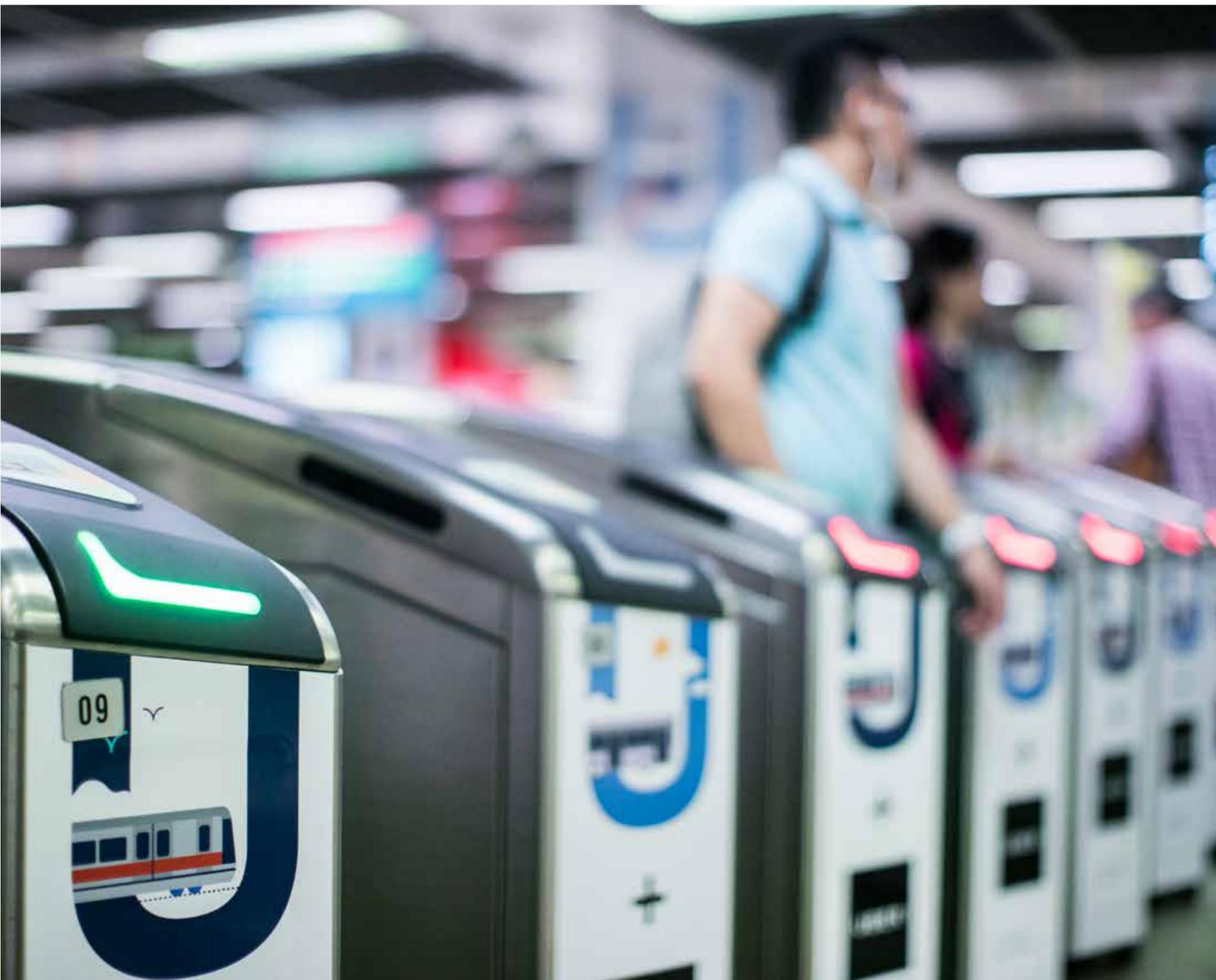
TRAIN FARES

(W.E.F. 29 DECEMBER 2017)



a) Adult Fare Structure (MRT and LRT)

