

Financial statements

The Salvation Army, Singapore

For the financial year ended 31 March 2025

Organisation information

Unique Entity Number (UEN)	T07CC3012G
Registered office	20 Bishan Street 22 Singapore 579768
Main Committee	Colonel Richard Alan Borrett (Appointed on 1 August 2025) Colonel Ann Doreen Borrett (Appointed on 1 August 2025) Lieut. Colonel Nigel James Cross Lieut. Colonel Stacy Cross Major Brenda Tan Mr Johnson Wong Mr Terence Tan Ms Jasinta Lim Mr Lui Lee Leng (Appointed on 1 August 2024) Ms Sim Hwee Hoon (Concluded her tenure on 31 July 2024) Ms Koh Guek Eng (Concluded her tenure on 16 January 2025) Colonel Hary Haran M V Ramasamy (Concluded his tenure on 31 July 2025) Major David Ralph Erickson (Concluded his tenure on 31 July 2025) Major Susie Erickson (Concluded her tenure on 31 July 2025) Mr William Phua (Concluded his tenure on 31 July 2025)
Bankers	Development Bank of Singapore Limited United Overseas Bank Limited Reliance Bank Limited
Independent Auditor	Foo Kon Tan LLP Public Accountants and Chartered Accountants 1 Raffles Place #04-61/62 One Raffles Place Tower 2 Singapore 048616

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Statement by The Territorial Governance Board for the financial year ended 31 March 2025

In the opinion of The Territorial Governance Board,

- (a) the accompanying financial statements are drawn up in accordance with the provisions of the Salvation Army Ordinance 1939, the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”), and the Charities Accounting Standard so as to present fairly, in all material respects, the state of affairs of The Salvation Army, Singapore (the “Organisation”) as at 31 March 2025 and the results and cash flows of the Organisation for the financial year then ended;
- (b) at the date of this statement, there are reasonable grounds to believe that the Organisation will be able to pay its debts as and when they fall due;
- (c) the Organisation has used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations;
- (d) the Organisation has complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations; and
- (e) the accounting and other records required to be kept by the Organisation have been properly kept in accordance with the provisions of the Charities Act and Regulations.

The Territorial Governance Board approved and authorised the issue of these financial statements.

On behalf of The Territorial Governance Board



COLONEL RICHARD ALAN BORRETT
Territorial Commander



LIEUTENANT COLONEL NIGEL JAMES CROSS
Chief Secretary

Dated: 26 NOV 2025

Independent auditor's report to The Territorial Governance Board of The Salvation Army, Singapore

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Salvation Army, Singapore (the "Organisation"), which comprise the statement of financial position as at 31 March 2025, and the statement of financial activities and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Salvation Army Ordinance 1939, the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), and the Charities Accounting Standard ("CAS") so as to present fairly, in all material respects, the state of affairs of the Organisation as at 31 March 2025 and of the results and cash flows of the Organisation for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation 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

The management is responsible for the other information. The other information comprises the information included in the Statement by The Territorial Governance Board and annual report 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor's report to The Territorial Governance Board of The Salvation Army, Singapore (Cont'd)

Report on the Audit of the Financial Statements (Cont'd)

Responsibilities of Management and The Territorial Governance Board for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with the provisions of the Salvation Army Ordinance 1939, the Charities Act and Regulations and CAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organisation'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 Organisation or to cease operations, or has no realistic alternative but to do so.

The Territorial Governance Board is responsible for overseeing the Organisation'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 controls.
- Obtain an understanding of internal controls 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 Organisation's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to The Territorial Governance Board of The Salvation Army, Singapore (Cont'd)

Report on the Audit of the Financial Statements (Cont'd)

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

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

- 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 Organisation'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 Organisation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with The Territorial Governance Board 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 Charities Act and Regulations to be kept by the Organisation have been properly kept in accordance with the provisions of 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 financial year:

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



Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 26 NOV 2025

Statement of financial position as at 31 March 2025

	Note	31 March 2025 \$	31 March 2024 \$
ASSETS			
Non-current assets			
Property, plant and equipment	3	39,894,420	42,227,232
Intangible assets	4	254,133	582,653
Investment property	5	28,168	40,981
Investments in financial assets	6	50,202,842	47,354,128
		90,379,563	90,204,994
Current assets			
Investments in financial assets	6	760,628	1,214,767
Trade and other receivables	7	4,709,775	3,693,049
Cash and bank balances	8	26,576,200	29,522,380
		32,046,603	34,430,196
Total assets		122,426,166	124,635,190
LIABILITIES			
Current liabilities			
Trade and other payables	9	5,308,251	6,122,025
Provision for unutilised leave	10	760,772	787,986
Total liabilities		6,069,023	6,910,011
Net assets		116,357,143	117,725,179
Represented by:			
Funds and reserves			
Asset amortisation funds	11	40,176,721	42,850,866
Unrestricted funds	12	71,536,739	70,777,742
Restricted funds	13	4,643,683	4,096,571
Total funds and reserves		116,357,143	117,725,179

