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**MINISTRY OF EDUCATION - EDUCATION FUND**  
*(UEN No. T06CC3002H)*

**STATEMENT BY BOARD OF TRUSTEES AND FINANCIAL  
STATEMENTS FOR THE FINANCIAL  
YEAR ENDED 31 MARCH 2025**

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### **Board of Trustees**

#### **Chairperson**

Mr. Kenneth Er, Second Permanent Secretary (Education)

#### **Treasurer**

Mr. Chia Ser Huei, Divisional Director, Finance and Procurement

#### **Members**

Ms. Liew Wei Li, Director-General of Education

Mr. James Wong, Deputy Secretary (Services)

Mr. Eugene Leong, Deputy Secretary (Policy)

Ms. Chong Yiun Lin, Deputy Secretary (Higher Education and Skills)

#### **Auditor**

Geetha A & Associates

#### **Principal Bankers**

DBS Bank

Standard Chartered Bank

United Overseas Bank

<b>Index</b>	<b>Pages</b>
Statement by Board of Trustees	1
Independent Auditor's Report	2 - 4
Statement of Financial Position	5
Statement of Financial Activities	6
Statement of Changes in Funds and Reserve	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 22

## Ministry of Education – Education Fund

### Statement by Board of Trustees

For the Financial Year Ended 31 March 2025

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In our opinion, the accompanying financial statements of Ministry of Education - Education Fund (the “Fund”) are drawn up in accordance with the provisions of the Trustees Act 1967 (the “Trustees Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRSs”) so as to give a true and fair view of the financial position of the Fund as at 31 March 2025 and of the financial performance, changes in funds and reserve and cash flows of the Fund for the financial year then ended.

On behalf of the Board of Trustees,



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**Mr. Kenneth Er**  
Chairperson



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**Mr. Chia Ser Huei**  
Treasurer

Singapore, 22 September 2025

**Independent Auditor's Report**  
**To the Trustees of Ministry of Education – Education Fund**

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

***Opinion***

We have audited the financial statements of Ministry of Education - Education Fund (the “Fund”), which comprise the statement of financial position of the Fund as at 31 March 2025 (FY 2024), and the statement of financial activities, statement of changes in funds and reserve and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Trustees Act 1967 (the “Trustees Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore (“FRSs”) so as to give a true and fair view of the financial position of the Fund as at 31 March 2025 and of the financial performance, changes in funds and reserve and cash flows of the Fund for the 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 Fund 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***

Board of Trustees is responsible for the other information. The other information comprises the Statement by Board of Trustees set out on page 1.

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 Trustees of Ministry of Education – Education Fund**

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

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

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

In preparing the financial statements, Board of Trustees is responsible for assessing the Fund'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 Board of Trustees either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

**Independent Auditor's Report**  
**To the Trustees of Ministry of Education – Education Fund**

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

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

- Conclude on the appropriateness of Board of Trustees' 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 Fund'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 Fund 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.

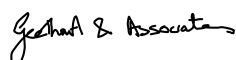
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

***Report on Other Legal and Regulatory Requirements***

In our opinion, the accounting and other records required to be kept by the Trustees Act and Charities Act and Regulations have been properly kept in accordance with the provisions of the Trustees Act and Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- (a) the Fund has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations; and
- (b) the Fund has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.



