TRANSFORMATION & GROWTH

FINANCIAL REPORT **2024**

Yayasan MENDAKI

Company Registration No. 198902633C

Yayasan MENDAKI and its subsidiaries

Annual Financial Statements
31 December 2024

General information

Registered office

51 Kee Sun Avenue
Singapore 457056

Bankers

DBS Bank Ltd
12 Marina Boulevard, #42-00
DBS Asia Central@
Marina Bay Financial Centre Tower 3
Singapore 018982

BNP Paribas
Wealth Management
10 Collyer Quay
Singapore 049315

OCBC Securities Private Limited
18 Church Street
#01-00 OCBC Centre South
Singapore 049479

RHB Bank Berhad
RHB Bank Building
90 Cecil Street
#01-00
Singapore 069531

Lawyer

Dentons Rodyk & Davidson LLP
80 Raffles Place
#33-00 UOB Plaza 1
Singapore 048624

Auditors

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Yayasan MENDAKI and its subsidiaries

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The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Yayasan MENDAKI (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 31 December 2024.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in funds and cash flows of the Group for the year ended on that date; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Mr Masagos Zulkifli Masagos Mohamad	
Mr Zaqy Mohamad	
Mdm Zuraidah Abdullah	
Ms Mariam Jaafar	(Appointed on 15 June 2024)
Mr Mohamed Sharael Mohd Taha	(Appointed on 15 June 2024)
Mr Ahmed Meeran Mohamed Bilal	
Mr Azriman Mansor	
Ms Hazlina Abdul Halim Mrs Hazlina Amran	
Dr Hirman Mohamed Khamis	
Mr Kadir Maideen Mohamed	
Mr Muhammad Azri Azman	
Mr Muhammad Danial Hakim Rosli	
Mr Muhammad Danial Fadzlon	(Appointed on 15 June 2024)
Mr Muhammad Hairudin Abdul Hamid	
Mr Muhammad Syahiran Rohajat	
Mr Nassar Mohamad Zain	
Ms Nuraizah Amin	(Appointed on 15 June 2024)
Mdm Nur Khadijah Ramli	
Mr Rohan Nizam Basheer	
Mr Sallim Abdul Kadir	
Ms Yeo Nadia	

Directors' interests in shares and debentures

According to the register of directors' shareholdings kept by the Company for the purposes of Section 164 of the Companies Act 1967 ("the Act"), no director who held office at the end of the financial year (including those held by their spouses and children) had interests in shares, share options, warrants and/or debentures of the Company or of related corporations, either at the beginning of the financial year or, date of appointment, if later, or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

Share options

The Company is limited by guarantee and has not issued any share options. During the financial year under review, there were no options granted, exercised or outstanding with respect to the subsidiaries.

Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Mr Sallim Abdul Kadir	(Chairman), non-executive director
Mr Azriman Mansor	Non-executive director
Mr Halil Haji Mansor	
Mr Shariq Barmaky	

The Audit Committee was established by the Board of Directors. The members of the Audit Committee are all non-executive directors.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. In performing its functions, the Audit Committee met with the Company's external auditors to discuss the scope of their work, the results of their examination and evaluation of the internal accounting control system. The Audit Committee has also reviewed the financial statements of the Company and the consolidated financial statements of the Group for the financial year, together with the auditors' report thereon.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, Ernst & Young LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

Corporate governance

Board members and staff are required in their respective capacities to act at all times in the best interest of the Company. Policies and procedures are designed to prevent and address potential conflict of interest situation while promoting ethical conduct of officers and staff.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Mr Masagos Zulkifli Masagos Mohamad
Director

Mdm Zuraidah Abdullah
Director

Singapore

5 May 2025

Independent auditor's report to the members of Yayasan MENDAKI

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Yayasan MENDAKI (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and Company as at 31 December 2024, consolidated statement of comprehensive income, consolidated statement of changes in fund and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Companies 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 consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group 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 Charity in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for other information. The other information comprises Directors' Statement included in page 1 to 3, but does not include the financial statements and our auditor's report thereon.

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.

Other matters

The financial statements of the Company and Group for the financial year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those statements on 31 May 2024.

Independent auditor's report to the members of Yayasan MENDAKI

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act, 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, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group'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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group to cease to continue as a going concern.

Independent auditor's report to the members of Yayasan MENDAKI

Auditor's responsibilities for the audit of the financial statements (cont'd)

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors 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 by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Companies Act and the 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 Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

ERNST & YOUNG LLP

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

5 May 2025

Yayasan MENDAKI and its subsidiaries

Statements of financial position
As at 31 December 2024

		Group		Company	
	Note	**2024**	**2023**	**2024**	**2023**
		$	$	$	$
Non-current assets					
Property and equipment	4	1,058,817	1,453,109	1,058,817	1,453,109
Right-of-use assets	5	508,234	949,666	508,234	949,666
Intangibles	6	436,847	592,974	436,847	592,974
Investment property	7	13,500,000	13,860,000	13,500,000	13,860,000
Investment in subsidiaries	8	–	–	809,000	809,000
Interest in associate	9	1,250,000	1,250,000	1,250,000	1,250,000
Other financial assets	10	46,449,781	42,629,408	46,449,781	42,629,408
Term loans	11	6,852,468	6,655,629	6,852,468	6,655,629
Non-current assets		70,056,147	67,390,786	70,865,147	68,199,786
Current assets					
Term loans	11	2,459,133	2,508,350	2,459,133	2,508,350
Trade and other receivables	12	11,898,787	12,304,831	11,898,787	12,304,392
Cash and cash equivalents	13	166,451,335	143,974,347	165,610,748	143,099,257
Current assets		180,809,255	158,787,528	179,968,668	157,911,999
Total assets		250,865,402	226,178,314	250,833,815	226,111,785
Funds and reserve					
General Corpus Fund	14	2,000,000	2,000,000	2,000,000	2,000,000
General Fund		16,216,944	13,751,645	18,811,828	16,324,687
Unrestricted funds		18,216,944	15,751,645	20,811,828	18,324,687
Education Development Fund (“EDF”)	15	119,881,542	114,130,646	118,587,699	112,836,802
Malay/Muslim Community Development Fund (“MMCDF”)	16	22,017,632	18,927,568	19,211,238	16,121,178
Education Trust Fund (“ETF”)	17	14,055,076	10,995,923	16,555,080	13,495,928
ETF Endowment Fund	18	33,846,348	31,929,383	31,346,348	29,429,383
Harun Ghani Education Fund (“HGEF”)	19	296,133	239,476	296,133	239,476
Institute of Singapore Chartered Accountants Scholarship Fund (“ISCAF”)	20	20,142	20,142	20,142	20,142
Restricted funds		190,116,873	176,243,138	186,016,640	172,142,909
Fair value reserve	21	(1,145,327)	(2,277,413)	(1,145,327)	(2,277,413)
Total funds and reserve		207,188,490	189,717,370	205,683,141	188,190,183

Yayasan MENDAKI and its subsidiaries

Statements of financial position (cont'd)
As at 31 December 2024

		Group		Company	
	Note	**2024**	**2023**	**2024**	**2023**
		$	$	$	$
Non-current liability					
Lease liabilities	22	85,554	480,353	85,554	480,353
Current liabilities					
Trade and other payables	23	42,624,142	34,900,749	44,097,904	36,361,407
Malay Language Learning and Promotion Committee ("MLLPC") Fund	24	540,246	607,945	540,246	607,945
Lease liabilities	22	426,970	471,897	426,970	471,897
Current tax payable		–	–	–	–
Current liabilities		43,591,358	35,980,591	45,065,120	37,441,249
Total liabilities		43,676,912	36,460,944	45,150,674	37,921,602
Total funds and liabilities		250,865,402	226,178,314	250,833,815	226,111,785

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Yayasan MENDAKI and its subsidiaries