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

Statement of financial activities for the financial year ended 31 March 2025

		31 March 2025				
	Note	Unrestricted funds \$	Asset amortisation funds \$	Restricted funds \$	Total \$	
Income						
Income from generated funds						
Voluntary income						
- Donations	14	6,611,322	-	2,168,964	8,780,286	
- Tithes and offerings		1,045,365	-	-	1,045,365	
Activities for generating funds						
- Wholesale and retail income		6,282,323	-	-	6,282,323	
- Rental fees		1,273,692	-	42,000	1,315,692	
- Sundry revenue		13,690	-	-	13,690	
Investment income	15	3,274,480	-	-	3,274,480	
Income from charitable activities						
- Programme fees		8,831,338	-	28,739	8,860,077	
- Funding from government	16	16,565,153	-	7,039,791	23,604,944	
- Funding from Community Chest		-	-	532,870	532,870	
- Sundry revenue		44,981	-	8,304	53,285	
Other income						
- Funding from government - others	17	1,021,057	-	-	1,021,057	
- Others		38,155	-	-	38,155	
Total income		45,001,556	-	9,820,668	54,822,224	

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

Statement of financial activities for the financial year ended 31 March 2025 (Cont'd)

		31 March 2025				
	Note	Unrestricted funds \$	Asset amortisation funds \$	Restricted funds \$	Total \$	
Expenditure						
Cost of generating funds						
Costs of generating voluntary income						
- Manpower costs	18	438,427	-	35,393	473,820	
- Operating and administrative costs	19	411,067	-	29,700	440,767	
- Depreciation of property, plant and equipment		-	6,716	-	6,716	
Costs of generating income						
- Manpower costs	18	4,281,178	-	-	4,281,178	
- Operating and administrative costs	19	3,811,487	-	-	3,811,487	
- Depreciation of property, plant and equipment		-	391,667	-	391,667	
Investment expenses	20	316,062	12,813	-	328,875	
Costs of charitable activities						
Manpower costs	18	17,683,279	-	268,947	17,952,226	
- Eldercare		1,972,492	-	6,216,197	8,188,689	
- Children and Youth		612,708	-	-	612,708	
- Migrant Workers Ministry		1,059,939	-	-	1,059,939	
- Community and Other Services		276,319	-	-	276,319	
- Student Care Centre		1,075,863	-	-	1,075,863	
- Evangelical and Outreach Ministries						
Other costs						
- Operating and administrative costs	19	10,186,537	-	2,261,722	12,448,259	
- Depreciation of property, plant and equipment		-	2,594,815	-	2,594,815	
- Amortisation of intangible assets		-	119,005	-	119,005	
Balance brought forward		42,125,358	3,125,016	8,811,959	54,062,333	

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

Statement of financial activities for the financial year ended 31 March 2025 (Cont'd)

		31 March 2025			
	Note	Unrestricted funds \$	Amortisation Funds \$	Restricted funds \$	Total \$
Expenditure (Cont'd)					
Balance carried forward		42,125,358	3,125,016	8,811,959	54,062,333
Governance costs					
- Manpower costs	18	993,151	-	83,204	1,076,355
- Operating and administrative costs	19	618,516	-	53,557	672,073
- Depreciation of property, plant and equipment		-	169,984	-	169,984
- Amortisation of intangible assets		-	209,515	-	209,515
Total expenditure		43,737,025	3,504,515	8,948,720	56,190,260
Surplus/(deficit) for the year		1,264,531	(3,504,515)	871,948	(1,368,036)
Transfer between funds		(505,534)	830,370	(324,836)	-
Net movement in funds and reserves		758,997	(2,674,145)	547,112	(1,368,036)
Reconciliation of funds and reserves					
Total funds and reserves brought forward		70,777,742	42,850,866	4,096,571	117,725,179
Total funds and reserves carried forward		71,536,739	40,176,721	4,643,683	116,357,143

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

Statement of financial activities for the financial year ended 31 March 2025 (Cont'd)

		31 March 2024			
	Note	Unrestricted funds \$ (Restated)	Asset amortisation funds \$	Restricted funds \$	Total \$ (Restated)
Income					
Income from generated funds					
Voluntary income					
- Donations	14	12,698,147	-	1,230,082	13,928,229
- Tithes and offerings		1,081,687	-	-	1,081,687
Activities for generating funds					
- Fundraising		9,723	-	-	9,723
- Wholesale and retail income		6,067,117	-	-	6,067,117
- Rental fees		1,262,150	-	57,827	1,319,977
- Sundry revenue		19,358	-	-	19,358
Investment income	15	3,519,906	-	-	3,519,906
Income from charitable activities					
- Programme fees		8,427,816	-	196,805	8,624,621
- Funding from government	16	16,356,313	-	6,397,075	22,753,388
- Funding from Community Chest		-	-	578,040	578,040
- Sundry revenue		109,522	-	176	109,698
Other income					
- Funding from government - others	17	425,338	-	-	425,338
- Others		36,557	-	-	36,557
Total income		50,013,634	-	8,460,005	58,473,639

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

Statement of financial activities for the financial year ended 31 March 2025 (Cont'd)

	31 March 2024			
Note	Unrestricted funds \$ (Restated)	Asset amortisation funds \$	Restricted funds \$ (Restated)	Total \$ (Restated)
Expenditure				
Cost of generating funds				
Costs of generating voluntary income				
- Manpower costs	391,512	-	40,000	431,512
- Operating and administrative costs	319,734	-	34,173	353,907
- Other fundraising costs	116	-	-	116
- Depreciation of property, plant and equipment	-	10,074	-	10,074
Costs of generating income				
- Manpower costs	3,785,641	-	-	3,785,641
- Operating and administrative costs	2,115,023	-	-	2,115,023
- Depreciation of property, plant and equipment	-	354,944	-	354,944
Investment expenses	1,083,500	16,736	-	1,100,236
Costs of charitable activities				
Manpower costs				
- Eldercare	16,714,701	-	747,985	17,462,686
- Children and Youth	1,291,502	-	6,916,067	8,207,569
- Migrant Workers Ministry	527,979	-	-	527,979
- Community and Other Services	1,192,093	-	24,037	1,216,130
- Student Care Centre	228,222	-	-	228,222
- Evangelical and Outreach Ministries	855,637	-	-	855,637
Other costs				
- Operating and administrative costs	10,595,937	-	2,637,072	13,233,009
- Depreciation of property, plant and equipment	-	2,802,376	-	2,802,376
- Amortisation of intangible assets	-	106,244	-	106,244
Balance brought forward	39,101,597	3,290,374	10,399,334	52,791,305