**Geetha A & Associates**  
**Public Accountants and**  
**Chartered Accountants**  
**Singapore**

Date: 22 September 2025

Page 4

**Ministry of Education – Education Fund**  
**Statement of Financial Position**  
**As At 31 March 2025**

		<b>FY2024</b>	<b>FY2023</b>
	<b><u>Note</u></b>	<b><u>S\$</u></b>	<b><u>S\$</u></b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Loans and Advances	4	1,566,895	1,947,381
Financial Assets at Amortised Cost	5	130,523,877	124,880,524
		<b>132,090,772</b>	<b>126,827,905</b>
<b>Current Assets</b>			
Loans and Advances	4	1,738,786	2,504,131
Financial Assets at Amortised Costs	5	9,500,000	-
Financial Assets at FVOCI	6	168,649,783	162,136,537
Fixed Deposits	7	-	58,180,200
Cash and Cash Equivalents	8	118,079,734	63,302,280
		<b>297,968,303</b>	<b>286,123,148</b>
<b>Total Assets</b>		<b>430,059,075</b>	<b>412,951,053</b>
<b>LESS: LIABILITIES</b>			
<b>Current Liability</b>			
Other Payables		(9,900)	(9,900)
<b>NET ASSETS</b>		<b>430,049,175</b>	<b>412,941,153</b>
<b>FUNDS</b>			
General Fund		197,292,039	195,750,487
Specific Funds	9	203,316,031	194,237,528
<b>Total Funds</b>		<b>400,608,070</b>	<b>389,988,015</b>
<b>RESERVE</b>			
Fair Value Reserve	10	29,441,105	22,953,138
<b>TOTAL FUNDS AND RESERVE</b>		<b>430,049,175</b>	<b>412,941,153</b>

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

**Ministry of Education – Education Fund**  
**Statement of Financial Activities**  
**For the Financial Year Ended 31 March 2025**

	<u>Note</u>	<b>FY2024</b> <b><u>S\$</u></b>	<b>FY2023</b> <b><u>S\$</u></b>
<b><u>Incoming Resources</u></b>			
General Funds			
- Donations and Matching Grants		58,089	34,853
- Interest and Investment Income	11	1,835,859	2,015,758
- Other Income		8,226	10,273
Specific Funds			
- Donations and Matching Grants		7,605,175	135,248,604
- Interest and Investment Income		5,982,039	5,430,630
- Other Income		26,343	22,927
<b>Total Incoming Resources</b>		<b>15,515,731</b>	<b>142,763,045</b>
<b><u>Resources Expended</u></b>			
Payments from specific funds		4,535,054	3,778,868
Project grants for school and other organisations		284,159	112,192
Amortisation of deferred interest		12,690	18,594
Other expenditure		63,773	25,844
<b>Total Resources Expended</b>		<b>4,895,676</b>	<b>3,935,498</b>
<b>Net Income For The Year</b>		<b>10,620,055</b>	<b>138,827,547</b>
<b><u>Other Comprehensive Income</u></b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Net Fair value gain on financial assets at fair			
Through other comprehensive income	10	6,487,967	7,806,036
<b>Total Comprehensive Income For The Year</b>		<b>17,108,022</b>	<b>146,633,583</b>
<b>Net Income For the Year is attributable as follows:</b>			
General Fund		1,541,552	1,904,254
Specific Funds		9,078,503	136,923,293
		<b>10,620,055</b>	<b>138,827,547</b>

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



**Ministry of Education – Education Fund**  
**Statement of Changes in Funds and Reserve**  
**For the Financial Year Ended 31 March 2025**

	<b>General Fund</b>	<b>Specific Funds</b>	<b>Total Funds</b>	<b>Fair Value Reserve</b>	<b>Total Funds and Reserve</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Balance as at 1 April 2023</b>	193,846,233	57,314,235	251,160,468	15,147,102	266,307,570
Net Income for the year	1,904,254	136,923,293	138,827,547	-	138,827,547
Fair Value Gain on financial assets at FVOCI (Note 10)	-	-	-	7,806,036	7,806,036
Total comprehensive income for the year	1,904,254	136,923,293	138,827,547	7,806,036	146,633,583
<b>Balance as at 31 March 2024</b>	<b>195,750,487</b>	<b>194,237,528</b>	<b>389,988,015</b>	<b>22,953,138</b>	<b>412,941,153</b>
Net Income for the year	1,541,552	9,078,503	10,620,055	-	10,620,055
Fair Value Gain on financial assets at FVOCI (Note 10)	-	-	-	6,487,967	6,487,967
Total comprehensive income for the year	1,541,552	9,078,503	10,620,055	6,487,967	17,108,022
<b>Balance as at 31 March 2025</b>	<b>197,292,039</b>	<b>203,316,031</b>	<b>400,608,070</b>	<b>29,441,105</b>	<b>430,049,175</b>