Consolidated income statement
For the financial year ended 31 December 2024

	Note	Unrestricted Funds General Fund $	Restricted Funds EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Total $
2024								
Income								
Income from generated funds								
Voluntary income:								
- Donations via CPF contribution		1,255,088	–	9,989,551	–	–	–	11,244,639
- Donation income		47,683	161,450	54,917	671,227	–	1,000	936,277
- Donation fundraising		942	–	2,000	1,456,543	–	86,295	1,545,780
Finance income	27	201,644	2,707,813	–	1,569,114	–	5,514	4,484,085
Rental income	33	240,000	–	–	–	–	–	240,000
Other income		7,486	260	72,871	–	–	–	80,617
Income from charitable activities								
Income from approved projects:								
- Fees	26	3,850	305,083	–	–	–	–	308,933
Government grants:								
- Ministry of Culture, Community and Youth ("MCCY") Matching Grant		1,600,000	–	2,600,000	–	–	–	4,200,000
- MCCY temporary occupation licence fee		324,000	–	–	–	–	–	324,000
- MCCY Self Help Group Top Up		1,071,456	1,482,748	3,284	–	–	–	2,557,488
- MCCY MENDAKI's 40th Anniversary Matching Grant		230,329	1,262,678	276,016	230,977	–	–	2,000,000
- MCCY Reinvestment Fund		–	219,282	–	–	–	–	219,282
- MCCY Others		54,046	–	–	–	–	–	54,046
- Ministry of Social and Family Development ("MSF") Care and Share		108,787	–	–	–	–	–	108,787
- MSF President's Challenge		–	200,197	–	–	–	–	200,197
- MSF Toteboard		67,710	–	–	–	–	–	67,710
- Undisbursed tertiary tuition fees subsidy ("TTFS")	23	–	27,897,309	–	–	–	–	27,897,309
- Inland Revenue Authority of Singapore ("IRAS")		289,555	–	–	–	–	–	289,555
- Others		60,744	17,353	4,344	–	–	–	82,441
Other grants		207	86,608	179,347	–	–	–	266,162
Total income		5,563,527	34,340,781	13,182,330	3,927,861	–	92,809	57,107,308

Yayasan MENDAKI and its subsidiaries

Consolidated income statement (cont'd)
For the financial year ended 31 December 2024

	Note	Unrestricted Funds	----------Restricted Funds----------					
		General Fund $	EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Total $
2024								
Expenditures								
Cost of activities	28	(2,541,507)	(27,579,281)	(9,972,685)	(868,708)	–	(36,152)	(40,998,333)
Governance costs		(115,171)	(181,112)	(114,179)	–	–	–	(410,462)
Reversal of (Provision of) impairment loss on term loans and trade receivables		999	1,698,119	–	–	–	–	1,699,118
Reversal of impairment loss on debt investments		–	(17,520)	–	–	–	–	(17,520)
Fair value loss on investment property	7	(360,000)	–	–	–	–	–	(360,000)
Investment property maintenance expenses	29	(77,799)	–	–	–	–	–	(77,799)
Finance costs	27	(4,750)	(593,126)	(5,402)				(603,278)
Total expenditures		(3,098,228)	(26,672,920)	(10,092,266)	(868,708)	–	(36,152)	(40,768,274)
Net income before tax	29	2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	16,339,034
Tax credit	31	–	–	–	–	–	–	–
Net income for the year		2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	16,339,034

Yayasan MENDAKI and its subsidiaries

Consolidated income statement (cont'd)
For the financial year ended 31 December 2024

	Note	Unrestricted Funds	---Restricted Funds---					
		General Fund $	EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Total $
2023								
Income								
Income from generated funds								
Voluntary income:								
- Donations via CPF contribution		1,553,866	–	9,199,627	–	–	–	10,753,493
- Donation income		47,784	24,060	56,230	603,507	314,900	–	1,046,481
- Donation fundraising		–	–	–	267,111	3,352,398	52,386	3,671,895
Finance income	27	126,022	2,877,127	120,260	417,557	–	4,438	3,545,404
Rental income	33	240,000	–	–	–	–	–	240,000
Fair value gain on investment property	7	360,000	–	–	–	–	–	360,000
Other income		8,859	10,105	450	–	–	–	19,414
Income from charitable activities								
Income from approved projects:								
- Fees	26	2,600	297,977	–	–	–	–	300,577
Government grants:								
- Ministry of Culture, Community and Youth ("MCCY") Matching Grant		1,600,000	–	2,600,000	–	–	–	4,200,000
- MCCY temporary occupation licence fee		324,000	–	–	–	–	–	324,000
- MCCY Self Help Group Top Up		(264,627)	1,247,663	305,342	39,342	–	–	1,327,720
- MCCY Reinvestment Fund		–	1,002,798	–	–	–	–	1,002,798
- MCCY Others		49,074	–	–	–	–	–	49,074
- Ministry of Social and Family Development ("MSF") Care and Share		50,444	100,888	58,851	–	–	–	210,183
- MSF President's Challenge		–	290,244	–	–	–	–	290,244
- MSF Toteboard		60,955	102,330	64,525	72,790	–	–	300,600
- Undisbursed tertiary tuition fees subsidy ("TTFS")	23	–	24,383,967	–	–	–	–	24,383,967
- Others		91,696	92,486	26,100	–	–	–	210,282
Other grants		3,719	176,504	55,182	–	–	–	235,405
Total income		4,254,392	30,606,149	12,486,567	1,400,307	3,667,298	56,824	52,471,537

Yayasan MENDAKI and its subsidiaries

Consolidated income statement (cont'd)
For the financial year ended 31 December 2024

	Note	Unrestricted Funds	---Restricted Funds---					
		General Fund $	EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Total $
2023								
Expenditures								
Cost of activities	28	(2,802,798)	(24,326,347)	(8,523,324)	(597,856)	–	(44,538)	(36,294,863)
Governance costs		(166,217)	(259,056)	(165,676)	–	–	–	(590,949)
Reversal of (Provision of) impairment loss on term loans and trade receivables		672	(1,221,594)	–	–	–	–	(1,220,922)
Reversal of impairment loss on debt investments		–	89,298	–	–	–	–	89,298
Investment property maintenance expenses	29	(89,194)	–	–	–	–	–	(89,194)
Finance costs	27	(2,090)	(105,914)	(2,346)	–	–	–	(110,350)
Total expenditures		(3,059,627)	(25,823,613)	(8,691,346)	(597,856)	–	(44,538)	(38,216,980)
Net income before tax	29	1,194,765	4,782,536	3,795,221	802,451	3,667,298	12,286	14,254,557
Tax credit	31	1,563	–	–	–	–	–	1,563
Net income for the year		1,196,328	4,782,536	3,795,221	802,451	3,667,298	12,286	14,256,120

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Yayasan MENDAKI and its subsidiaries

Consolidated statement of comprehensive income
For the financial year ended 31 December 2024

	Unrestricted Funds	Restricted Funds						
	General Fund $	EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Fair value reserve $	Total $
2024								
Net income for the year	2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	–	16,339,034
Other comprehensive income								
Items that are or may be reclassified subsequently to profit or loss								
Debt investments at fair value through other comprehensive income (“FVOCI”) – net change in fair value	–	–	–	–	–	–	1,132,086	1,132,086
Total comprehensive income for the year	2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	1,132,086	17,471,120

Yayasan MENDAKI and its subsidiaries

Consolidated statement of comprehensive income (cont'd)
For the financial year ended 31 December 2024

	Unrestricted Funds	Restricted Funds						
	General Fund $	EDF $	MMCDF $	ETF $	ETF Endowment Fund $	HGEF $	Fair value reserve $	Total $
2023								
Net income for the year	1,196,328	4,782,536	3,795,221	802,451	3,667,298	12,286	–	14,256,120
Other comprehensive income								
Items that are or may be reclassified subsequently to profit or loss								
Debt investments at fair value through other comprehensive income ("FVOCI") – net change in fair value	–	–	–	–	–	–	1,637,703	1,637,703
Debt investments at FVOCI – reclassified to profit or loss	–	–	–	–	–	–	34,267	34,267
Total comprehensive income for the year	1,196,328	4,782,536	3,795,221	802,451	3,667,298	12,286	1,671,970	15,928,090

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Yayasan MENDAKI and its subsidiaries

Consolidated statement of changes in funds
For the financial year ended 31 December 2024

		Unrestricted Funds		Restricted Funds							
	Note	**General Corpus Fund $**	**General Fund $**	**EDF $**	**MMCDF $**	**ETF $**	**ETF Endowment Fund $**	**HGEF $**	**ISCAF $**	**Fair value reserve $**	**Total funds and reserve $**
At 1 January 2024		2,000,000	13,751,645	114,130,646	18,927,568	10,995,923	31,929,383	239,476	20,142	(2,277,413)	189,717,370
Total comprehensive income for the year											
Net income for the year		–	2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	–	–	16,339,034
Other comprehensive income		–	–	–	–	–	–	–	–	1,132,086	1,132,086
Total comprehensive income for the year		–	2,465,299	7,667,861	3,090,064	3,059,153	–	56,657	–	1,132,086	17,471,120
- Transfer of net income of EDF (25%)	18	–	–	(1,916,965)	–	–	1,916,965	–	–	–	–
At 31 December 2024		2,000,000	16,216,944	119,881,542	22,017,632	14,055,076	33,846,348	296,133	20,142	(1,145,327)	207,188,490

Yayasan MENDAKI and its subsidiaries

Consolidated statement of changes in funds (cont'd)
For the financial year ended 31 December 2024