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

Statement of financial activities for the financial year ended 31 March 2025 (Cont'd)

	Note	Unrestricted funds \$ (Restated)	Asset amortisation funds \$	Restricted funds \$	Total \$ (Restated)
Expenditure (Cont'd)					
Balance carried forward		39,101,597	3,290,374	10,399,334	52,791,305
Governance costs					
- Manpower costs	18	802,207	-	81,663	883,870
- Operating and administrative costs	19	422,168	-	57,359	479,527
- Depreciation of property, plant and equipment		-	183,423	-	183,423
- Amortisation of intangible assets		-	298,578	-	298,578
Total expenditure		40,325,972	3,772,375	10,538,356	54,636,703
Surplus/(deficit) for the year					
Grant to Programmes		9,687,662	(3,772,375)	(2,078,351)	3,836,936
Transfer between funds		(1,361,417)	-	1,361,417	-
		(1,981,152)	1,174,054	807,098	-
Net movement in funds and reserves		6,345,093	(2,598,321)	90,164	3,836,936
Reconciliation of funds and reserves					
Total funds and reserves brought forward		64,432,649	45,449,187	4,006,407	113,888,243
Total funds and reserves carried forward		70,777,742	42,850,866	4,096,571	117,725,179

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

Statement of cash flows

for the financial year ended 31 March 2025

	Note	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$ (Restated)
Cash flows from operating activities			
(Deficit)/surplus for the year		(1,368,036)	3,836,936
Adjustments for:			
Dividend and interest income	15	(3,148,783)	(1,738,308)
Depreciation of property, plant and equipment	3	3,163,182	3,350,817
Amortisation of intangible assets	4	328,520	404,822
Depreciation of investment property	5	12,813	16,736
Reversal of provision for unutilised leave	10	(27,214)	(2,116)
Reversal of impairment loss on investments in financial assets	15	-	(1,390,759)
Gain on disposal of property, plant and equipment		(6,533)	(5,577)
(Gain)/loss on disposal of investments in financial assets, net of foreign exchange gain	6	(1,368,310)	514,888
Operating cash flows before changes in working capital		(2,414,361)	4,987,439
Change in restricted cash		470,265	184,619
Change in trade and other receivables		(813,546)	591,562
Change in trade and other payables		292,114	(855,981)
Net cash (used in)/ generated from operating activities		(2,465,528)	4,907,639
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(830,370)	(1,117,827)
Purchase of intangible assets	4	-	(56,227)
Proceeds from disposal of property, plant and equipment		6,533	5,577
Purchase of investments in financial assets	6	(136,911,760)	(97,352,553)
Proceeds from disposal of investments in financial assets	6	135,885,495	95,810,317
Advances to related parties		(219,802)	-
Dividend and interest income received		3,165,405	2,054,010
Net cash generated from/(used in) investing activities		1,095,501	(656,703)
Cash flows from financing activity			
(Repayment of advances)/advances from related parties		(1,105,888)	1,119,762
Net cash (used in)/generated from financing activity		(1,105,888)	1,119,762
Net (decrease)/increase in cash and cash equivalents		(2,475,915)	5,370,698
Cash and cash equivalents at the beginning of year		28,140,551	22,769,853
Cash and cash equivalents at the end of year	8	25,664,636	28,140,551

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

Notes to the financial statements

for the financial year ended 31 March 2025

1 General information

The Salvation Army, Singapore (the “Organisation”) was constituted as a corporation in Singapore under the Statutes of the Republic of Singapore, Salvation Army Ordinance 1939. The Organisation is registered as an exempt charity under the Charities Act 1994 and domiciled in Singapore. The registered address of the Organisation is at 20 Bishan Street 22, Singapore 579768.

The Salvation Army, Singapore is organised for administrative purposes into two units, which are described below:

(i) General Fund, Singapore

The General Fund deals mainly with the activities for generating funds, Christian education and activities and all headquarters matters not specifically included in Social Fund, which includes undertaking the functions of an owner of property and deals with all transactions relating to the properties owned by the Organisation.

(ii) Social Fund, Singapore

The Social Fund deals with the social operations of the Organisation which has been conferred the Institution of Public Character status. Accordingly, qualifying donors are granted tax deduction for donations made by them to the Social Fund.

The Organisation provides Christian education and activities through its Corps.

The Organisation also provides:

- nursing home;
- day care centres for children and the elderly;
- residential homes for children and young people at risk;
- ministry to troubled young people;
- food for families;
- counselling services;
- prison support services;
- fostering agency services;
- outreach programme for male migrant workers; and
- residential care programme for foreign domestic workers in distress.

The Organisation operates the Red Shield Industries which mainly sells donated goods at an affordable price.

There have been no significant changes in the nature of the Organisation’s activities during the year.

The financial statements of the Organisation for the current financial year were approved and authorised for issue by The Territorial Governance Board on the date of the Statement by The Territorial Governance Board.