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

**Ministry of Education – Education Fund**  
**Statement of Cash Flows**  
**For the Financial Year Ended 31 March 2025**

	<b><u>Note</u></b>	<b>FY2024 <u>S\$</u></b>	<b>FY2023 <u>S\$</u></b>
<b>Cash Flows From Operating Activities</b>			
Net Income for the year		10,620,055	138,827,547
<i><u>Adjustments for:</u></i>			
Interest and Investment Income to General Fund		(1,810,580)	(1,992,213)
Interest and Investment Income to Specific Funds		(5,982,039)	(5,430,630)
Amortisation of Deferred Interest		12,690	18,594
<b>Operating Cash Flows before Working Capital Changes</b>		<u>2,840,126</u>	<u>131,423,298</u>
<i><u>Changes in Working Capital</u></i>			
Loans and Advances		300,319	(1,323,114)
<b>Net Cash Flows from Operating Activities</b>		<u><b>3,140,445</b></u>	<u><b>130,100,184</b></u>
<b>Cash Flows From/ (Used In) Investing Activities</b>			
Interest and Investment Income received		8,609,016	5,519,249
Purchase of additional asset at amortised cost		(15,126,928)	(53,579,433)
Purchase of financial asset at FVOCI		(25,279)	(23,545)
Proceeds from disposal of financial asset at amortised cost		-	2,000,000
Redemption/(Placement) of Fixed Deposits		58,180,200	(40,136,806)
<b>Net Cash Flows From / (Used In) Investing Activities</b>		<u><b>51,637,009</b></u>	<u><b>(86,220,535)</b></u>
<b>Net Increase in Cash and Cash Equivalents</b>		<b>54,777,454</b>	<b>43,879,649</b>
<b>Cash and Cash Equivalents At Beginning of Year</b>		<b>63,302,280</b>	<b>19,422,631</b>
<b>Cash and Cash Equivalents At End of Year</b>	<b>8</b>	<u><u><b>118,079,734</b></u></u>	<u><u><b>63,302,280</b></u></u>

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

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

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

**1. General**

The Fund is an exempt charity and has been granted the status of an Institutions of Public Character under the Charities Act 1994 for the period from 2 December 2006 to 1 December 2026.

The primary objective of the Fund is to finance projects that promote, develop and advance education in Singapore. The funds comprise a General Fund and several Specific Funds. The General Fund which receives donations from the public is used for worthwhile educational projects as determined by the Board of Trustees. Specific Funds which receive donations from individuals and organisations for specific purposes are used to fund projects and awards specified by the donors. There have been no significant changes in the nature of these activities during the financial year.

The registered office of the Fund is at 1 North Buona Vista Drive, Singapore 138675.

**2. Material Accounting Policy Information**

**2.1 Basis of preparation**

The financial statements of the Fund have been drawn up in accordance with the provisions of the Trustees Act 1967, the Charities Act 1994 and Financial Reporting Standards in Singapore (FRSs). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S\$), which is the Fund's functional currency.

**2.2 Adoption of new and amended standards and interpretations**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Fund has adopted all the new and amended standards which are relevant to the Fund and are effective for annual financial periods beginning on or after 1 April 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Fund.

**2.3 Standards issued but not yet effective**

Certain new/ revised accounting standards and interpretations have been issued but not effective. The Fund has assessed the standards and interpretations issued. The initial application of these standards and interpretations is not expected to have any material impact on the Fund's financial statements.

## **2. Material Accounting Policy Information (Continued)**

### **2.4 Foreign currency transactions and balances**

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

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in statement of financial activities.

### **2.5 Financial instruments**

#### **(a) Financial assets**

##### **Initial recognition and measurement**

Financial assets are recognised when, and only when the Fund becomes a party to the contractual provisions of the instruments.