		- Unrestricted Funds -	---------- Restricted Funds						----------		
	Note	**General Corpus Fund**	**General Fund**	**EDF**	**MMCDF**	**ETF**	**ETF Endowment Fund**	**HGEF**	**ISCAF**	**Fair value reserve**	**Total funds and reserve**
		$	$	$	$	$	$	$	$	$	$
At 1 January 2023		2,000,000	12,555,317	110,543,744	15,132,347	10,193,472	27,066,451	227,190	20,142	(3,949,383)	173,789,280
Total comprehensive income for the year											
Net income for the year		–	1,196,328	4,782,536	3,795,221	802,451	3,667,298	12,286	–	–	14,256,120
Other comprehensive income		–	–	–	–	–	–	–	–	1,671,970	1,671,970
Total comprehensive income for the year		–	1,196,328	4,782,536	3,795,221	802,451	3,667,298	12,286	–	1,671,970	15,928,090
Transfer between funds											
- Net income of EDF (25%)	18	–	–	(1,195,634)	–	–	1,195,634	–	–	–	–
At 31 December 2023		2,000,000	13,751,645	114,130,646	18,927,568	10,995,923	31,929,383	239,476	20,142	(2,277,413)	189,717,370

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Yayasan MENDAKI and its subsidiaries

Consolidated statement of cash flows
For the financial year ended 31 December 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Net income before tax		16,339,034	14,254,557
Adjustments for:			
Finance income	27	(4,400,714)	(3,181,218)
Gain arising from unwinding of term loans discount	27	(83,371)	(364,186)
Depreciation of property and equipment and right-of-use of assets	4, 5	1,209,810	1,276,936
Amortisation of intangibles	6	346,733	383,879
Fair value (gain)/loss on investment property	7	360,000	(360,000)
Finance costs	27	603,278	110,350
Allowance for impairment (gain)/loss on term loans	11	(1,698,119)	1,221,594
Reversal of impairment loss on trade receivables	12	(999)	(672)
Reversal of impairment loss on debt investment		17,520	(89,298)
Undisbursed TTFS	23	(27,897,309)	(24,383,967)
		(15,204,137)	(11,132,025)
Changes in:			
Trade and other receivables		456,543	32,217,971
Trade and other payables		7,723,393	2,486,918
TTFS received/receivable	23	67,613,433	65,851,718
Refund of TTFS from tertiary institutions	23	115,776	188,794
Disbursement/accrual of TTFS	23	(39,831,900)	(41,656,545)
Term loans granted		(2,865,557)	(2,437,930)
Repayment of term loans		4,499,425	3,775,592
Disbursement and interest to MLLPC Fund	24	(67,699)	(375,755)
Tax refunded/(paid)		–	1,526
Net cash flows from operating activities		22,439,277	48,920,264
Cash flows from investing activities			
Investment income received		389,553	333,045
Interest income received		4,011,161	2,848,173
Purchase of property and equipment		(302,720)	(895,407)
Purchase of intangible assets		(240,106)	(127,627)
Proceeds from disposal of other financial assets		68,256	29,041,921
Acquisition of other financial assets		(3,358,620)	(5,892,536)
Fixed deposits placed as investment		(44,694,279)	(24,978,699)
Net cash flows (used in)/from investing activities		(44,126,755)	328,870
Cash flows from financing activities			
Payment of lease liabilities	22	(511,092)	(499,740)
Interest paid	22	(18,721)	(8,104)
Net cash flows used in financing activities		(529,813)	(507,844)
Net (decrease)/increase in cash and cash equivalents		(22,217,291)	48,741,290
Cash and cash equivalents at 1 January		107,365,487	58,624,197
Cash and cash equivalents at 31 December	13	85,148,196	107,365,487

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

1. Corporate information

Yayasan MENDAKI (the “Company”) is incorporated in Singapore. The address of the Company’s registered office is 51 Kee Sun Avenue, Singapore 457056.

Yayasan MENDAKI is a public company limited by guarantee and not having a share capital. Each member's liability is limited to $100.

The consolidated financial statements for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the ‘Group’ and individually as ‘Group entities”).

The principal activities of the Company are to promote, foster, support, safeguard and protect the educational, social, economic, religious and cultural development and achievement of the Malay/Muslim community. On religious matters, the Company liaises and works closely with Majlis Ugama Islam Singapura. The principal activities of the subsidiaries are described in note 8 to the financial statements.

2. Material accounting policy information

2.1 *Basis of preparation*

The consolidated financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with Singapore Financial Reporting Standards (“FRS”).

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 (“SGD” or “$”).

2.2 *Adoption of new and amended standards and interpretations*

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

2. Material accounting policy information (cont'd)

2.3 *Standards issued but not yet effective*

The following are new / revised / amendments to FRSs issued up to 31 December 2024 which are effective for annual reporting periods beginning after 1 January 2024:

Description	**Effective for annual periods beginning on or after**
Amendments to FRS 21 *The Effects of Changes in Foreign Exchange Rates:* Lack of Exchangeability	1 January 2025
Amendments to FRS 109 *Financial Instruments and* FRS 107 *Financial Instruments: Disclosures:* Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 *Presentation and Disclosure in Financial Statements*	1 January 2027
FRS 119 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures:* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

Except for FRS 118, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application. The nature of the impending changes in accounting policy on adoption of FRS118 are described below.

<u>FRS 118 Presentation and Disclosure in Financial Statement</u>

FRS 118 is a new standard that replaces FRS 1 Presentation of Financial Statements. FRS 118 introduces new categories of subtotals in the statement of profit or loss. Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, wherein the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for the location, aggregation and disaggregation of financial information.

In addition, narrow-scope amendments have been made to FRS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. FRS 118 will apply retrospectively.

The Group is in the process of assessing the impact of the new standard and its disclosure requirements.

2.4 *Basis of consolidation*

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a set of particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

2. Material accounting policy information (cont'd)

2.4 *Basis of consolidation (cont'd)*

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Any contingent consideration payable is recognised at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with policies adopted by the Group.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Investment in equity-accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds between 20% or more of the voting power of another entity.

Investment in an associate is accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss of equity accounted investee, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

2. Material accounting policy information (cont'd)

2.4 *Basis of consolidation (cont'd)*

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

2.5 *Financial instruments*

(a) ***Recognition and initial measurement***

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(b) ***Classification and subsequent measurement***

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost; FVOCI – debt investment; FVOCI – equity investment or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

2. Material accounting policy information (cont'd)

2.5 *Financial instruments (cont'd)*

(b) *Classification and subsequent measurement (cont'd)*

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.5 *Financial instruments (cont'd)*

(b) ***Classification and subsequent measurement (cont'd)***

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

2. Material accounting policy information (cont'd)

2.5 *Financial instruments (cont'd)*

(b) *Classification and subsequent measurement (cont'd)*

Non-derivative financial liabilities

Financial liabilities are classified as measured at amortised cost.

These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(c) *Derecognition*

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statements of financial position but retains either all or substantially all of the risks and rewards of transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.5 *Financial instruments (cont'd)*

(c) ***Offsetting***

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

(a) currently has a legally enforceable right to set off the recognized amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(d) ***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and short-term deposits that are subject to an insignificant risk of changes in value and are used by the Group in the management of its short-term commitments.

2.6 *Property and equipment*

Recognition and measurement

Items of property and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The gain or loss on disposal of an item of property and equipment is recognised in profit or loss.

2. Material accounting policy information (cont'd)

2.6 *Property and equipment (cont'd)*

Subsequent costs

The cost of replacing a component of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and equipment unless it is included in the carrying amount of another asset. Freehold land and construction-in-progress are not depreciated.

Depreciation is recognised from the date that the property and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

Building	50 years
Building improvements	5 years
Furniture and fittings	5 years
Office equipment	5 years
Computer equipment	2-3 years
Books and materials	3-5 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

2.7 *Intangible assets*

Recognition and measurement

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

2. Material accounting policy information (cont'd)

2.7 *Intangible assets (cont'd)*

Amortisation

Amortisation is calculated over the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, or in respect of computer software, from the date that the asset is implemented. The estimated useful lives for the current and comparative years are as follows:

Computer software	3 years

Amortisation method, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

2.8 *Investment property*

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to accumulated funds.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

2.9 *Leases*

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

As a lessee

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

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

2. Material accounting policy information (cont'd)

2.9 *Leases (cont'd)*

As a lessee (cont'd)

(a) ***Right-of-use assets (cont'd)***

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

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the ROU asset reflects that the Group will exercise a purchase option. In that case the ROU asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The ROU asset is subsequently stated at cost less accumulated depreciation and impairment losses.