2(a) Basis of preparation

The financial statements of the Organisation have been prepared in accordance with the provisions of the Salvation Army Ordinance 1939, the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”), and the Singapore Charities Accounting Standard (“CAS”). 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 (\$) which is the Organisation's functional currency. All financial information presented in \$ are expressed in units, unless otherwise stated.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Significant accounting estimates and judgements

The preparation of the Organisation's financial statements in conformity with CAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenditures, assets and liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

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

There are no critical accounting estimates and assumptions used and areas involving a high degree of judgement.

Impairment of investment in financial assets

The Organisation assesses at each balance sheet date whether there is objective evidence that investment securities have been impaired. Impairment loss is calculated based on a review of the recoverable amount.

The carrying amount of Organisation's investment in financial assets as at 31 March 2025 was \$50,963,470 (2024 - \$48,568,895).

2(b) Adoption of new and revised standards

There are no new and revised standards effective for the current financial year.

2(c) Summary of significant accounting policies**Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. Cost includes its purchase price and any cost that is directly attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Organisation.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. The Organisation's policy is to capitalise assets that cost more than \$10,000.

Repair, maintenance and renovation costs for properties not owned by the Organisation are charged to the statement of financial activities as incurred.

2(c) Summary of significant accounting policies (Cont'd)**Property, plant and equipment (Cont'd)**

Freehold land has an unlimited useful life and therefore is not depreciated.

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and are depreciated using straight-line method to write-off the cost of the assets over their estimated useful lives as follows:

Freehold buildings	30 years
Leasehold land and building	Unexpired terms of the lease or 30 years, whichever is shorter
Equipment and software	5 years
Motor vehicles	5 years

The estimated useful lives, depreciation method and residual values are reviewed periodically, at least annually, and adjusted prospectively, if there is a change in estimate.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in the statement of financial activities in the year the asset is derecognised.

Assets-in-progress

Assets-in-progress are reclassified to the appropriate category of property, plant and equipment when complete and ready for use. Assets-in-progress are not depreciated as these assets are not yet available for use.

Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Computer software

Where computer software is not integrally related to associated hardware, they are recognised as an intangible asset provided they are clearly identifiable, can be readily measured and it is probable they will lead to future economic benefits that the Organisation controls. The Organisation carries capitalised computer software assets at cost less amortisation and any impairment losses. These assets are amortised over the estimated useful lives of 5 years on a straight-line basis. Computer software maintenance costs are expensed as incurred. Any impairment loss is recognised in the statement of comprehensive income when incurred.

Investment property

Investment property is held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business.

Investment property is initially recorded at cost. The cost of a purchased investment property comprises its purchase price and any directly attributable costs.

2(c) Summary of significant accounting policies (Cont'd)**Investment property (Cont'd)**

The cost of an investment property is recognised as an asset if, and only if, it is probable that future economic benefits associated with the investment property will flow to the Organisation and the cost can be measured reliably. Any day-to-day servicing of an investment property is recognised as expenditures in the statement of financial activities in the period in which the costs are incurred.

Investment property is subsequently measured at cost less accumulated depreciation and any impairment losses. Investment property is depreciated over 30 years on a straight-line basis.

Investments in financial assets

Investments in financial assets are investments in equities and debt securities as well as cash held for investment purposes.

Investments in financial assets are recognised as an asset only when the Organisation becomes a party to the contractual provisions of the instrument and are initially measured at cost. Cost of investments in financial assets is the transaction price excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred.

Investments in financial assets are measured subsequently at cost less any impairment losses.

At each balance sheet date, if there is objective evidence of impairment, the carrying amount of the asset is reduced by an allowance for impairment and the impairment loss is recognised in the statement of financial activities.

For equity investments, the impairment loss is the difference between the carrying amount of the investment and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Organisation would receive for the investment if it was to be sold at the reporting date. For all other financial assets, this allowance, calculated as the difference between the asset's carrying amount of the financial assets and the undiscounted future cash flows (excluding unearned interest in the case of interest-bearing financial assets) that the Organisation expects to receive from the financial assets is recognised in the statement of financial activities in the period in which the impairment occurs. Impairment loss is reversed through the statement of financial activities if the impairment loss decrease can be related objectively to an event occurring after the impairment loss was recognised. The reversal of impairment loss shall not result in the carrying value of the investment exceeding transaction price.

Trade and other receivables

Trade and other receivables excluding prepayments are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditures in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

After initial recognition, trade and other receivables excluding prepayments are measured at cost less any accumulated impairment losses. Prepayments are measured at the amount paid less the economic resources received or consumed during the financial year.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand and at bank, demand deposits and short-term deposits which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents excludes restricted cash.

2(c) Summary of significant accounting policies (Cont'd)**Trade and other payables**

Trade and other payables excluding accruals are recognised at their transaction price, excluding transaction costs, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditures in the statement of financial activities as incurred. Accruals are recognised at the best estimate of amount payable.

Funds and reserves(a) Asset amortisation funds

These funds represent the carrying amount of the capitalised assets that Organisation purchased.

(b) Unrestricted funds

These funds are freely available for operating purposes not subject to commitments.

(c) Restricted funds

These are donations and grants held for restricted purposes as specified by the donors or grantors.

TaxesGoods and services tax ("GST")

Income, expenditures and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of goods or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

LeasesAs lessor

Rental income from an operating lease is recognised on a straight-line basis over the period of the lease, even if the payments are not made on such a basis. The aggregate cost of lease incentives, if any, is recognised as a reduction over the lease term.

As lessee

The lease payments under an operating lease expense are recognised on a straight-line basis over the lease term even if the payments are not made on such a basis.