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

##### **Subsequent measurement**

###### *Investments in debt instruments*

Subsequent measurement of debt instruments depends on the Fund's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Fund only has debt instruments at amortised cost.

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

## **2. Material Accounting Policy Information (Continued)**

### **2.5 Financial instruments (Continued)**

#### **(a) Financial assets (Continued)**

##### *Investments in equity instruments*

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

##### **Derecognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

#### **(b) Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

##### **Subsequent measurement**

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

##### **Derecognition**

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

## **2. Material Accounting Policy Information (Continued)**

### **2.6 Impairment of financial assets**

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

### **2.7 Cash and cash equivalents**

Cash and cash equivalents comprised cash at banks, cash with Accountant-General's Department (AGD) and fixed deposits with less than 3 months maturity period, which are subject to an insignificant risk of changes in value.

### **2.8 Revenue**

Revenue comprises the fair value of the consideration received or receivable in the ordinary course of the Fund's activities, including donations. Revenue is recognised when there is entitlement, certainty and sufficient reliability of measurement.

#### **(a) Donations**

Income from donations are recognised at a point in time when received.

#### **(b) Interest and investment income**

Interest income from bank deposits, loans and advances and investments in bonds are recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

#### **(c) Other income**

Other income is recognised on accrual basis.

### **2.9 Taxes**

As an exempt charity under the Charities Act 1994, the Fund is exempt from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

## **2. Material Accounting Policy Information (Continued)**

### **2.10 Funds**

Specific Fund is distinguished from General Fund. Specific Fund may only be utilised in accordance with the purposes established by the source of such fund. The Board of Trustees governs the utilisation of both of the Specific and General Funds.

## **3. Significant accounting judgements and estimates**

The preparation of the Fund's financial statements requires Board of Trustees to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### **3.1 Judgements made in applying accounting policies**

The Board of Trustees is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **3.2 Key sources of estimation of uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Fund based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

#### **Provision for expected credit losses of loan and advances and financial assets at amortised cost**

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

The carrying amounts of the Fund's loan and advances and financial assets at amortised cost as at 31 March 2025 were S\$3,305,681 and S\$140,023,877 (FY2023: S\$4,451,512 and S\$124,880,524) respectively.

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**4. Loans and Advances**

	<b>FY2024</b>	<b>FY2023</b>
	<b><u>S\$</u></b>	<b><u>S\$</u></b>
<b>Non-Current:</b>		
Within 2 – 5 years		
- Loans to government-funded educational institutions <sup>(i)</sup>	586,292	1,772,549
- Study loans to teachers <sup>(ii)</sup>	34,301	66,363
- Deferred Interest Income <sup>(iii)</sup>	96,302	8,469
	716,895	1,847,381
More than 5 years		
- Loan to government-funded educational institutions <sup>(i)</sup>	801,288	100,000
- Deferred Interest Income <sup>(iii)</sup>	48,712	-
	850,000	100,000
	1,566,895	1,947,381
<b>Current:</b>		
- Loans to government-funded educational institutions <sup>(i)</sup>	320,265	170,826
- Study loans to teachers <sup>(ii)</sup>	56,581	87,092
- Deferred Interest Income <sup>(iii)</sup>	30,279	12,847
- Interest Receivable <sup>(iv)</sup>	1,331,661	2,177,173
- Other Receivables	-	56,193
	1,738,786	2,504,131
<b>Total Loans and Advances</b>	<b><u>3,305,681</u></b>	<b><u>4,451,512</u></b>

(i) Loans to other government-funded educational institutions are given to support educational purposes in accordance with the objective of the Education Fund. As at 31 March 2025, there were 2 outstanding loans (FY2023: 2 outstanding loans). The loans are unsecured, interest free and are repayable from 1 April 2024 to 31 December 2034. The loans amounting to S\$1,707,846 (FY2023: S\$343,375) were discounted using the interest rate of 2% (FY2023: 2%) per annum.

(ii) Study loans to teachers are interest free and repayable on agreed repayment schedule. The loans were discounted using the interest rate of 5% (FY2023: 5%) per annum.