(b) ***Lease liabilities***

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

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early

2. Material accounting policy information (cont'd)

2.9 *Leases (cont'd)*

As a lessee (cont'd)

(b) ***Lease liabilities (cont'd)***

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

Where the basis for determining future lease payments changes as required by interest rate benchmark reform (see note 3.2), the Group remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office and warehouse premise (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acted as a lessor, it determines at lease inception whether each lease is a finance lease or operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease is for the major part of the economic life of the asset.

Rental income from leasing of buildings is recognised on a straight-line basis over the term of the lease.

2. Material accounting policy information (cont'd)

2.10 *Impairment of non-derivative financial assets*

The Group recognises loss allowances for expected credit loss ("ECL") on:

- financial assets measured at amortised cost; and
- debt investments measured at FVOCI.

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

2. Material accounting policy information (cont'd)

2.10 *Impairment of non-derivative financial assets (cont'd)*

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt investments at FVOCI are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

For debt investments at FVOCI, loss allowances are charged to profit or loss and recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Associates

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

2. Material accounting policy information (cont'd)

2.10 *Impairment of non-derivative financial assets (cont'd)*

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.11 *Employee benefits*

(a) ***Compensated absences***

A liability is made for compensated absences arising from services rendered by employees up to the reporting date. Compensated absences expected to be settled within one year arising from annual leave have been measured at their nominal amount.

(b) ***Defined contribution plan***

The Group makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the period in which the related service is performed.

2. Material accounting policy information (cont'd)

2.11 *Employee benefits (cont'd)*

(c) ***Short-term employee benefits***

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.12 *Income*

Income from approved projects

Revenue is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised service to the other party. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised services.

Donations

Donations are recognised as and when the Group's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability.

Grants

Grants are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Capital grants

These grants are then recognised in profit or loss as income on a systematic basis over the useful life of the asset.

Income grants

Grants that compensate the Group for expenses incurred are recognised in profit or loss as income on a systematic basis in the same periods in which the expenses are recognised.

2.13 *Expenditures*

All expenditures are accounted for on an accrual basis and have been classified under headings that aggregate all cost related to that activity. Costs comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be wholly attributable to an activity, they have been apportioned on a basis consistent with the use of resources.

2. Material accounting policy information (cont'd)

2.13 *Expenditures (cont'd)*

Costs of generating funds

These are costs associated with generating income from all sources other than from undertaking charitable activities.

Costs of charitable activities

Expenditure on charitable activities comprises all the resources applied by the Group in undertaking its work to meet its charitable objectives as opposed to the cost of raising the funds to finance these activities and governance costs. Such costs include the direct costs of the charitable activities together with those support costs incurred that enable these activities to be undertaken. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs.

Support costs include costs related to central functions and have been allocated to the respective charitable funds based on the respective level of activities.

Governance costs

Governance costs comprise all costs attributable to the general running of the Group, in providing the governance infrastructure and in ensuring public accountability. These costs include costs related to constitutional and statutory requirements.

2.14 *Finance income and finance costs*

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.15 *Funds*

The Group maintains unrestricted and restricted funds. Funds set up for specific purposes are classified as restricted funds. All income and expenses other than those attributable to restricted funds are recorded in the unrestricted fund's income statement.

3. Significant accounting judgments and estimates

The preparation of the Group's consolidated financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions about the future that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 9 – interest in associate

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included the following note:

- Note 11 – valuation of term loans

4. Property and equipment

Group	Building improvements $	Furniture and fittings $	Office equipment $	Computer equipment $	Books and materials $	Motor vehicles $	Total $
Cost							
At 1 January 2023	3,742,958	449,031	124,736	4,253,765	40,304	52,751	8,663,545
Additions	679,173	48,504	15,350	152,380	–	–	895,407
Disposals/write-offs	–	(4,344)	(1,073)	(65,079)	–	–	(70,496)
At 31 December 2023	4,422,131	493,191	139,013	4,341,066	40,304	52,751	9,488,456
Additions	–	4,980	36,530	261,210	–	–	302,720
Disposals/write-offs	(1,057,172)	(355,828)	(28,903)	(3,840,406)	(40,304)	–	(5,322,613)
At 31 December 2024	3,364,959	142,343	146,640	761,870	–	52,751	4,468,563
Accumulated depreciation							
At 1 January 2023	2,669,043	366,867	78,875	4,121,792	40,304	52,751	7,329,632
Depreciation for the year	607,803	33,758	23,679	110,971	–	–	776,211
Disposals/write-offs	–	(4,344)	(1,073)	(65,079)	–	–	(70,496)
At 31 December 2023	3,276,846	396,281	101,481	4,167,684	40,304	52,751	8,035,347
Depreciation for the year	526,249	31,607	18,338	120,818	–	–	697,012
Disposals/write-offs	(1,057,172)	(355,828)	(28,903)	(3,840,406)	(40,304)	–	(5,322,613)
At 31 December 2024	2,745,923	72,060	90,916	448,096	–	52,751	3,409,746
Carrying amounts							
At 31 December 2023	1,145,285	96,910	37,532	173,382	–	–	1,453,109
At 31 December 2024	619,036	70,283	55,724	313,774	–	–	1,058,817

4. Property and equipment (cont'd)

Company	Building improvements $	Furniture and fittings $	Office equipment $	Computer equipment $	Books and materials $	Motor vehicles $	Total $
Cost							
At 1 January 2023	3,742,958	444,687	123,663	4,251,606	40,304	52,751	8,655,969
Additions	679,173	48,504	15,350	152,380	–	–	895,407
Disposals/write-offs	–	–	–	(62,920)	–	–	(62,920)
At 31 December 2023	4,422,131	493,191	139,013	4,341,066	40,304	52,751	9,488,456
Additions	–	4,980	36,530	261,210	–	–	302,720
Disposals/write-offs	(1,057,172)	(355,828)	(28,903)	(3,840,406)	(40,304)	–	(5,322,613)
At 31 December 2024	3,364,959	142,343	146,640	761,870	–	52,751	4,468,563
Accumulated depreciation							
At 1 January 2023	2,669,043	362,522	77,802	4,119,634	40,304	52,751	7,322,056
Depreciation for the year	607,803	33,759	23,679	110,970	–	–	776,211
Disposals/write-offs	–	–	–	(62,920)	–	–	(62,920)
At 31 December 2023	3,276,846	396,281	101,481	4,167,684	40,304	52,751	8,035,347
Depreciation for the year	526,249	31,607	18,338	120,818	–	–	697,012
Disposals/write-offs	(1,057,172)	(355,828)	(28,903)	(3,840,406)	(40,304)	–	(5,322,613)
At 31 December 2024	2,745,923	72,060	90,916	448,096	–	52,751	3,409,746
Carrying amounts							
At 31 December 2023	1,145,285	96,910	37,532	173,382	–	–	1,453,109
At 31 December 2024	619,036	70,283	55,724	313,774	–	–	1,058,817

5. Right-of-use assets

	Buildings $	IT equipment $	Total
Group and Company			
Cost			
At 1 January 2023	2,482,785	101,075	2,583,860
Additions	310,750	110,670	421,420
At 31 December 2023 and 1 January 2024	2,793,535	211,745	3,005,280
Additions	71,366	–	71,366
Disposal	(259,894)	(29,514)	(289,408)
At 31 December 2024	2,605,007	182,231	2,787,238
Accumulated depreciation			
At 1 January 2023	1,480,864	74,025	1,554,889
Depreciation for the year	478,678	22,047	500,725
At 31 December 2023 and 1 January 2024	1,959,542	96,072	2,055,614
Disposal	(259,894)	(29,514)	(289,408)
Depreciation for the year	479,340	33,458	512,798
At 31 December 2024	2,178,988	100,016	2,279,004
Carrying amounts			
At 31 December 2023	833,993	115,673	949,666
At 31 December 2024	426,019	82,215	508,234

The leases for buildings typically run for a period of 1 to 3 years. The Group also leases IT equipment with lease terms of 3 to 5 years.

