

Ministry of Education - Education Fund
(UEN No: T06CC3002H)

**Statement by the Board of Trustees and
Financial Statements for the Financial Year
Ended 31 March 2026**

KLP LLP
CHARTERED ACCOUNTANTS
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CONFIDENTIAL

The Board of Trustees

Mr. Kenneth Er, Second Permanent Secretary (Education)	Chairperson
Mr. Chia Ser Huei, Divisional Director, Finance and Procurement	Treasurer
Ms. Liew Wei Li, Director-General of Education	Member
Mr. James Wong, Deputy Secretary (Services)	Member
Ms. Tang Zhi Hui, Deputy Secretary (Policy)	Member
	(appointed on 1 April 2026)
Ms. Chong Yiun Lin, Deputy Secretary (Higher Education and Skills)	Member

Auditor

KLP LLP

Principal Bankers

DBS Bank
Standard Chartered Bank
United Overseas Bank
Oversea-Chinese Banking Corporation Limited

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Ministry of Education – Education Fund
Statement by the Board of Trustees
For the financial year ended 31 March 2026

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 2026 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



Mr. Kenneth Er
Chairperson



Mr. Chia Ser Huei
Treasurer

Singapore, 1 September 2026

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

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 as at 31 March 2026 (FY 2025), 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 2026 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 Matter

The financial statements of the Fund for the year ended 31 March 2025 (FY 2024) were audited by another firm of auditors who expressed an unmodified opinion on those statements on 22 September 2025.

Other Information

The Board of Trustees is responsible for the other information. The other information comprises the Statement by the 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 (continued)

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

The 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 FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, The 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 The 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 the Board of Trustees.
- Conclude on the appropriateness of the 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.

Independent Auditor's Report to the Trustees of Ministry of Education – Education Fund (continued)

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

- 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.

The engagement partner on the audit resulting in this independent auditor's report is Lim Yeong Seng.



KLP LLP
Public Accountants and
Chartered Accountants

Singapore, 1 September 2026

Ministry of Education – Education Fund
Statement of Financial Position
As at 31 March 2026

	Note	FY2025 S\$	FY2024 S\$
Assets			
Non-current assets			
Loans and advances	4	1,384,150	1,566,895
Financial assets at amortised cost	5	144,456,687	130,523,877
		<u>145,840,837</u>	<u>132,090,772</u>
Current assets			
Loans and advances	4	1,333,020	1,738,786
Financial assets at amortised cost	5	15,246,560	9,500,000
Financial assets at FVOCI	6	-	168,649,783
Cash and cash equivalents	7	285,297,439	118,079,734
		<u>301,877,019</u>	<u>297,968,303</u>
Total assets		<u><u>447,717,856</u></u>	<u><u>430,059,075</u></u>
Fund and reserve			
General fund		238,958,586	197,292,039
Specific funds	8	208,744,970	203,316,031
Fair value reserve	9	-	29,441,105
Total fund and reserve		<u><u>447,703,556</u></u>	<u><u>430,049,175</u></u>
Current liabilities			
Other payables		14,300	9,900
Total liabilities		<u><u>14,300</u></u>	<u><u>9,900</u></u>
Total fund and reserve and liabilities		<u><u>447,717,856</u></u>	<u><u>430,059,075</u></u>

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

Ministry of Education – Education Fund
Statement of Financial Activities
For the financial year ended 31 March 2026

	Note	FY2025 S\$	FY2024 S\$
Incoming Resources			
General Funds			
- Donations		110,043	58,089
- Interest and investment income	10	2,150,554	1,810,580
- Fee rebate from fund manager	10	22,656	25,279
- Other income	11	3,299	8,226
Specific Funds			
- Donations	8	5,642,815	7,605,175
- Interest and investment income	8	4,669,167	5,982,039
- Other income		77,959	26,343
Total incoming resources		12,676,493	15,515,731
Resources Expended			
Payments from specific funds	8	(4,961,002)	(4,535,054)
Project grants for schools and other organisations	12	(688,860)	(284,159)
Amortisation of deferred interest		(19,828)	(12,690)
Other expenditure		(35,117)	(63,773)
Total resources expended		(5,704,807)	(4,895,676)
Net surplus for the year		6,971,686	10,620,055
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Fair value gain on financial assets at FVOCI	9	10,682,695	6,487,967
		<u>17,654,381</u>	<u>17,108,022</u>
Net income for the year is attributable as follows:			
General fund		1,542,747	1,541,552
Specific fund		5,428,939	9,078,503
		<u>6,971,686</u>	<u>10,620,055</u>

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

Ministry of Education – Education Fund
Statement of Changes in Funds and Reserve
For the financial year ended 31 March 2026