(iii) Deferred interest income relates to the loan to government-funded educational institutions and study loans to teachers amounting to S\$168,154 (FY2023: S\$8,625) and S\$7,138 (FY2023: S\$12,691) respectively.

(iv) Interest receivable relates to interest receivables from financial assets at amortised cost, fixed deposits and cash and cash equivalents.

The fair values of non-current loan and advances are computed based on cash flows discounted at market borrowing rates. The fair values are within level 2 of the fair value hierarchy.

Loan and advances are denominated in Singapore Dollars.



**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**5. Financial Assets at Amortised Cost**

	FY2024 <u>S\$</u>	FY2023 <u>S\$</u>
<b>Non-Current:</b>		
- SGD Corporate bonds (quoted)		
- Within 2-5 years	65,002,912	56,809,183
- More than 5 years	65,520,965	68,071,341
	<u>130,523,877</u>	<u>124,880,524</u>
<b>Current:</b>		
- SGD Corporate Bonds (quoted)	9,500,000	-
	<u>140,023,877</u>	<u>124,880,524</u>

The interest rates of the Fund's financial assets at amortised cost ranges from 1.265% to 4.125% per annum (FY2023: 1.265% to 4.125% per annum), which will mature from 11 April 2025 to 17 August 2071 (FY2023: 11 April 2025 to 17 August 2071) except one being perpetual.

Financial assets at amortised cost are denominated in Singapore Dollars.

**6. Financial Assets at FVOCI**

	FY2024 <u>S\$</u>	FY2023 <u>S\$</u>
At fair value through other comprehensive income		
- Investment with Fund Managers (quoted)		
Beginning of financial year	162,136,537	154,306,956
Additions during the year	25,279	23,545
Fair value gain recognised in other comprehensive income (Note 10)	6,487,967	7,806,036
End of financial year	<u>168,649,783</u>	<u>162,136,537</u>

The financial assets at FVOCI are carried at their fair value. The fair value is determined directly by reference to the quoted current market price of the underlying investments at reporting date. Changes in the investments' fair values are recognised as fair value gains or losses in other comprehensive income which subsequently will not be reclassified to profit or loss.

The financial assets at FVOCI are denominated in Singapore Dollars.

**7. Fixed Deposits**

As at March 31, 2025, the Fund did not hold any fixed deposits with maturities exceeding three months from the date of placement.

As at March 31, 2024, the Fund held fixed deposits with maturities exceeding three months from the date of placement. These deposits bore interest at rates ranging from 2.80% to 3.40% per annum.

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**8. Cash and Cash Equivalents**

	<b>FY2024</b>	<b>FY2023</b>
	<b>S\$</b>	<b>S\$</b>
Cash at banks	788,304	1,788,646
Cash with AGD	1,229,256	1,703,737
Fixed Deposits	116,062,174	59,809,897
	<b>118,079,734</b>	<b>63,302,280</b>

Fixed deposits have maturity of less than three months from the placement date and bears interest ranging from 2.0% to 3.4% (FY2023: 3.1% to 3.4%) per annum.

Cash and cash equivalents are denominated in Singapore Dollars.

**9. Specific Funds**

	<b>Lee Kuan Yew Centennial Fund <sup>(i)</sup></b>	<b>Lee Kuan Yew Fund <sup>(ii)</sup></b>	<b>Daisy Phay Foundation Fund <sup>(iii)</sup></b>	<b>Other Specific Funds <sup>(iv)</sup></b>	<b>Total Specific Funds</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Balance as at 1 April 2023	19,314,457	17,400,432	10,899,736	9,699,610	57,314,235
Add: Incoming Resources					
- Donations and Matching Grants	135,109,633	18,720	-	120,251	135,248,604
- Interest and Investment Income	4,197,420	588,761	378,057	266,392	5,430,630
- Other Income	-	-	-	22,927	22,927
Less: Resources Expended	(783,938)	(166,907)	(658,200)	(2,169,823)	(3,778,868)
<b>Balance as at 31 March 2024</b>	<b>157,837,572</b>	<b>17,841,006</b>	<b>10,619,593</b>	<b>7,939,357</b>	<b>194,237,528</b>
Add: Incoming Resources					
- Donations and Matching Grants	6,320,000	9,790	-	1,275,385	7,605,175
- Interest and Investment Income	4,976,004	459,347	338,371	208,317	5,982,039
- Other Income	-	-	-	26,343	26,343
Less: Resources Expended	(2,126,515)	(161,700)	(330,000)	(1,916,839)	(4,535,054)
<b>Balance as at 31 March 2025</b>	<b>167,007,061</b>	<b>18,148,443</b>	<b>10,627,964</b>	<b>7,532,563</b>	<b>203,316,031</b>