6. Intangibles

	Computer software $	Installation-in-progress $	Total
Group and Company			
Cost			
At 1 January 2023	3,437,269	244,230	3,681,499
Additions	4,786	122,841	127,627
Reclassification	177,658	(177,658)	–
At 31 December 2023 and 1 January 2024	3,619,713	189,413	3,809,126
Additions	199,964	40,142	240,106
Reclassifications	123,255	(123,255)	–
Expense Off to P&L	–	(49,500)	(49,500)
Disposal	(2,711,521)	–	(2,711,521)
At 31 December 2024	1,231,411	56,800	1,288,211
Accumulated amortisation			
At 1 January 2023	2,832,273	–	2,832,273
Amortisation charge	383,879	–	383,879
At 31 December 2023 and 1 January 2024	3,216,152	–	3,216,152
Amortisation charge	346,733	–	346,733
Disposal	(2,711,521)	–	(2,711,521)
At 31 December 2024	851,364	–	851,364
Carrying amounts			
At 31 December 2023	403,561	189,413	592,974
At 31 December 2024	380,047	56,800	436,847

7. Investment property

	Note	Group and Company 2024 $	2023 $
At 1 January		13,860,000	13,500,000
Changes in fair value		(360,000)	360,000
At 31 December		13,500,000	13,860,000

Investment property consists of a commercial property that is leased to a third party with an initial non-cancellable period of 3 years in FY22.

Measurement of fair value

The fair value of investment property was determined by an external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The independent valuers provide the fair value of the Group's investment property annually.

The fair value measurement for the investment property of $ 13,500,000 (2023: $13,860,000) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The fair value of the investment property was estimated using the direct comparison method. The direct comparison method involves an analysis of comparable sales of similar properties, adjusted for factors such as size, location, transaction date, tenure, floor location and year built of property.

8. Investment in subsidiaries

	Company 2024 $	Company 2023 $
Unquoted equity shares, at cost	809,000	809,000
Deemed investment in a subsidiary	1,490,607	1,490,607
	2,299,607	2,299,607
Allowance for impairment losses	(1,490,607)	(1,490,607)
	809,000	809,000

The Company has appointed Mdm Zuraidah Abdullah to the Board of Directors of the subsidiaries. Details of the subsidiaries, incorporated in Singapore, are as follows:

Name of subsidiaries	Principal activities	Ownership interest 2024 %	Ownership interest 2023 %
SENSE College Pte Ltd	To promote the economic development of the Malay/Muslim community in Singapore. The subsidiary was dormant during the year.	100	100
MENDAKI Social Enterprise Network Singapore Pte Ltd ("MSPL") *	Provision of employment services, skills training programme, social enterprise, research, advisory, organising seminars and conferences and all activities relating to publishing. The subsidiary was dormant during the year.	100	100

* MSPL is wholly owned by SENSE College Pte Ltd.

In financial year 2022, the Company acquired an investment property from its subsidiary at a consideration above the fair value of $13.5 million. The capital transaction was accounted for as a deemed investment in the subsidiary.

The Company had performed an assessment of the recoverable amount of its investment in the subsidiary based on the fair value less cost to sell approach. The recoverable amount was estimated to be insignificant, which was determined based on the fair value of the monetary assets and liabilities. Management had considered the carrying amount of these assets and liabilities to be a reasonable approximation of its level 3 fair value due to its short-term nature. Accordingly, an impairment loss of $1,490,607 was recognised in profit or loss in 2022 and there is no further impairment loss required in 2023 and 2024.

9. Interest in associate

In October 2015, the Company entered into a memorandum of understanding ("MOU"), together with Chinese Development Assistance Council, Singapore Indian Development Association and the Eurasian Association (together Self-Help Groups ("SHGs'), to incorporate Self Help Groups Student Care Limited ("SHGSCL").

The objective of setting up the associate is for the SHGs to jointly operate student care centres in schools that serve students from all races.

SHGSCL's mandate is to provide educational and family related support services to students from low-income families. Programmes to be conducted by SHGSCL will be inclusive and multi-racial.

SHGSCL is a company limited by guarantee. The Company has appointed Mr Sallim Abdul Kadir and Mdm Zuraidah Abdullah to the Board of Directors of SHGSCL. The Company is entitled to 25% of total voting rights at the Board of Directors meetings of SHGSCL.

Management has exercised judgement in determining the extent of its significant influence over SHGSCL and concluded that the Company has significant influence over SHGSCL. Accordingly, SHGSCL is accounted for as an associate in the consolidated financial statements of the Group.

Details of the associate are as follows:

Name	Principal activities	Place of incorporation	Voting rights held 2024 %	Voting rights held 2023 %
SHGSCL	Operate school-based student care centres in Singapore	Singapore	25	25

The summarised financial information of the associate which is prepared in accordance with FRS is as follows:

	2024 $	2023 $
Statement of comprehensive income		
Revenue	17,774,753	16,998,055
Profit and total comprehensive income for the year	1,398,653	1,828,127
Statement of financial position		
Non-current assets	1,841,081	1,662,990
Current assets	19,833,763	18,381,067
Non-current liabilities	(5,000,000)	(5,787,361)
Current liabilities	(6,536,080)	(5,516,584)
Net surplus	10,138,764	8,740,112
Loan to associate	1,250,000	1,250,000
	1,250,000	1,250,000

9. Interest in associate (cont'd)

The Memorandum of Association of SHGSCL prohibits the Company, together with other SHGs, from obtaining any variable returns in the form of profits, dividends, or residual interest in net assets in the event of liquidation or winding-down.

The Group's financial statements include its share of losses of the associate at 25%, based on the Company's proportionate share of loan commitment to the associate as set out in the MOU. The Group does not account for its share of profits, as the investment is not meant to be a commercially driven transaction with the purpose of profit takings. The Group's exposure to losses is limited to the carrying amount of the investment, together with its loan to associate.

Loan to associate represents the Group's commitment to the associate which is made in the form of an unsecured and interest free loan. As the associate has plans to scale up its operation, the settlement of the loan is not expected to occur in the foreseeable future.

10. Other financial assets

	Group and Company	
	2024	**2023**
	$	$
Internally managed financial assets		
- quoted debt at FVOCI	37,723,808	33,352,742
- quoted debt at FVTPL	8,725,973	9,276,666
	46,449,781	42,629,408

Information about the Group's and the Company's exposure to credit risks and fair value measurement is included in note 35.

11. Term loans

	Group and Company	
	2024	**2023**
	$	$
Term loans	17,068,469	18,702,337
Allowance for impairment losses	(6,138,637)	(7,836,756)
	10,929,832	10,865,581
Unwind of discount	(1,618,231)	(1,701,602)
	9,311,601	9,163,979
Represented by:		
Current loans	2,459,133	2,508,350
Non-current loans	6,852,468	6,655,629
	9,311,601	9,163,979

11. Term loans (cont'd)

The Group provides interest-free study loans to the Malay/Muslim community. The current loan recipients are from the general public with no relationship with the Group and Directors. Each study loan is supported by 2 guarantors except for courses from local national tertiary institution that is supported by 1 guarantor. For loans disbursed commencing February 2022, the repayment term starts 1 month after the first loan disbursement. An annual progressive increment of repayment amount is applicable 6 months after the course completion. Prior to that, repayment term started 6 months after completion of study.

Movement in allowance for impairment losses in respect of term loans is as follows:

	Group and Company	
	2024	2023
	$	$
At beginning of the year	7,836,756	6,615,162
Allowance for impairment (reversal)/allowance	(1,691,724)	1,221,594
Amount written off	(6,395)	–
At end of the year	6,138,637	7,836,756

Judgement is required when determining the amount of impairment loss as a result of the inability of the loan recipients to make the required payments. The Group determines the estimates based on the ageing of loans receivables, creditworthiness, changes in macro-economic conditions and historical write-off experience. If the financial conditions of the loan recipients were to deteriorate, actual write-offs would be higher than estimated.

12. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Trade receivables				
- Third parties	342,348	360,620	335,263	353,095
- Subsidiary	3,856	–	3,856	–
	346,204	360,620	339,119	353,095
Allowance for impairment losses	(7,085)	(8,084)	–	(999)
Net trade receivables	339,119	352,536	339,119	352,096
Other receivables:				
- Government matching grants	6,300,000	6,300,000	6,300,000	6,300,000
- Donations via CPF contribution	3,320,442	4,175,629	3,320,442	4,175,629
- Others	1,529,563	1,089,336	1,529,563	1,089,336
Deposits	147,471	145,071	147,471	145,071
	11,636,595	12,062,572	11,636,595	12,062,132
Prepayments	262,192	242,259	262,192	242,260
	11,898,787	12,304,831	11,898,787	12,304,392

12. Trade and other receivables (cont'd)

Movement in allowance for impairment losses in respect of trade receivables is as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
At beginning of the year	8,084	9,076	999	999
Reversal of impairment losses	(999)	(672)	(999)	–
Amount written off	–	(320)	–	–
At end of the year	7,085	8,084	–	999

13. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Cash at bank and in hand	85,148,196	107,365,487	84,307,609	106,490,397
Fixed deposits	81,303,139	36,608,860	81,303,139	36,608,860
Cash and cash equivalents in the statements of financial position	166,451,335	143,974,347	165,610,748	143,099,257
Investments in fixed deposits	(81,303,139)	(36,608,860)		
Cash and cash equivalents in the consolidated statement of cash flows	85,148,196	107,365,487		

The interest rates per annum relating to fixed deposits at the reporting date is 3.54% (2023: 3.55%). Interest rate is re-priced at interval of 1 to 12 months (2023: 1 to 12 months).