Provisions

Provisions are recognised only when a present obligation (legal or constructive) exists as a result of a past event, it is probable that a transfer of economic benefits in settlement will be required, and the amount of the obligation can be estimated reliably.

The provision in the Organisation's statement of financial position refers to estimated liability for unconsumed leave. Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

Income recognition

Income is recognised in the Statement of Financial Activities to the extent that the Organisation becomes entitled to the income, when it is probable that the income will be received; and when the amount of the income can be measured with sufficient reliability.

2(c) Summary of significant accounting policies (Cont'd)**Income recognition (Cont'd)**Income from generated funds(a) Voluntary income

The Organisation's voluntary income comprises cash donations, and donations-in-kind, legacies, tithes and offerings:

- Cash donations are recognised when the Organisation has an unconditional entitlement to the receipts;
- Donations-in-kind are recognised when such donation can be estimated with sufficient reliability and are based on a reasonable estimate of their value to the Organisation, which approximates the open market value for similar items;
- Legacies are recognised when the Organisation has sufficient certainty that the income will be received; and
- Tithes and offerings are recognised upon receipt.

(b) Activities for generating funds

This is mainly made up of fundraising income, wholesale and retail income, rental fees and sundry revenue:

- Fundraising income relates to proceeds from fundraising events and appeals held by the Organisation and is recognised on cash basis;
- Wholesale and retail income is from selling donated goods;
- Rental fees are from letting of the properties held primarily for functional use of the Organisation but temporarily not used for operational purposes. This is recognised on a straight-line basis over the period of the lease; and
- Sundry revenue mainly consists of utilities charges to external tenants and sale of scrap materials.

(c) Investment income

Investment income comprises dividends, interest and rents and is recognised by the Organisation when receivable:

- Interest income from bank deposits and bonds is accrued on a time apportionment basis;
- Dividend income is recognised when the Organisation's right to receive payment is established; and
- Rental income arising from operating lease on investment property held by the Organisation is accounted for on a straight-line basis over the lease term.

Income from charitable activities(a) Programme fees

These are programme fees for the provision of services by the Organisation to beneficiaries.

(b) Funding from government

Government subventions and other grants are recognised where there is reasonable assurance that the funds will be received and all attaching conditions will be complied with.

2(c) Summary of significant accounting policies (Cont'd)**Income recognition (Cont'd)**Income from charitable activities (Cont'd)**(c) Funding from Community Chest**

Funding from Community Chest is funding received to support the Kids-In-Play programme to provide a child-centric approach in supporting families affected by parental incarceration. The funding is recognised when it is received and ring-fenced as restricted funds.

Other income

This income mainly comprises government grants under employment related schemes. Government grants are recognised where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Expenditures

All expenditures are accounted for on an accrual basis and have been classified under headings that aggregate all costs related to that activity.

Costs of generating funds

These are costs associated with generating income from all sources other than from undertaking charitable activities. The cost in this category comprises cost on generating voluntary income, costs of generating income, cost of fundraising events and appeals, and investment management costs.

Costs of charitable activities

Costs of charitable activities comprise all costs incurred by the Organisation in providing residential care, healthcare and community services, and Christian education including direct manpower costs, assistance to other countries, property maintenance costs, operating costs and other administrative costs.

Governance costs

Governance costs comprise all costs attributable to the general running of the Organisation in providing the governance infrastructure and in ensuring public accountability.

Employee benefitsDefined contribution plan

The Organisation makes contributions to the Central Provident Fund Scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

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 if the Organisation 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.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Organisation, directly or indirectly, including governing board members and key officers of the Organisation. Remuneration only applies to executive officers of the Singapore Social Fund Board, Territorial Management Board and the District Business Board, and such amounts are recorded by the Headquarters, Singapore.

2(c) Summary of significant accounting policies (Cont'd)**Functional currency**

Items included in the financial statements of the Organisation are measured using the currency of the primary economic environment and which best reflects the economic substance of the underlying events and circumstances relevant to the Organisation (“the functional currency”). The financial statements of the Company are presented in Singapore dollars, which is also the functional currency of the Organisation. All financial information is presented in Singapore dollars, unless otherwise stated

Foreign currency

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

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

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Notes to the financial statements for the financial year ended 31 March 2025

3 Property, plant and equipment

	Freehold land \$	Freehold buildings \$	Leasehold land and buildings \$	Equipment and software \$	Motor vehicles \$	Assets- in-progress \$	Total \$
Cost							
At 1 April 2023	4,713,000	51,323,153	36,911,029	2,729,297	3,486,974	-	99,163,453
Additions	-	-	-	677,015	440,812	-	1,117,827
Written off	-	-	-	(17,000)	(146,171)	-	(163,171)
Reclassification	-	(293,535)	-	293,535	-	-	-
At 31 March 2024	4,713,000	51,029,618	36,911,029	3,682,847	3,781,615	-	100,118,109
Additions	-	-	-	283,366	261,906	285,098	830,370
Disposals	-	-	-	(254,317)	(286,927)	-	(541,244)
At 31 March 2025	4,713,000	51,029,618	36,911,029	3,711,896	3,756,594	285,098	100,407,235
Accumulated depreciation							
At 1 April 2023	-	27,416,590	22,155,198	1,985,920	3,145,523	-	54,703,231
Depreciation for the year	-	1,688,821	877,632	563,807	220,557	-	3,350,817
Disposals	-	-	-	(17,000)	(146,171)	-	(163,171)
Reclassification	-	(47,609)	-	47,609	-	-	-
At 31 March 2024	-	29,057,802	23,032,830	2,580,336	3,219,909	-	57,890,877
Depreciation for the year	-	1,688,822	877,632	390,905	205,823	-	3,163,182
Disposals	-	-	-	(254,317)	(286,927)	-	(541,244)
At 31 March 2025	-	30,746,624	23,910,462	2,716,924	3,138,805	-	60,512,815
Net book value							
At 31 March 2025	4,713,000	20,282,994	13,000,567	994,972	617,789	285,098	39,894,420
At 31 March 2024	4,713,000	21,971,816	13,878,199	1,102,511	561,706	-	42,227,232

Assets-in-progress relate mainly to renovation-in-progress for a building.