**(i) Lee Kuan Yew Centennial Fund**

The Lee Kuan Yew Centennial Fund was established from a ground-up initiative by business leaders to invest in and support the development of Singapore youth to become visionary leaders with the imagination and determination to shape Singapore's future as an exceptional nation. The Fund comprises donations and matching grants from the Government and will be used to support education-related initiatives to develop and recognise young leaders in Singapore.

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**9. Specific Funds (Continued)**

(ii) Lee Kuan Yew Fund

Lee Kuan Yew Fund is used to fund the various Lee Kuan Yew awards and it comprises donations made by Mr Lee Kuan Yew (including honorariums from his speaking engagements and proceeds from his book sales), donations from well-wishers who have contributed specifically towards this cause and other well-wishers who donated in memory of the late Mr Lee. The awards include the Lee Kuan Yew Award for All Round Excellence, the Lee Kuan Yew Award for Mathematics and Science, the Lee Kuan Yew Award for Outstanding Normal Course Students, the Lee Kuan Yew Exemplary Student Award; the Lee Kuan Yew Scholarship to Encourage Upgrading; and Sultan Haji Omar Ali Saifuddien Book Prize.

(iii) Daisy Phay Foundation Fund

The Daisy Phay Foundation Fund was set up in 2011 from a donation received from the estate of Dr Phay Seng Watt, former Chairman of the Public Service Commission (from 1962 to 1975), in memory of his wife, Daisy. This Fund gives out annual scholarships and bursaries to Singaporean students studying in junior colleges or equivalent standards in MOE schools.

(iv) Other Specific Funds

Other Specific Funds comprise donations. It will be used to provide awards to deserving students, financial assistance to needy students and to fund relevant educational projects, as specified by the donors.

**10. Fair Value Reserve**

	<b>FY2024</b> <b>S\$</b>	<b>FY2023</b> <b>S\$</b>
Balance as at 1 April	22,953,138	15,147,102
Fair Value Gain on Financial Assets at Fair Value		
Through other comprehensive income	<u>6,487,967</u>	<u>7,806,036</u>
Balance as at 31 March	<u><b>29,441,105</b></u>	<u><b>22,953,138</b></u>

Fair value reserve represents the cumulative fair value changes, net of tax, of financial assets at fair value through other comprehensive income until they are disposed of or impaired.

**11. Interest and Investment Income – General Fund**

	<b>FY2024</b> <b>S\$</b>	<b>FY2023</b> <b>S\$</b>
Interest from corporate bonds	1,636,814	1,831,692
Interest income from cash and cash equivalents	5,200	10,028
Interest income from discounting of loans to teachers	12,690	18,594
Interest income from fixed deposits	155,877	131,899
Fee rebate from fund managers	<u>25,278</u>	<u>23,545</u>
	<u><b>1,835,859</b></u>	<u><b>2,015,758</b></u>

## **12. Income Tax**

As an exempt charity under the Charities Act 1994, the Fund is exempt from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

## **13. Tax Deduction Receipts**

### **a) Tax Deduction Receipts issued by the Fund**

During the financial year, the Fund issued tax deduction receipts amounting to S\$5,322,703 (FY2023: S\$72,118,398 <revised> as previously stated as S\$62,118,398\*) which have been accordingly accounted for in the Statement of Financial Activities.