14. General Corpus Fund (Unrestricted)

The General Corpus Fund was formed by transfers from the accumulated funds of Yayasan MENDAKI, the predecessor society, following the dissolution of that society in 1989, and further transfer from the accumulated funds in 1991.

15. Education Development Fund ("EDF") (Restricted)

The EDF is mainly made up of undisbursed TTFS and any interest and investment income derived from EDF each year. It is used for education-related activities aimed at raising the educational level of the Malay community. Only the interest and investment income derived from EDF can be used for education-related activities to benefit the non-Malay/Muslim community, provided that at least 75% of the aggregate total of all participants of the activities are from the Malay community.

16. Malay/Muslim Community Development Fund ("MMCDF") (Restricted)

The MMCDF was set up to provide financial assistance to programmes which support the mission objectives of the Group and the Company, which can make a difference to the performance of the Malay/Muslim community. Portion of the funds are utilised for the approved projects of the institutional members subject to the approval of MMCDF Committee. The fund comes from monthly contributions through the CPF arrangements, donations and income raised from approved projects.

With effect from 2014, a portion of the monthly contributions through the CPF arrangements, along with other donations raised by institutional members of the Company, are entitled to a matching grant from the Government of $4.2 million. $2.6 million is allocated to MMCDF while the remaining $1.6 million is unrestricted in its usage.

17. Education Trust Fund ("ETF') (Restricted)

The ETF was set up to provide financial assistance for the education of the children of low-income Malay/Muslim families. This fund was initiated by the Malay/Muslim Members of Parliament and endorsed by the Prime Minister. The ETF arises from the donations from the public and government grants. All disbursements are in accordance with the strict guidelines formulated by the ETF Committee. The ETF will not be used to fund the Group's operations.

18. ETF Endowment Fund (Restricted)

Formerly known as the ETF Corpus Fund, the ETF Endowment Fund was formed by transfers from EDF amounting to 25% of net income or $2,500,000, whichever is lower; or additional amounts approved separately by the Board. The source of ETF Endowment Fund can also come from contributions from donors who desire to set up endowment funds. The ETF Endowment Fund serves as the capital for investment. Returns from the investment can then be used to fund the various programmes administered by ETF. Upon dissolution of ETF Endowment Fund, the entire fund shall be transferred to EDF.

19. Harun Ghani Education Fund ("HGEF") (Restricted)

The HGEF was set up to provide financial assistance to children of drug offenders and former drug offenders to complete their school education. The source of fund is from donations. The HGEF will not be used to fund the Group's operations.

20. Institute of Singapore Chartered Accountants Scholarship Fund ("ISCAF') (Restricted)

The ISCAF was set up by ISCA to provide scholarships to qualifying individuals pursuing studies in accountancy.

21. Fair value reserve

The fair value reserve comprises:

- the cumulative net change in the fair value of equity investments designated at FVOCI previously disposed; and
- the cumulative net change in fair value of debt investments at FVOCI until the assets are derecognised or reclassified. This amount is reduced by the amount of loss allowance.

22. Lease liabilities

	Group and Company 2024 $	2023 $
Current	426,970	471,897
Non-current	85,554	480,353
Total	512,524	952,250

Terms and conditions of the lease liabilities are as follows:

Group and Company	**Effective interest rate**	**Year of maturity**
2024		
Lease liabilities	3.13% to 4.18%	2025 to 2028
2023		
Lease liabilities	2.10% to 4.18%	2024 to 2028

Reconciliation of movements to cash flows arising from financing activities

	Group and Company 2024 $	2023 $
Balance at 1 January	952,250	1,030,570
Changes from financing cash flows		
Interest paid	(18,721)	(8,104)
Payment of lease liabilities	(511,092)	(499,740)
Total changes from financing cash flows	(529,813)	(507,844)
New leases (note 5)	71,366	421,420
Interest expense	18,721	8,104
Balance at 31 December	512,524	952,250

23. Trade and other payables

	Group 2024 $	Group 2023 $	Company 2024 $	Company 2023 $
Trade payables				
- Third parties	1,728,507	2,172,205	1,728,507	2,157,809
- Subsidiary	–	–	1,490,607	1,490,607
- Related parties	(13,016)	54,544	(13,016)	54,544
	1,715,491	2,226,749	3,206,098	3,702,960
Short-term accumulating compensated absence	429,328	408,244	429,328	408,244
TTFS payable to tertiary institutions	17,204,550	25,660,943	17,204,550	25,660,943
Accruals	4,312,355	4,418,664	4,295,510	4,403,111
	23,661,724	32,714,600	25,135,486	34,175,258
Deferred grant income	18,962,418	2,186,149	18,962,418	2,186,149
	42,624,142	34,900,749	44,097,904	36,361,407

The deferred grant income includes the Additional Top-Up grants to SHGs issued by the Ministry of Culture, Community and Youth ("MCCY") amounting to $679,209 (2023: $1,556,697) which the Company confirms is in accordance with the terms and conditions specified in the correspondences issued by MCCY dated on 24 March 2022, 23 June 2023, 27 February 2024 and 20 August 2024.

TTFS

This subsidy is granted by MCCY under certain guidelines for the disbursement of tuition fee subsidies to Malay students. Undisbursed tertiary tuition fee is the difference between tuition fee granted based on all Malay students studying in approved local tertiary institutions in the academic year and the tuition fee subsidy disbursed/accrued in accordance with the MCCY guidelines. Under these guidelines, any undisbursed amounts are to be transferred to the EDF and to be utilised for education related activities for the Malay community.

	Group and Company 2024 $	Group and Company 2023 $
At beginning of the year	–	–
Amount received / receivable	(67,613,433)	(65,851,718)
TTFS disbursed/accrued for current academic year	39,831,900	41,656,545
Refund of TTFS from tertiary institutions	(115,776)	(188,794)
Undisbursed TTFS transferred to EDF	27,897,309	24,383,967
At end of the year	–	–

TTFS are refunded by tertiary institutions to the Group and the Company for students who have prematurely terminated their studies in tertiary institutions.

24. Malay Language Learning and Promotion Committee Fund ("MLLPC") (Restricted)

The MLLPC Fund was set up by the Ministry of Education ("MOE") in February 2006 to rally the support of Malay language community organisations to promote the use of Malay language beyond school. The Company acts as the host organisation to administer the MLLPC Fund. The funds received are in custody of the Company and to be utilised for Malay language, literature and cultural programmes that will promote closer community engagement in education to help in the teaching and learning of the Malay language. These are not reflected in profit or loss.

	Group and Company	
	2024	**2023**
	$	$
At beginning of the year	607,945	983,700
Interest earned	1,659	2,591
Disbursements	(69,358)	(378,346)
At end of the year	540,246	607,945
Represented by:		
Cash at bank	540,246	607,945

25. Tax-exempt donations

Tax-exempt donations received during the year amounted to $2,180,289 (2023: $4,230,080).

26. Income from approved projects

Revenue represents the invoiced value of services rendered to customers. The following table provides information about the nature and timing of the satisfaction of performance obligations in revenue contracts with customers, including significant payment terms, and the related revenue recognition policies:

Nature of goods or services	The Group generates revenue from provision of tuition, skills training programme, seminars and conferences.
When revenue is recognised	Revenue is recognised over the course of service rendered.
Significant payment terms	Invoices are due for payment upon registration.