	General fund	Specific funds	Total funds	Fair value reserve	Total funds and reserve
	S\$	S\$	S\$	S\$	S\$
Balance as at 01 April 2024	195,750,487	194,237,528	389,988,015	22,953,138	412,941,153
Net surplus for the year	1,541,552	9,078,503	10,620,055	-	10,620,055
Fair value gain on financial assets at FVOCI	-	-	-	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
Balance as at 31 March 2025	197,292,039	203,316,031	400,608,070	29,441,105	430,049,175
Net surplus for the year	1,542,747	5,428,939	6,971,686	-	6,971,686
Fair value gain on financial assets at FVOCI	-	-	-	10,682,695	10,682,695
Reclassification of cumulative fair value changes upon disposal	40,123,800	-	40,123,800	(40,123,800)	-
Total comprehensive income for the year	41,666,547	5,428,939	47,095,486	(29,441,105)	17,654,381
Balance as at 31 March 2026	<u>238,958,586</u>	<u>208,744,970</u>	<u>447,703,556</u>	<u>-</u>	<u>447,703,556</u>

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

Ministry of Education – Education Fund
Statement of Cash Flows
For the financial year ended 31 March 2026

	FY2025	FY2024
	S\$	S\$
Cash flows from operating activities		
Net surplus for the year	6,971,686	10,620,055
<i>Adjustments for:</i>		
Interest and investment income to general fund	(2,150,554)	(1,810,580)
Interest and investment income to specific fund	(4,669,167)	(5,982,039)
Amortisation of deferred interest	19,828	12,690
Amortisation of bond	(179,370)	-
Rebate reinvestment of financial asset at FVOCI	(19,821)	-
Operating cash flow before working capital changes	(27,398)	2,840,126
<i>Changes in working capital:</i>		
Loan and advances	407,899	300,319
Other payables	4,400	-
Net cash flows generated from operating activities	384,901	3,140,445
Cash flows from investing activities		
Interest and investment income received	6,980,505	8,609,016
Purchase of additional financial asset at amortised cost	(29,000,000)	(15,126,928)
Purchase of financial asset at FVOCI	-	(25,279)
Proceeds from redemption of financial asset at amortised cost	9,500,000	-
Proceeds from disposal of financial asset at FVOCI	179,352,299	-
Redemption of fixed deposits	-	58,180,200
Net cash flows generated from investing activities	166,832,804	51,637,009
Net increase in cash and cash equivalents	167,217,705	54,777,454
Cash and cash equivalents at the beginning of financial year	118,079,734	63,302,280
Cash and cash equivalents at the end of financial year	285,297,439	118,079,734
(Note 7)		

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

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

1. General information

Ministry of Education – Education Fund (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 "Trustees Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") 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 2025. The adoption of these standards did not have any material effect on the financial statements of the Fund.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standards that have been issued are not yet effective and have not been applied in preparing these financial statements.

The Board of Trustees expects that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

2. Material accounting policy information (continued)

2.4 Impairment of non-financial assets

The Fund assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Fund makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.5 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity 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

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 profit or loss 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)

Subsequent measurement (continued)

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 profit or loss. Dividends from such investments are to be recognised in profit or loss when the Fund's right to receive payments is established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

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, net of 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 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.

2.10 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.

2. Material accounting policy information (continued)

2.11 Conflict of interest

A documented procedure has been established for board members to declare any conflict of interest at the earliest opportunity. Any interested board member is also required to abstain from voting in any interested transaction.

2.12 Reserve policy

As the Fund relies significantly on the investment income generated from its reserves to support projects, the Fund should maintain at least S\$150m in reserves in this respect.

3. Significant accounting judgments and estimates

The preparation of the Fund's financial statements requires the Board of Trustees to make judgments, 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 Judgments made in applying accounting policies

The Board of Trustees is of the opinion that there are no significant judgments made in applying accounting 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 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 2026 were S\$2,717,170 and S\$159,703,247 (FY2024: S\$3,305,681 and S\$140,023,877) respectively.

4. Loans and advances

	FY2025 S\$	FY2024 S\$
Non-current:		
Within 2 - 5 years		
- Loans to government-funded educational institutions (i)	755,072	586,292
- Study loans to teachers (ii)	22,452	34,301
- Deferred interest income (iii)	96,626	96,302
	874,150	716,895
More than 5 years		
- Loans to government-funded educational institutions (i)	490,260	801,288
- Deferred interest income (iii)	19,740	48,712
	510,000	850,000
	1,384,150	1,566,895
Current		
- Loans to government-funded educational institutions (i)	142,248	320,265
- Study loans to teachers (ii)	15,384	56,581
- Deferred interest income (iii)	29,643	30,279
- Interest receivable (iv)	1,145,745	1,331,661
	1,333,020	1,738,786
	2,717,170	3,305,681

- (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 2026, there was 1 outstanding loan (FY2024: 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\$1,387,580 (FY2024: S\$1,707,845) were discounted using the interest rate of 2% (FY2024: 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% (FY2024: 5%) per annum.
- (iii) Deferred interest income relates to the loan to government-funded educational institutions and study loans to teachers amounting to S\$142,420 (FY2024: S\$168,154) and S\$3,589 (FY2024: S\$7,138) respectively.
- (iv) Interest receivable relates to interest receivables from financial assets at amortised cost and fixed deposits.