*\* FY2023 included S\$10 million donation issued with non tax deduction receipt (TDR). At the time of receipt, the donation was recorded as a non tax deduction receipt, as there was no indication from the donor that a TDR was required, and the donor's Unique Entity Number (UEN) was not provided. Donor subsequently clarified that TDR was required and TDR was issued and Inland Revenue Authority of Singapore (IRAS) was updated accordingly. As a result, the donation has been recognised as a tax deductible donation in accordance with Income Tax Act.*

### **b) Tax Deduction Receipts issued by Government Schools, Government-Aided Schools and Independent Schools**

For the financial period from 1 January 2024 to 31 December 2024, tax deduction receipts amounting to S\$7,439,293 (FY2023: 1 January 2023 to 31 December 2023: S\$7,063,798) have been issued by schools for donations received directly by them. Hence, these donations have been accounted for in the respective schools' accounts and not in the books of Ministry of Education – Education Fund.

## **14. Type of receipts**

Donations received by the Fund are through Online Portal, fund transfer and cheque.

## **15. Fair Value of Assets and Liabilities**

### **a) Fair value hierarchy**

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

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

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

## **15. Fair Value of Assets and Liabilities (Continued)**

### **a) Fair value hierarchy (Continued)**

The fair value of financial assets at FVOCI is based on quoted market prices of the underlying investments in unit trusts at the balance sheet date. The quoted market price used for financial assets at FVOCI held by the Fund is the current bid price. The fair value of these instruments are within Level 1 of the fair value hierarchy.

### **b) Assets and liabilities not measured at fair value**

#### *Loans and advances*

The carrying amounts of these balances approximate their fair values as these financial instruments are measured at amortised cost using the effective interest method.

#### *Cash and cash equivalents and other payables*

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

#### *Financial assets at amortised cost and fixed deposits*

The carrying amounts of these balances approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

## **16. Financial Risk Management**

The Fund is exposed to the financial risks because of the financial activities it undertake. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The Board of Trustees monitors and ensures on an ongoing basis that an appropriate balance between risk and control is achieved.

The following sections provide details regarding the Fund's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Fund's exposure to these financial risks or the manner in which it manages and measures the risks.

### **Credit Risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Fund. The Fund's exposure to credit risk arises primarily from loan and advances and financial assets at amortised cost. For other financial assets (including financial assets at FVOCI and cash and cash equivalents), the Fund minimises credit risk by dealing exclusively with high credit rating counterparties.

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**16. Financial Risk Management (Continued)**

**Credit Risk (Continued)**

The Fund has policies in place to ensure that interest-free loans to government-funded educational institutions and study loans to teachers are given appropriately, and in accordance with the Fund's objective.

The maximum exposure to credit risk in the event that the counterparties fail to perform the obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Loan and advances and financial assets at amortised cost

The Fund assessed and concluded that there has been no significant increase in the credit risk since the initial recognition of these financial assets. Accordingly, the Fund measured the impairment loss allowance using lifetime ECL and determined that the ECL is insignificant.

Exposure to credit risk

The Fund has no significant concentration of credit risk. The Fund has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

**Liquidity Risk**

Liquidity risk refers to the risk that the Fund will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Fund monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Fund's contractual obligations.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Fund's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	<b>Carrying Amount</b>	<b>Contractual Cash Flows</b>	<b>One year or Less</b>	<b>Two to Five Years</b>	<b>More than Five Years</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>FY2024</b>					
<b>Financial Assets:</b>					
Loans and Advances	3,305,681	3,305,681	1,738,786	716,895	850,000
Financial Assets at amortised cost	140,023,877	159,914,245	13,793,950	77,698,735	68,421,560
Financial Assets at FVOCI	168,649,783	168,649,783	168,649,783	-	-
Cash and Cash Equivalents	118,079,734	118,079,734	118,079,734	-	-
Total undiscounted financial assets	430,059,075	449,949,443	302,262,253	78,415,630	69,271,560
<b>Financial Liability:</b>					
Other payables	9,900	9,900	9,900	-	-
Total undiscounted financial liability	9,900	9,900	9,900	-	-
<b>Net undiscounted financial assets</b>	<b>430,049,175</b>	<b>449,939,543</b>	<b>302,252,353</b>	<b>78,415,630</b>	<b>69,271,560</b>

