



STRATA MANAGEMENT GUIDE: 8

Maintaining MC's Records



Preamble

This series of Strata Management Guides published by the Building and Construction Authority (“**BCA**”) is intended to help councils of the management corporations (“**MCs**”), subsidiary proprietors (“**SPs**”), council members and managing agents (“**MAs**”) better manage their estates.

The guide sets out recommended procedures and good practices to address common issues (e.g. how to conduct a general meeting, how to requisite a motion, etc.).

The guide is aimed at providing a consistent approach and standard for the strata community to facilitate better self-regulation.

Disclaimer

This guide has been prepared to provide practical information on the Building Maintenance and Strata Management Act (Chapter 30C) (“**BMSMA**”) and Regulations made under the BMSMA (“**BM(SM) Regulations**”).

This guide:

- Does not provide a legal interpretation of provisions in the BMSMA or BM (SM) Regulations; and
- Is not a substitute for independent legal advice.

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Icon in this guide



Good Practice



Example

Abbreviations

AGM	Annual General Meeting
BMSMA	Building Maintenance and Strata Management Act
BM(SM) REGULATIONS	Building Maintenance(Strata Management) Regulations 2005
MA	Managing Agent
MCST	Management Corporation Strata Title
MC	Management Corporation
SP	Subsidiary Proprietor

01

Introduction



- 1.1 The council of management corporation (“**MC**”) is responsible for keeping all the information and records related to the MC. These information and records are required to be kept for a certain period of time under the BMSMA. The council may delegate record keeping to an MA.
- 1.2 Proper keeping of MC’s records will help to overcome challenges associated with incomplete records, such as inconsistent application of by-laws or disagreement among the SPs.



02

MC's Records

(Section 48 of the BMSMA)



- 2.1 MC's records refer to any documents and records related to the MC. A person who has possession or control of MC's records shall be responsible to ensure that the records are updated.
- 2.2 The MC is required to retain all its records, books of account and such documents related to the MC for a period of **not less than five (5) years** from the end of the financial year in which the transactions or operations to which those documents relate are completed. Any MC who, without reasonable excuse, fails to comply with the requirement to retain MC's records shall be guilty of an offence.



03

Strata Roll

(Section 46 of the BMSMA)



- 3.1 The MC must prepare and maintain a strata roll in accordance with section 46 of the BMSMA, in the form determined by the MC.
- 3.2 Amongst other information, the following information must be recorded in the MC's strata roll relating to the lot to which the information relates:
 - a) the share value of the lot, as shown on the schedule of strata units accepted by the Commissioner of Buildings;
 - b) the name and address of the SP;
 - c) the name and address of any mortgagee, if notification is given;
 - d) the date of entry into possession of the lot by a mortgagee; and
 - e) the address (including email address if provided) within Singapore for the service of notices on any person as shown in a notice given to the MC.

Please refer to section 46(3) of the BMSMA for more details.

- 3.3 The MC shall, upon written application by an SP, make available for inspection the strata roll in its entirety to the SP, in accordance with section 47(1)(b)(i) of the BMSMA.



04

Financial Records

(Sections 45 and 57 of the BMSMA)



- 4.1 The MC must maintain all accounting records and financial statements of the MC. These include:
- a) documents in respect of transactions entered into by the MC;
 - b) financial records including a profit and loss statement, income statements, balance sheet and tax returns;
 - c) official receipts, cheque books and cash from payments or deposits which must be securely locked and verified;
 - d) fixed deposits record (if any);
 - e) monthly bank account statements;
 - f) records of income generated by the MC, e.g. through common facilities, access cards, car parking, deposits, rental of space, maintenance and sinking fund collection etc; and
 - g) any other documents related to the financial status of the MC.
- 4.2 The audit of the books and accounts of an MC shall be carried out only by a person who is a public accountant within the meaning of the Companies Act (Cap. 50).
- 4.3 The auditor shall be appointed by:
- a) the MC at its annual general meeting; or
 - b) the council of the MCST within 90 days after the annual general meeting ("**AGM**") is concluded if no auditor is appointed during that AGM,

and the auditor shall hold office until the conclusion of the next AGM of the MC (Section 45(3) of the BMSMA).



Examples of Records of income and expenditures of an MC:



Official receipts issued for all **incomes** received by the MC. All receipts must be consecutively numbered for accounting purposes. Any void or cancelled receipt must be recorded, and the reasons for the voiding or cancellation of the receipt must also be recorded.



All bank-in slips in respect of **cash deposits** must be properly filed for accounting purpose.



All **expenditures** of the MC must be supported by work orders signed off by the appointed treasurer and with supporting documents. E.g. Quotations received from contractors and an evaluation of the quotations, meeting minutes and any written records stating approval of award etc. Work order numbers must be in running sequence, and any void or cancelled work orders must be recorded and the reasons for the voiding or cancellation of the work orders must also be recorded.



Expenditures paid for using petty cash shall be approved by the authorised person-in-charge prior to procurement and properly recorded. The maximum amount of petty cash kept at the site office must be determined and approved by the council. MA must maintain and submit a tabulation of expenditures under petty cash when seeking approval for top up.