Notes to the financial statements for the financial year ended 31 March 2025

3 Property, plant and equipment (Cont'd)

(a) Fair value of properties

The Organisation engaged Pacific Abacus Valuers Pte Ltd (2024 - ATS Advisory Services), an accredited independent valuer to determine the market value of the freehold and leasehold land and buildings ("Properties"). Pacific Abacus Valuers Pte Ltd and ATS Advisory Services are real estate specialist which values the subject types of the Organisation's Properties and applies a valuation model consistent with that recommended by the International Valuation Standards Committee.

The market value of the Properties was approximately \$126,140,000 (2024 - \$120,558,000). The market value is determined using the (i) summation of the open market value of the land and the depreciated replacement cost of the buildings and (ii) market prices of comparable properties. The open market value is determined by reference to (i) the development charge for the geographical sector under the Civic & Community Institution zone and adjusted according to its location and (ii) comparable market prices of the properties around the area. The depreciated replacement cost of the building is based on current estimated construction cost and depreciated with regard to their respective age and condition. For the market comparison method, the properties are valued using transacted prices for comparable properties in the vicinity and elsewhere with necessary adjustments made for differences in location, tenure, size, design, layout, age and condition of the buildings, availability of car parking facilities, dates of transactions and the prevailing market conditions. The valuation reports are dated 31 March 2025 (2024 -22 April 2024).

4 Intangible assets

	Computer software \$	Work- in-progress \$	Total \$
Cost			
At 1 April 2023	1,836,583	252,418	2,089,001
Additions	56,227	-	56,227
Reclassification	252,418	(252,418)	-
At 31 March 2024 and 31 March 2025	2,145,228	-	2,145,228
Accumulated amortisation			
At 1 April 2023	1,157,753	-	1,157,753
Amortisation for the year	404,822	-	404,822
At 31 March 2024	1,562,575	-	1,562,575
Amortisation for the year	328,520	-	328,520
At 31 March 2025	1,891,095	-	1,891,095
Net book value			
At 31 March 2025	254,133	-	254,133
At 31 March 2024	582,653	-	582,653

5 Investment property

	Investment property \$
Cost	
At 1 April 2023, 31 March 2024 and 31 March 2025	547,890
Accumulated depreciation	
At 1 April 2023	490,173
Depreciation for the year (Note 20)	16,736
At 31 March 2024	506,909
Depreciation for the year (Note 20)	12,813
At 31 March 2025	519,722
Net book value	
At 31 March 2025	28,168
At 31 March 2024	40,981

The market value of the freehold investment property was approximately \$7,264,000 (2024 - \$5,900,000). The valuation was conducted by Pacific Abacus Valuers Pte Ltd, an accredited independent valuer. (2024 - ATS Advisory Services) using the Market Comparison method. Pacific Abacus Valuers Pte Ltd and ATS Advisory Services are real estate specialist which values the subject types of the Organisation's Properties and applies a valuation model consistent with that recommended by the International Valuation Standards Committee. The date of the valuation report is 31 March 2025 (2023 - 22 April 2024).

6 Investments in financial assets

	31 March 2025 \$	31 March 2024 \$
Quoted bonds, at cost	30,249,268	28,122,972
Quoted equity shares, at cost	19,953,574	19,231,156
Cash with fund manager for investment purpose	760,628	1,214,767
	50,963,470	48,568,895
Impairment loss	-	-
	50,963,470	48,568,895
<i>Presentation in the statement of financial position as:</i>		
Non-current	50,202,842	47,354,128
Current	760,628	1,214,767
	50,963,470	48,568,895
Investment assets in Singapore	12,844,991	17,339,673
Investment assets outside Singapore	38,118,479	31,229,222
	50,963,470	48,568,895

The market value of the investment assets at the end of the reporting period was \$30,090,538 and \$21,205,421 (2024 - \$27,725,408 and \$20,916,986) for bonds and equity shares, respectively.

Movement in investments during the year:

	31 March 2025 \$	31 March 2024 \$
At 1 April	48,568,895	46,150,788
Additions	136,911,760	97,352,553
Disposals*	(134,517,185)	(96,325,205)
Impairment loss reversed for the year	-	1,390,759
At 31 March	50,963,470	48,568,895

Notes to the financial statements for the financial year ended 31 March 2025

6 Investments in financial assets (Cont'd)

Reconciled to the statement of cash flows as follows:

	31 March 2025	31 March 2024
	\$	\$
Proceeds from disposal of investment assets	135,885,495	95,810,317
(Gain)/loss on disposal of investments of financial assets, net of foreign exchange gain	(1,368,310)	514,888
Net disposals*	134,517,185	96,325,205

The investment portfolio remains held under the name of The Salvation Army, Singapore and continues to be managed in accordance with the Organisation's established investment guidelines. The allocation between the Singapore and Malaysia territories remains unchanged from the prior financial year, at a ratio of 9.25:0.75, as approved by the Territorial Management Board. The external fund manager continues to operate under a full discretionary mandate and provides regular reporting on investment holdings and performance to the Organisation.