26. Income from approved projects (cont'd)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by type of services.

	Group	
	2024	**2023**
	$	$
Tuition fee	308,933	300,577
	308,933	300,577

27. Finance income and finance costs

	Group	
	2024	**2023**
	$	$
Finance income	4,484,085	3,545,404
Finance costs	(603,278)	(110,350)
Net finance income recognised in profit or loss	3,880,807	3,435,054
Comprise of:		
Interest income:		
- Fixed deposits placement	3,093,693	1,525,215
- FVOCI	917,468	1,322,958
Other investment income		
- FVTPL	389,553	333,045
Gain/(loss) arising from unwinding of term loans discount	83,371	364,186
Financial assets at FVOCI – gain on disposal reclassified from OCI	–	(34,267)
Financial assets at FVTPL – net change in fair value	(584,557)	(67,979)
Interest expense on lease liabilities	(18,721)	(8,104)
	3,880,807	3,435,054

28. Costs of activities

Group	General Fund $	EDF $	MMCDF $	ETF $	HGEF $	Total $
2024						
Youth	–	2,755,241	–	–	–	2,755,241
Family	–	2,467,955	–	–	–	2,467,955
Employability	–	159,522	–	–	–	159,522
Education/Scholarship/Awards/ Education Assistance Scheme	–	13,069,894	–	868,708	36,152	13,974,754
Enhance research capability	–	1,134,650	–	–	–	1,134,650
Strengthening partnership and relationship	–	763,017	6,538,857	–	–	7,301,874
Support costs	2,541,507	7,229,002	3,433,828	–	–	13,204,337
Total	2,541,507	27,579,281	9,972,685	868,708	36,152	40,998,333
2023						
Youth	–	2,500,580	–	–	–	2,500,580
Family	–	2,642,675	–	–	–	2,642,675
Employability	–	244,389	–	–	–	244,389
Education/Scholarship/Awards/ Education Assistance Scheme	–	12,136,161	–	555,512	44,538	12,736,211
Enhance research capability	–	990,748	–	–	–	990,748
Strengthening partnership and relationship	–	922,876	5,398,746	42,344	–	6,363,966
Support costs	2,802,798	4,888,918	3,124,578	–	–	10,816,294
Total	2,802,798	24,326,347	8,523,324	597,856	44,538	36,294,863

29. Net income before tax

The following items have been included in arriving at net income before tax:

	Note	Group 2024 $	Group 2023 $
Depreciation			
- Property and equipment	4	697,012	776,211
- ROU assets	5	512,798	500,725
Amortisation	6	346,733	383,879
Rental income	33	(240,000)	(240,000)
Investment property maintenance expenses		77,799	89,194
Fair value (gain)/loss on investment property	7	360,000	(360,000)
Employee benefits expense		16,824,871	14,458,304
Allowance for impairment losses on term loans	11	(1,698,119)	1,221,594
Reversal of impairment losses on trade receivables (net)	12	(999)	(672)
Allowance/(reversal) of impairment losses on debt investments		17,250	(89,298)
Audit fees		132,300	186,000
Audit related fees		6,500	42,000
(Overprovision)/underprovision of prior year audit		(6,278)	42,926

	Group 2024 $	Group 2023 $
Employee benefits expense		
Salaries, wages and other benefits	14,632,545	12,536,779
Contributions to defined contribution plans	2,192,326	1,921,525
	16,824,871	14,458,304

Included in staff costs is the Executive Director's remuneration comprising:

	Group 2024 $	Group 2023 $
Salaries, wages and other benefits	380,111	343,460
Contributions to defined contribution plans	11,865	11,325
	391,976	354,785

30. Employees'/Director's remuneration

Key management personnel of the Group are those having the authority and responsibility for planning, directing and controlling the activities of the Group. The Board of Directors, members of the Audit Committee and the Executive Director of the Group are considered as key management personnel of the Group. Other than as disclosed in note 30, the Board of Directors and members of the Audit Committee did not receive any form of compensation during the year.

30. Employees'/Director's remuneration (cont'd)

The number of employees and director whose remuneration amounted to over $100,000 during the year is as follows:

	Group		Company	
	2024	2023	2024	2023
	$	$	$	$
Number of employees/ directors in bands:				
$100,000 to $200,000	13	8	13	8
$200,001 to $300,000	1	2	1	2
$300,001 to $400,000	1	1	1	1

The number of permanent staff employed by the Company and the Group as at 31 December 2024 was 186 (2023: 180) and 186 (2023: 180), respectively. There were no paid staff who were close members of the family of the Chairman or Board Members, who each received more than $50,000 during the year.

31. Tax credit

	Group	
	2024	2023
	$	$
Current tax credit		
Under provision in prior year	–	(1,563)
Income tax credit	–	(1,563)
Reconciliation of effective tax rate		
Net income before tax	16,339,304	14,254,557
Tax using the Singapore tax rate of 17% (2023: 17%)	2,777,636	2,423,275
Tax exemption for charity	(2,781,349)	(2,429,464)
Non-deductible expenses	3,734	6,210
Utilisation of previously unrecognised tax losses	(21)	(21)
Under provision in prior year	–	(1,563)
	–	(1,563)

At the reporting date, a subsidiary had unutilised tax losses and capital allowance amounting to approximately $931,697 (2023: $931,821) which are available for set-off against future taxable income, subject to the agreement of the Comptroller of Income Tax and compliance with the provisions of Section 37 of the Singapore Income Tax Act, Chapter 134. Deferred tax benefits have not been recognised in the financial statements because it is not probable that future taxable profits will be available against which the subsidiary can utilise the benefits.

32. Related parties

For the purpose of financial statements, parties are considered to be related to the Group if the Group has the ability, directly, or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Other than as disclosed elsewhere in the financial statements, there were the following significant related party transactions carried out by the Group with its related parties at terms agreed between the parties:

	Group	
	2024	**2023**
	$	$
Grants paid to MENDAKI Club	(614,230)	(582,227)
Course subsidy paid to associate	(85,359)	(71,294)

33. Leases

Leases as lessee

The Group leases many assets including buildings and IT equipment. Information about the ROU assets relating to the leased assets is in note 5. The Group has no short-term and/or leases of low-value items.

Extension options

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liability of $269,287 (2023: $227,912).

33. Leases (cont'd)

Leases as lessor

The Group leases out its property consisting of its owned commercial property. The lease is classified as operating lease from the lessor's perspective because they do not transfer substantially all of the risks and rewards incidental to its ownership of the asset.

The following table sets out maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group	
	2024	2023
	$	$
Within 1 year	220,000	240,000
1 to 5 years	–	220,000
	220,000	460,000

Rental income recognised by the Group during the year was $240,000 (2023: $240,000).

34. Commitments

Term loans commitment

Term loans commitment refers to the term loans the Group and Company has approved to be disbursed to students as at 31 December.

	Group and Company	
	2024	2023
	$	$
Undrawn term loans commitment:		
Within 1 year	2,309,445	2,243,726
After 1 year but within 5 years	1,778,490	1,609,577
	4,087,935	3,853,303

Capital commitment

Capital expenditures relating to intangibles and property and equipment that are contracted for at the balance sheet date but not recognised in the financial statements amounted to $26,300 (2023: $251,632).

35. Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Management is responsible for developing and monitoring the Group's risk management policies. Management reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Exposure to credit, market and liquidity risks arise in the normal course of the Group's operations. The Group has informal risk management policies and guidelines that set out the overall strategies, tolerance of risk and general risk. The management of these risks are discussed below.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, as and when they fall due.

The carrying amount of financial assets in the statements of financial position represents the Group's and the Company's respective maximum exposure to credit risk, before taking into account any collateral held. The Group and the Company do not hold any collateral in respect of its financial assets except for term loans which mostly have personal guarantees being provided to the Group.

The Group has a credit policy in place and the exposure to credit risk is monitored through the tracking of the performance and credit ratings of investment securities and receivables. This is performed on an ongoing basis.

Cash is placed with financial institutions which are regulated.

The Group limits its exposure to credit risk by investing in a diversified multi-asset class portfolio. At the reporting date, there were no significant concentration of credit risk.

35. Financial risk management (cont'd)

Credit risk (cont'd)

ECL assessment for trade receivables and term loans

The Group uses an allowance matrix to measure the ECLs of trade receivables and term loans, which comprise a very large number of small balances.

Loss rates for term loans are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Loss rates are based on actual credit loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following table sets out the Group's and Company's credit exposure arising from trade receivables due from third parties:

	Loss rate %	Gross carrying amount $	Impairment loss allowance $	Credit impaired
2024				
Group				
Not past due	*	339,119	*	No
1 - 90 days	–	–	–	No
91 - 365 days	100.0	7,085	(7,085)	Yes
		346,204	(7,085)	
Company				
Not past due	*	339,119	*	No
1 - 90 days	–	–	–	No
91 - 365 days	–	–	–	No
		339,119	–	
2023				
Group				
Not past due	*	352,097	*	No
1 - 90 days	–	–	–	No
91 - 365 days	94.8	8,523	(8,084)	Yes
		360,620	(8,084)	
Company				
Not past due	*	352,096	*	No
1 - 90 days	–	–	–	No
91 - 365 days	100.0	999	(999)	Yes
		353,095	(999)	

* insignificant

35. Financial risk management (cont'd)

Credit risk (cont'd)

ECL assessment for trade receivables and term loans (cont'd)

The following table sets out the Group's and Company's credit exposure arising from term loans:

		Group and Company		
Loans that deteriorated (wholly/partially) to the age bracket of:	**Loss rate** %	**Gross carrying amount** $	**Impairment loss allowance** $	**Credit impaired**
2024				
0 - 90 days	1.9	8,967,938	(180,896)	No
91 - 365 days	57.3	480,913	(285,502)	Yes
> 365 days	91.3	6,001,387	(5,672,239)	Yes
		15,450,238	(6,138,637)	
2023				
0 - 90 days	1.9	8,389,070	(159,320)	No
91 - 365 days	61.7	1,795,308	(1,106,916)	Yes
> 365 days	96.4	6,816,357	(6,570,520)	Yes
		17,000,735	(7,836,756)	

ECL assessment for debt investments

The Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Group supplements this by reviewing available press or regulatory information about issuers.