05

By-laws Records

(Section 32(8) of the BMSMA)



- 5.1 By-laws are regulations made by the MC for the purpose of controlling and managing the use or enjoyment of the parcel comprised in the strata title plan.
- 5.2 The MC must keep a record of the prescribed by-laws and any by-laws made by the MC which are in force from time to time.
- 5.3 The MCST must make available for viewing, free of charge, at the MC's office, the prescribed by-laws and any by-laws of the MC which are in force. The SP or a person authorised by the SP may apply in writing for a copy of the by-laws, which are in force, and the MC shall supply to the SP a copy of the by-laws on payment of a fee that is not more than the amount prescribed under Regulation 21A of the BM (SM) Regulations.



06

Supply of Information by the MC



(Sections 47 and 48 of the BMSMA)



- 6.1 An SP or a person authorised by the SP can make a written application to the MC to ask to inspect the MC's records. The MC should advise the SP on the procedure and payment of the respective fees involved in the inspection and/or copying of the requested records. The applicant must pay the prescribed inspection fee as provided for under regulation 11 of the BM (SM) Regulations. An SP or a person authorised by the SP can request to make a copy of the MC's records upon payment of the prescribed fee as provided for under regulation 11 of the BM (SM) Regulations. If no inspection is required by the SP for the copying of the MC's records, no fees for inspection is payable by the SP.



- 6.2 Under the BMSMA, the MC is required to provide the MC's records to an SP, mortgagee, prospective purchaser or mortgagee of a lot or by a person authorised in writing by such an SP or mortgagee, on payment of the prescribed fee, at such time and place as may be agreed upon by the requesting party and the MC. If the MC and the requesting party are unable to agree on the time and place of provision of the requisite records within 7 days after the MC's receipt of the request, the MC shall immediately send by post to the requesting party a notice fixing a time, specified in the notice, between 9am and 6pm on a date so specified in the notice occurring within 21 days from the MC's receipt of the request. The records which can be disclosed with respect to the MC are listed under section 47(1)(b) of BMSMA.



- 6.3 The MC is also required to respond to written requests for records pertaining to a lot within the development from prospective purchasers. The provision of records will need to comply with the process and timelines provided in section 47 of the BMSMA, as briefly described in para 6.2 above.

Sequence of application for MCST information



Application in writing to MCST by authorised person¹



Payment of a fee (if prescribed)



Arrangement of a time for the inspection as agreed upon by the applicant or his agent and the MCST. The inspection date cannot be later than 14 days from the date of the MCST receiving the initial request.

Documents can be inspected in person, through electronic access to the documents or by other means agreed upon. The person inspecting the documents can make copies but must not remove any documents from the premises without permission.



If the parties fail to reach an agreement on or before the 7th day after receipt of the application by the MCST, the MCST shall immediately send by post to the applicant a notice fixing a time between 9am and 6pm on a date not later than the 21st day after receipt of the application by MCST.

¹ The authorised person includes Subsidiary management corporation, Subsidiary Proprietor, Mortgagee of that lot, prospective purchaser and a person authorised in writing by the Subsidiary proprietor or mortgagee.

Handover of MCST records



Good Practice: Handover of MCST documents

The contract of the incumbent managing agent was not renewed, and the management council has served a notice of a resolution to the managing agent to deliver MCST records, books of account, keys, strata roll and other MCST property.



The managing agent must deliver the records **not later than the 7th day** after the notice of resolution has been served on the relevant person by the council.



If the person fails to return the MCST any of the records or property of the MCST, the person shall be guilty of an offence and shall be liable on conviction to a fine not exceeding \$5,000. (*Section 48(1)(1A)*)



References:

BMSMA – Sections, 32, 45, 46, 47, 48, 57
BM (SM) Regulations

Annex A

Suggested Checklist for handover of MCST documents and properties

List of items for handover

- ✓ Financial records (Financial statement of accounts, financial audit reports, Bank statements, fixed deposit certificate etc.)
- ✓ Petty cash
- ✓ The strata roll
- ✓ Procurement record under MCST (E.g. Purchase order)
- ✓ All keys and access cards
- ✓ Common Property inventories
- ✓ Common seal of MCST
- ✓ Court order (if any)
- ✓ Minutes of council meeting
- ✓ Documents of AGM
- ✓ Strata unit files
- ✓ As-built drawings
- ✓ A copy of the Strata Title Plans
- ✓ Insurance policies
- ✓ Standard Operating Procedures (SOP) (E.g. SOP for handling emergency situations etc)
- ✓ Tools and equipment purchased by MCST
- ✓ System Operating manuals
- ✓ All contracts entered into by and on behalf of MCST
- ✓ Resident movement record (Moving in and out)
- ✓ Tenant record
- ✓ Access cards record
- ✓ Renovation works record
- ✓ Registered vehicles record
- ✓ Telephony record
- ✓ List of outstanding feedback and things to follow up
- ✓ List of contractors, sub-contractors and persons engaged under MCST
- ✓ All warranties, manuals schematic drawings, operating instructions, service guides, manufacturers' documentation and other information in respect of the construction, installation, operation maintenance, repair and servicing of any common property, including any warranty information provided to the owner developer by any person.
- ✓ Prescribed by-laws and any by-laws made by the MCST
- ✓ Any other records required to be prepared or retained by MCST



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