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 (Note 16).

Loan and advances are denominated in Singapore Dollars.

5. Financial assets at amortised cost

	FY2025	FY2024
	S\$	S\$
Non-current:		
- SGD Corporate bonds (quoted)		
- Within 2 - 5 years	82,981,483	65,002,912
- After 5 years	61,475,204	65,520,965
	<u>144,456,687</u>	<u>130,523,877</u>
Current:		
- SGD Corporate bonds (quoted)	15,246,560	9,500,000
	<u>159,703,247</u>	<u>140,023,877</u>

The interest rates of the Fund's financial assets at amortised cost ranges from 1.265% to 4.125% per annum (FY2024: 1.265% to 4.125% per annum), which will mature from 16 September 2026 to 17 August 2071 (FY2024: 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

	FY2025	FY2024
	S\$	S\$
At fair value through other comprehensive income		
- Investment with Fund Managers (quoted)		
Beginning of financial year	168,649,783	162,136,537
Additions during the year	-	25,279
Redemptions during the year	(179,332,478)	-
Fair value gain recognised in other comprehensive income (Note 9)	10,682,695	6,487,967
End of financial year	<u>-</u>	<u>168,649,783</u>

The fund has made an irrevocable election at initial recognition to designate these investments as fair value through other comprehensive income (FVOCI), as they are equity instruments not held for trading.

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 fair value is within level 1 of the fair value hierarchy (Note 16).

The financial assets at FVOCI are denominated in Singapore Dollars.

7. Cash and cash equivalents

	FY2025	FY2024
	S\$	S\$
Cash at bank	744,678	788,304
Cash with AGD	3,071,219	1,229,256
Fixed deposits	<u>281,481,542</u>	<u>116,062,174</u>
	<u>285,297,439</u>	<u>118,079,734</u>

Fixed deposits have maturity of less than three months from the placement date and bears interest ranging from 0.73% to 1.10% (FY2024: 2.0% to 3.4%) per annum.

Cash and cash equivalents are denominated in Singapore Dollars.

8. Specific funds

	Lee Kuan Yew Centennial Fund (i)	Lee Kuan Yew Fund (ii)	Daisy Phay Foundation Fund (iii)	Other Specific Funds (iv)	Total
	S\$	S\$	S\$	S\$	S\$
Balance as at 1 April 2024	157,837,572	17,841,006	10,619,593	7,939,357	194,237,528
Add: Incoming resources					
- Donations	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	<u>(2,126,515)</u>	<u>(161,700)</u>	<u>(330,000)</u>	<u>(1,916,839)</u>	<u>(4,535,054)</u>
Balance as at 31 March 2025	167,007,061	18,148,443	10,627,964	7,532,563	203,316,031
Add: Incoming resources					
- Donations	4,420,000	6,313	-	1,216,502	5,642,815
- Interest and investment income	3,595,638	542,377	333,879	197,273	4,669,167
- Other income	-	-	-	77,959	77,959
Less: Resources expended	<u>(1,975,981)</u>	<u>(164,481)</u>	<u>(324,949)</u>	<u>(2,495,591)</u>	<u>(4,961,002)</u>
Balance as at 31 March 2026	<u>173,046,718</u>	<u>18,532,652</u>	<u>10,636,894</u>	<u>6,528,706</u>	<u>208,744,970</u>

(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.

(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.

8. Specific funds (continued)

(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 Whatt, 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.

9. Fair value reserve

	FY2025	FY2024
	S\$	S\$
Balance as at 1 April	29,441,105	22,953,138
Fair value gain on financial assets at fair value through other comprehensive income	10,682,695	6,487,967
Reclassification of cumulative fair value changes upon disposal	(40,123,800)	-
Balance as at 31 March	<u>-</u>	<u>29,441,105</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.

10. Interest and investment income – General Fund

	FY2025	FY2024
	S\$	S\$
Interest from corporate bonds	1,365,458	1,636,813
Interest income from cash and cash equivalents	5,304	5,200
Interest income from discounting of loans to teachers	19,828	12,690
Interest income from fixed deposits	759,964	155,877
	<u>2,150,554</u>	<u>1,810,580</u>
Fee rebate from fund managers	22,656	25,279
	<u>2,173,210</u>	<u>1,835,859</u>

11. Other income

	FY2025	FY2024
	S\$	S\$
Refund of unspent grants	<u>3,299</u>	<u>8,226</u>

Unspent grants represent funding previously disbursed to schools that was not utilised for the intended purposes within the stipulated period.