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**16. Financial Risk Management (Continued)**

**Liquidity Risk (Continued)**

	<b>Carrying Amount</b>	<b>Contractual Cash Flows</b>	<b>One year or Less</b>	<b>Two to Five Years</b>	<b>More than Five Years</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>FY2023</b>					
<b>Financial Assets:</b>					
Loans and Advances	4,451,512	4,451,512	2,504,131	1,847,381	100,000
Financial Assets at amortised cost	124,880,524	145,360,339	3,878,898	69,204,248	72,277,193
Financial Assets at FVOCI	162,136,537	162,136,537	162,136,537	-	-
Fixed Deposits	58,180,200	58,180,200	58,180,200	-	-
Cash and Cash Equivalents	63,302,280	63,302,280	63,302,280	-	-
Total undiscounted financial assets	412,951,053	433,430,868	290,002,046	71,051,629	72,377,193
<b>Financial Liability:</b>					
Other payables	9,900	9,900	9,900	-	-
Total undiscounted financial liability	9,900	9,900	9,900	-	-
<b>Net undiscounted financial assets</b>	<b>412,941,153</b>	<b>433,420,968</b>	<b>289,992,146</b>	<b>71,051,629</b>	<b>72,377,193</b>

**Market risk**

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

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Fund's financial instruments will fluctuate because of changes in market interest rates. The Fund's exposure to interest rate risk arises primarily from financial assets at amortised cost, fixed deposits and cash and cash equivalents. The interest rates are disclosed in Notes 5, 7 and 8.

The Fund does not expect any significant effect on the Fund's net income for the year arising from the effects of reasonably possible changes to interest rates on fixed interest-bearing financial instruments at the end of the financial year, except for cash and cash equivalent.

The Fund has fixed rate instruments which were financial assets at amortised cost and fixed deposits and variable rate instrument which was cash and cash equivalents. At the reporting date, for the variable rate instruments, if the interest rates had been 50 (FY2023: 50) basis points higher/lower with all other variables held constant, the Fund's net income for the year would have been S\$590,399 (FY2023: S\$316,511) higher/lower, arising mainly as a result of higher/lower interest income on floating rate on the variable rate instrument.

**Ministry of Education – Education Fund**  
**Notes to the Financial Statements**  
**For the Financial Year Ended 31 March 2025**

**17. Financial Instruments by Category**

	<b>FY2024</b> <b><u>S\$</u></b>	<b>FY2023</b> <b><u>S\$</u></b>
<b>Financial assets measured at FVOCI</b>		
Financial assets at FVOCI (Note 6)	<u>168,649,783</u>	<u>162,136,537</u>
<b>Financial assets measured at amortised cost</b>		
Loans and advances (Note 4)	3,305,681	4,451,512
Financial assets at amortised cost (Note 5)	140,023,877	124,880,524
Fixed Deposits (Note 7)	-	58,180,200
Cash and Cash Equivalents (Note 8)	<u>118,079,734</u>	<u>63,302,280</u>
Total financial assets measured at amortised cost	<u>261,409,292</u>	<u>250,814,516</u>
<b>Financial liability measured at amortised cost</b>		
Other payables	<u>9,900</u>	<u>9,900</u>
Total financial liability measured at amortised cost	<u>9,900</u>	<u>9,900</u>

**18. Fund Management Policy**

The Board of Trustees' objective when managing the Fund is to ensure that the funds are utilised in accordance with the purpose of the funds.

**19. Authorisation of financial statements for issue**

The financial statements of the Fund For the Financial Year Ended 31 March 2025 were authorised for issue by the Board of Trustees on the date of the Statement by Board of Trustees.