DISTANCE	FARE PER RIDE (CENT)		
	CARD		SINGLE TRIP TICKET
	TAP IN BEFORE 7.45 AM ON WEEKDAYS (EXCLUDING PUBLIC HOLIDAYS)	TAP IN AT ALL OTHER TIMINGS	
UP TO 3.2 KM	27	77	140
3.3 KM – 4.2 KM	37	87	160
4.3 KM – 5.2 KM	47	97	160
5.3 KM – 6.2 KM	57	107	160
6.3 KM – 7.2 KM	66	116	180
7.3 KM – 8.2 KM	73	123	180
8.3 KM – 9.2 KM	79	129	180
9.3 KM – 10.2 KM	83	133	200
10.3 KM – 11.2 KM	87	137	200
11.3 KM – 12.2 KM	91	141	220
12.3 KM – 13.2 KM	95	145	220
13.3 KM – 14.2 KM	99	149	220
14.3 KM – 15.2 KM	103	153	220
15.3 KM – 16.2 KM	107	157	230
16.3 KM – 17.2 KM	111	161	230
17.3 KM – 18.2 KM	115	165	230
18.3 KM – 19.2 KM	119	169	230
19.3 KM – 20.2 KM	122	172	240
20.3 KM – 21.2 KM	125	175	240
21.3 KM – 22.2 KM	128	178	240
22.3 KM – 23.2 KM	131	181	240
23.3 KM – 24.2 KM	133	183	250
24.3 KM – 25.2 KM	135	185	250
25.3 KM – 26.2 KM	137	187	250
26.3 KM – 27.2 KM	138	188	250
27.3 KM – 28.2 KM	139	189	250
28.3 KM – 29.2 KM	140	190	250
29.3 KM – 30.2 KM	141	191	250
30.3 KM – 31.2 KM	142	192	250
31.3 KM – 32.2 KM	143	193	250
32.3 KM – 33.2 KM	144	194	250
33.3 KM – 34.2 KM	145	195	250
34.3 KM – 35.2 KM	146	196	250
35.3 KM – 36.2 KM	147	197	250
36.3 KM – 37.2 KM	148	198	250
37.3 KM – 38.2 KM	149	199	250
38.3 KM – 39.2 KM	150	200	250
39.3 KM – 40.2 KM	151	201	250
OVER 40.2 KM	152	202	250



b) Senior Citizen Fare Structure (MRT and LRT)

DISTANCE	CARD FARE PER RIDE (CENT)	
	TAP IN BEFORE 7.45 AM ON WEEKDAYS (EXCLUDING PUBLIC HOLIDAYS)	TAP IN AT ALL OTHER TIMINGS
UP TO 3.2 KM	4	54
3.3 KM – 4.2 KM	11	61
4.3 KM – 5.2 KM	18	68
5.3 KM – 6.2 KM	25	75
6.3 KM – 7.2 KM	31	81
OVER 7.2 KM	37	87

c) Student Fare Structure (MRT and LRT)

DISTANCE	CARD FARE PER RIDE (CENT)	
	TAP IN BEFORE 7.45 AM ON WEEKDAYS (EXCLUDING PUBLIC HOLIDAYS)	TAP IN AT ALL OTHER TIMINGS
UP TO 3.2 KM	0	37
3.3 KM – 4.2 KM	0	42
4.3 KM – 5.2 KM	0	47
5.3 KM – 6.2 KM	2	52
6.3 KM – 7.2 KM	5	55
OVER 7.2 KM	8	58

MONTHLY CONCESSION PASSES (W.E.F. 29 DECEMBER 2017)

a) Bus Monthly Concession Passes

CARDHOLDERS	PRICE
PRIMARY STUDENT	\$22.50
SECONDARY STUDENT	\$27.50
POLYTECHNIC STUDENT	\$27.50
UNIVERSITY STUDENT	\$52.00
FULL-TIME NATIONAL SERVICEMAN	\$52.00

b) Train Monthly Concession Passes

CARDHOLDERS	PRICE
PRIMARY STUDENT	\$20.00
SECONDARY STUDENT	\$25.00
POLYTECHNIC STUDENT	\$25.00
UNIVERSITY STUDENT	\$45.00
FULL-TIME NATIONAL SERVICEMAN	\$45.00

c) Hybrid Monthly Concession Passes and Adult Monthly Travel Pass

CARDHOLDERS	PRICE
PRIMARY STUDENT	\$41.00
SECONDARY STUDENT	\$51.00
POLYTECHNIC STUDENT	\$51.00
UNIVERSITY STUDENT	\$85.00
FULL-TIME NATIONAL SERVICEMAN	\$85.00
ADULT (MONTHLY TRAVEL PASS)	\$120.00
SENIOR CITIZEN	\$60.00





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