12. Project grants for schools and other organisations

	FY2025	FY2024
	S\$	S\$
Education Fund financial assistance schemes	64,809	45,561
Learning and enrichment programmes	374,397	101,837
Leadership and development programmes	46,054	82,154
Matching grants	203,600	54,607
	<u>688,860</u>	<u>284,159</u>

13. 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.

14. Tax Deduction Receipts

(a) Tax Deduction Receipts issued by the Fund

During the financial year, the Fund issued tax deduction receipts amounting to S\$4,193,565 (FY2024: S\$5,322,703) which have been accordingly accounted for in donations in the Statement of Financial Activities.

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

For the financial period from 1 January 2025 to 31 December 2025, tax deduction receipts amounting to S\$8,600,612 (FY2024: 1 January 2024 to 31 December 2024: S\$7,439,293) 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.

15. Related party transaction

The Board of Trustees are not paid by the Fund.

16. Fair values 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:

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

16. Fair values of assets and liabilities

(a) Fair value hierarchy (continued)

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.

(b) Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the reporting date:

	Fair value measurements at the reporting date using			Total S\$
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	
	S\$	S\$	S\$	
FY2025				
Financial assets:				
Financial assets at FVOCI	-	-	-	-
Loan and advances (non-current)	-	1,384,150	-	1,384,150
FY2024				
Non-financial assets:				
Financial assets at FVOCI	168,649,783	-	-	168,649,783
Loan and advances (non-current)	-	1,566,895	-	1,566,895

(c) 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.

Fixed deposits and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances. The fixed deposits bear interest at rates ranging from 0.73% to 1.10% (FY2024: 2.00% to 3.40%) per annum.

Financial assets at amortised cost

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.

17. Financial risk management

The Fund's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk).

The Board of Trustees reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Fund's policy that no trading in derivatives for speculative purposes shall be undertaken.

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.

The maximum exposure to credit risk in the event that the counterparties fail to perform their 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.

17. Financial risk management (continued)

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.

	Carrying amount S\$	Contractual cash flows S\$	One year or less S\$	One to five years S\$	More than five years S\$
FY2025					
Financial assets:					
Loans and advances	2,571,159	2,717,170	1,333,020	874,150	510,000
Financial assets at amortised cost	159,703,247	164,494,344	15,703,957	85,470,927	63,319,460
Cash and cash equivalents	285,297,439	285,297,439	285,297,439	-	-
Total undiscounted financial assets	447,571,845	452,508,953	302,334,416	86,345,077	63,829,460
Financial liabilities:					
Other payables	14,300	14,300	14,300	-	-
Total undiscounted financial liabilities	14,300	14,300	14,300	-	-
Net undiscounted financial assets	447,557,545	452,494,653	302,320,116	86,345,077	63,829,460
FY2024					
Financial assets:					
Loans and advances	3,130,388	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	429,883,782	449,949,443	302,262,253	78,415,630	69,271,560
Financial liabilities:					
Other payables	9,900	9,900	9,900	-	-
Total undiscounted financial liabilities	9,900	9,900	9,900	-	-
Net undiscounted financial assets	429,873,882	449,939,543	302,252,353	78,415,630	69,271,560

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.

17. Financial risk management (continued)

Market risk (continued)

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 and cash and cash equivalents. The interest rates are disclosed in Notes 5 and 7.

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 was financial assets at amortised cost 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 (FY2024: 50) basis points higher/lower with all other variables held constant, the Fund's net income for the year would have been S\$1,426,487 (FY2024: S\$590,399) higher/lower, arising mainly as a result of higher/lower interest income on floating rate on the variable rate instrument.

18. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial asset at FVOCI, financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	FY2025 S\$	FY2024 S\$
Financial assets measured at FVOCI		
Financial assets at FVOCI (Note 6)	-	168,649,783
Financial assets measured at amortised cost		
Loans and advances (Note 4)	2,571,159	3,130,388
Financial assets at amortised cost (Note 5)	159,703,247	140,023,877
Cash and cash equivalents (Note 7)	285,297,439	118,079,734
Total financial assets measured at amortised cost	447,571,845	261,233,999
Financial liabilities measured at amortised cost		
Other payables	14,300	9,900
Total financial liabilities measured at amortised cost	14,300	9,900

19. 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.

20. Authorisation of financial statements for issue

The financial statements of the Fund for the financial year ended 31 March 2026 were authorised for issue by the Board of Trustees on the date of the Statement by The Board of Trustees.