Reversal of impairment losses is included in Investment income, as disclosed in Note 15. In the previous financial year, reversal of impairment losses of \$1,390,759 arose due to either (i) the investments were sold above the net carrying amounts or (ii) fair value of the investments increased above the carrying amounts as of reporting date.

7 Trade and other receivables

	31 March 2025	31 March 2024
	\$	\$
Programme fees receivable	847,905	862,026
Interest income receivables	339,470	356,092
Deposits paid	259,598	187,024
Prepayments	330,381	327,979
Rental fees receivables	1,090	215
Accrued receivables	197,479	81,392
Amount due from related parties [Note (a)]	219,802	-
Grant receivables	2,514,050	1,878,321
	4,709,775	3,693,049

- (a) Amount due from related parties, representing advances, payments on behalf and collections on behalf [Note 22(a)], are non-trade related, unsecured, non-interest bearing and repayable on demand. Related parties refer to The Salvation Army, Malaysia, and The Salvation Army, Thailand.

8 Cash and bank balances

	31 March 2025	31 March 2024
	\$	\$
Cash at bank and on hand	7,611,917	10,901,873
Fixed deposits	18,964,283	18,620,507
Cash and bank balances as per statement of financial position	26,576,200	29,522,380
Less: Monies held on behalf of Medifund account (Note 9)	(560,747)	(1,023,946)
Less: Monies held on behalf of Financial Assistance Scheme ("FAS") account (Note 9)	(80,302)	(87,368)
Less: Restricted fixed deposits pledged to a bank as security	(270,515)	(270,515)
Cash and cash equivalents as per statement of cash flows	25,664,636	28,140,551

Cash at bank earns interest on floating rates based on daily bank deposit rates. Fixed deposits are made for varying periods of between 2 to 12 months (2024 - 1 to 12 months) depending on the cash requirements of the Organisation. Fixed deposits bear interest rates ranging from 0.5% to 2.85% (2024 - 0.05% to 3.80%) per annum. Included in fixed deposits of the Organisation are restricted amounts of \$270,515 (2024 - \$270,515) which is pledged to a bank as security for the credit card and bank guarantee.

Notes to the financial statements for the financial year ended 31 March 2025

9 Trade and other payables

	31 March 2025	31 March 2024
	\$	\$
Trade payables	1,552,161	1,161,278
Accruals	1,437,491	1,099,029
Amount due to related parties [Note (a)]	108,361	1,214,249
Advance payment from customers	44,787	150,204
Deposits received	435,314	489,827
Medifund account [Note (b)]	560,747	1,023,946
Financial Assistance Scheme ("FAS") account [Note (c)]	80,302	87,368
Grant received in advance	61,503	142,582
Other payables [Note (d)]	1,027,585	753,542
	5,308,251	6,122,025

- (a) Amount due to related parties representing advances, payments on behalf and collections on behalf [Note 22(a)], are non-trade related, unsecured, non-interest bearing and repayable upon demand. Related parties refer to The Salvation Army, Myanmar and The Salvation Army International Headquarters.
- (b) Medifund is an endowment fund set up by the Singapore government to assist needy Singaporeans to pay for medical care. The amount will be set off against the programme fees receivable from specific patients upon review and approval by the Medifund committee.
- (c) The Financial Assistance Scheme ("FAS") is to support a small group of needy Permanent Residents ("PRs") who are on the Medical Fee Exemption Card ("MFEC") or ComCare Long-Term Assistance ("LTA") for their subsidised Intermediate and Long-Term Care ("ILTC") bills incurred at Peacehaven Nursing home. The amount will be set off against the programme fees receivable from specific patients upon review and approval by the FAS committee.
- (d) Other payables relate mainly to accrued staff costs of \$620,215 (2024- \$591,463) and GST payables of \$181,019 (2024- \$137,523).

10 Provision for unutilised leave

	31 March 2025	31 March 2024
	\$	\$
At 1 April	787,986	790,102
Provision reversed	(27,214)	(2,116)
At 31 March	760,772	787,986

The provision for unutilised leave represents the Organisation's obligation to pay employees for leave entitlements earned but not yet taken as at the reporting date. This provision is recognised based on employees' accumulated leave balances at the reporting date, measured at the expected cost of settlement. It is classified as a current liability, as employees are entitled to utilise or be compensated for the leave within twelve months after the reporting period.

11 Asset amortisation funds

	31 March 2025 \$	31 March 2024 \$
At 1 April	42,850,866	45,449,187
Deficit for the year [Note (a)]	(3,504,515)	(3,772,375)
Transfer from unrestricted funds (Note 12)	534,406	586,144
Transfer from restricted funds (Note 13)	295,964	587,910
At 31 March	40,176,721	42,850,866

- (a) Deficit for the year represent depreciation of property, plant and equipment and investment property and amortisation of intangible assets charged for the financial year amounting to \$3,163,182, \$12,813 and \$328,520 (2024 - \$3,350,817, \$16,736 and \$404,822), respectively.

The asset amortisation funds represent monies already expended on the acquisition of property, plant and equipment, investment property and intangible assets and set aside to meet future depreciation and amortisation expenses.