The exposure to credit risk for debt investments at FVOCI at the reporting date by credit rating is as shown:

	Group and Company	
	2024 $	**2023** $
Credit rating		
BBB to AAA	18,409,073	15,966,560
Not available	19,314,735	17,386,182
	37,723,808	33,352,742

35. Financial risk management (cont'd)

Credit risk (cont'd)

ECL assessment for other receivables, loan to a subsidiary, loan to associate and cash and cash equivalents

Impairment on these financial assets has been measured on the 12-month expected loss basis. The Group considers such financial assets to have low credit risk based on the credit ratings of the counterparties. The amount of the allowance on these balances are negligible. The Group uses a similar approach of ECL assessment for these balances to those used for debt investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to the placement in fixed deposits. The Group does not hedge against this risk exposure.

	Group and Company	
	2024	**2023**
	$	$
Fixed deposits	81,303,139	36,608,860

An increase of 100 basis points in interest rates at the reporting date would have increased net income for the year by $813,031 (2023: $366,089) for the Group and Company, respectively. This analysis assumes that all other variables remain constant.

A decrease of 100 basis points in interest rates at the reporting date would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain constant. The analysis is performed on the same basis for 2023.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group's main sources of funding are various grants and donations received. The Group manages its liquidity risk by maintaining a high level of cash and cash equivalents.

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

The following are the expected contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Note	Carrying amount $	Contractual cash flows $	Cash flows Within 1 year $	Within 1 to 5 years $
Group					
2024					
Lease liabilities	22	512,524	(521,078)	(432,058)	(89,020)
Trade and other payables*	23	23,661,724	(23,661,724)	(23,661,724)	–
MLLPC Fund	24	540,246	(540,246)	(540,246)	–
		24,714,494	(24,723,048)	(24,634,028)	(89,020)
2023					
Lease liabilities	22	952,250	(976,604)	(490,980)	(485,624)
Trade and other payables*	23	32,714,600	(32,714,600)	(32,714,600)	–
MLLPC Fund	24	607,945	(607,945)	(607,945)	–
		34,274,795	(34,299,149)	(33,813,525)	(485,624)
Company					
2024					
Lease liabilities	22	512,524	(521,078)	(432,058)	(89,020)
Trade and other payables*	23	25,135,486	(25,135,486)	(25,135,486)	–
MLLPC Fund	24	540,246	(540,246)	(540,246)	–
		26,188,256	(26,196,810)	(26,107,790)	(89,020)
2023					
Lease liabilities	22	952,250	(976,604)	(490,980)	(485,624)
Trade and other payables*	23	34,175,258	(34,175,258)	(34,175,258)	–
MLLPC Fund	24	607,945	(607,945)	(607,945)	–
		35,735,453	(35,759,807)	(35,274,183)	(485,624)

* excludes deferred grant income

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Accounting classifications and fair values

Fair value hierarchy

The different levels have been defined as follows:

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

Estimation of fair value

Term loans

The fair value of term loans is calculated based on the present value of future principal and interest cash flows (where applicable), discounted at market rate of interest at the reporting dates. The fair value measurement is categorised under Level 2. Key input corresponds to reliability of cash outflows and discount rate.

Debt investments

Fair values of debt investments are determined by reference to their quoted closing bid prices at the reporting date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with maturity of less than one year are assumed to approximate fair values because of the short period to maturity.

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information of financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. Further, the fair value disclosure of lease liabilities is also not required.

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.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Estimation of fair value (cont'd)

Other financial assets and liabilities (cont'd)

		Carrying amount					Fair value		
	Note	Amortised cost $	FVTPL $	FVOCI $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $
Group									
2024									
Other financial assets	10	–	8,725,973	37,723,808	–	46,449,781	46,449,781	–	–
Term loans	11	9,311,601	–	–	–	9,311,601	–	9,311,601	–
Trade and other receivables^	12	11,636,595	–	–	–	11,636,595			
Cash and cash equivalents	13	166,451,335	–	–	–	166,451,335			
		187,399,531	8,725,973	37,723,808	–	233,849,312			
Trade and other payables*	23	–	–	–	(23,611,724)	(23,611,724)			
MLLPC Fund	24	–	–	–	(540,246)	(540,246)			
		–	–	–	(24,201,970)	(24,201,970)			

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Estimation of fair value (cont'd)

Other financial assets and liabilities (cont'd)

		Carrying amount					Fair value		
	Note	**Amortised cost** $	**FVTPL** $	**FVOCI** $	**Other financial liabilities** $	**Total** $	**Level 1** $	**Level 2** $	**Level 3** $
Group									
2023									
Other financial assets	10	–	9,276,666	33,352,742	–	42,629,408	42,629,408	–	–
Term loans	11	9,163,979	–	–	–	9,163,979	–	9,163,979	–
Trade and other receivables^	12	12,062,572	–	–	–	12,062,572			
Cash and cash equivalents	13	143,974,347	–	–	–	143,974,347			
		165,200,898	9,276,666	33,352,742	–	207,830,306			
Trade and other payables*	23	–	–	–	(32,714,600)	(32,714,600)			
MLLPC Fund	24	–	–	–	(607,945)	(607,945)			
		–	–	–	(33,322,545)	(33,322,545)			

^ *Excludes prepayments*
* *Excludes deferred grant income*

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Estimation of fair value (cont'd)

Other financial assets and liabilities (cont'd)

		Carrying amount					Fair value		
	Note	**Amortised cost** $	**FVTPL** $	**FVOCI** $	**Other financial liabilities** $	**Total** $	**Level 1** $	**Level 2** $	**Level 3** $
Company									
2024									
Other financial assets	10	–	8,725,973	37,723,808	–	46,449,781	46,449,781	–	–
Term loans	11	9,311,601	–	–	–	9,311,601	–	9,311,601	–
Trade and other receivables^	12	11,636,595	–	–	–	11,636,595			
Cash and cash equivalents	13	165,610,748	–	–	–	165,610,748			
		186,558,944	8,725,973	37,723,808	–	233,008,725			
Trade and other payables*	23	–	–	–	(25,135,486)	(25,135,486)			
MLLPC Fund	24	–	–	–	(540,246)	(540,246)			
		–	–	–	(25,675,732)	(25,675,732)			

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Estimation of fair value (cont'd)

Other financial assets and liabilities (cont'd)

		Carrying amount					Fair value		
	Note	**Amortised cost** $	**FVTPL** $	**FVOCI** $	**Other financial liabilities** $	**Total** $	**Level 1** $	**Level 2** $	**Level 3** $
Company									
2023									
Other financial assets	10	–	9,276,666	33,352,742	–	42,629,408	42,629,408	–	–
Term loans	11	9,163,979	–	–	–	9,163,979	–	9,163,979	–
Trade and other receivables^	12	12,062,132	–	–	–	12,062,132			
Cash and cash equivalents	13	143,099,257	–	–	–	143,099,257			
		164,325,368	9,276,666	33,352,742	–	206,954,776			
Trade and other payables*	23	–	–	–	(34,175,258)	(34,175,258)			
MLLPC Fund	24	–	–	–	(607,945)	(607,945)			
		–	–	–	(34,783,203)	(34,783,203)			

^ *Excludes prepayments*
* *Excludes deferred grant income*

35. Financial risk management (cont'd)

Liquidity risk (cont'd)

Reserves management

The reserves of the Group and Company are the unrestricted funds available to the Group and Company (also referred to as 'General Funds"). The Company receives funds on an annual basis and the unrestricted net operating expenditure will be planned accordingly. Unutilised funds for each year will be transferred to the reserves of the Company.

There were no changes in the Group's approach to reserves management during the year.

The Company and its subsidiaries are not subject to externally imposed reserve/capital requirements.

36. Fund raising

During the year, the Group and Company held fund raising activities to raise funds for various programmes and schemes. Total donation income of $1,545,780 (2023: $3,671,895) was collected.

37. Comparative figures

The financial statements for the financial year ended 31 December 2023 were audited by another firm of Public Accountants and Chartered Accountants.

38. Authorisation of financial statements for issue

The financial statements for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 5 May 2025.