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Notes to the financial statements for the financial year ended 31 March 2025

12 Unrestricted funds

	Unrestricted reserve \$ Note (a)	Impairment loss reserve \$ Note (b)	Property reserve \$ Note (c)	Vehicle reserve \$ Note (d)	Information Technology reserve \$ Note (e)	Development reserve \$ Note (f)	Programme reserve \$ Note (g)	Officer and staff benefit reserve \$ Note (h)	Total \$
At 1 April 2023	13,325,682	(1,390,759)	41,556,446	2,983,366	223,751	2,547,511	3,960,538	1,226,114	64,432,649
Surplus/(deficit) for the year	3,128,242	1,390,759	(1,598,304)	69,669	116,218	4,699,368	2,043,900	(162,190)	9,687,662
Grant to restricted funds for Programmes	(1,259,240)	-	(159,777)	57,600	-	-	-	-	(1,361,417)
Transfer between funds	(3,377,074)	-	2,914,589	211,200	31,980	29,400	29,565	160,340	-
Transfer to restricted funds (Note 13)	-	-	-	-	-	-	(1,395,008)	-	(1,395,008)
Transfer to asset amortisation funds (Note 11)	-	-	(132,145)	(440,812)	(13,187)	-	-	-	(586,144)
At 31 March 2024	11,817,610	-	42,580,809	2,881,023	358,762	7,276,279	4,638,995	1,224,264	70,777,742
Surplus/(deficit) for the year	3,807,829	-	(2,612,733)	89,580	(93,547)	239,663	44,889	(211,150)	1,264,531
Transfer between funds	(4,101,204)	-	2,920,617	279,820	20,700	-	679,826	200,241	-
Transfer from restricted funds (Note 13)	36,986	-	-	-	-	-	-	-	36,986
Transfer to restricted funds (Note 13)	(8,114)	-	-	-	-	-	-	-	(8,114)
Transfer to asset amortisation funds (Note 11)	(272,500)	-	-	(261,906)	-	-	-	-	(534,406)
At 31 March 2025	11,280,607	-	42,888,693	2,988,517	285,915	7,515,942	5,363,710	1,213,355	71,536,739

12 Unrestricted funds (Cont'd)

- (a) Unrestricted reserve
The unrestricted reserve is a general fund of the Organisation to be applied for the general purpose of the Organisation in support of its objectives.
- (b) Impairment loss reserve
Impairment loss reserve is for unrealised loss arising from market value of investment assets.
- (c) Property reserve
Property reserve is a designated fund of the Organisation set aside for the purpose of replacement and maintenance of properties in future.
- (d) Vehicle reserve
The vehicle reserve is a designated fund of the Organisation set aside for the purpose of replacement for the vehicles in future.
- (e) Information Technology (“IT”) reserve
The IT reserve is a designated fund of the Organisation set aside for the purpose of replacement for the Officers’ laptops and the implementation cost of new IT systems.
- (f) Development reserve
Development reserve is a designated fund of the Organisation set aside for establishing operations in Thailand, mission development and social justice development.
- (g) Programme reserve
The Programme reserves are funds set aside for the costs of programmes and equipment operated at the Peacehaven Jade Circle building, children education funds, and other special projects approved by The Territorial Management Board. Such special projects are funded by government grants under the Community Silver Trust (“CST”) scheme and/or legacy bequests.

The programme reserve comprises of the following reserves:

- (i) Education reserve
The education reserve is a designated fund of the Organisation set aside for the purpose of the children’s education.
- (ii) Innovation reserve
This was a legacy received and the funds are designated for innovation related projects.
- (iii) Renovation reserve
This renovation reserve is a designated fund of the Organisation set aside for the refurbishment of existing toilets at the premises of Peacehaven. The renovation was completed in the previous financial year.
- (iv) Community Silver Trust
The CST is a scheme whereby the government will provide a matching grant of one dollar for every donation dollar raised by eligible organisations to fund programmes. The objectives are to encourage more donations and provide additional resources for the service providers in the Intermediate and Long-Term Care Sector and to enhance capabilities and provide value-added services to achieve affordable and higher quality care.

In the previous financial year, the funds were transferred from unrestricted reserves to restricted reserves to accurately recognised these funds that are for specified purposes.

12 Unrestricted funds (Cont'd)

(g) Programme reserve (Cont'd)

(v) Infrastructure improvement reserve

This was a legacy received and the funds are designated for improvements to Peacehaven's infrastructure.

(vi) Corps reserve

Corp reserve is surplus generated by the Corps and ringfenced for the purpose of meeting future operating expenses.

(h) Officer and staff benefit reserve

Officer and staff benefit reserve comprises of funds set aside for the purpose of officers and staff training, officers' children education and officers' health benefits.

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Notes to the financial statements for the financial year ended 31 March 2025

13 Restricted funds

	Property reserve \$	Information Technology reserve \$	Education reserve \$	Renovation reserve \$	Programme reserve \$	Total \$
	Note (a)	Note (b)	Note (c)	Note (d)	Note (e)	
At 1 April 2023	213,858	24,785	7,252	-	3,760,512	4,006,407
(Deficit)/surplus for the year	-	18,255	-	-	(2,096,606)	(2,078,351)
Grant from unrestricted funds for Programmes	-	-	-	-	1,361,417	1,361,417
Transfer to asset amortisation funds (Note 11)	-	(43,040)	-	-	(544,870)	(587,910)
Transfer from unrestricted funds (Note 12)	-	-	-	-	1,395,008	1,395,008
At 31 March 2024	213,858	-	7,252	-	3,875,461	4,096,571
Surplus/(deficit) before grant	-	-	-	899,693	(27,745)	871,948
Transfer to asset amortisation funds (Note 11)	-	-	-	(285,098)	(10,866)	(295,964)
Transfer from unrestricted fund (Note 12)	-	-	-	-	8,114	8,114
Transfer to unrestricted fund (Note 12)	-	-	-	-	(36,986)	(36,986)
At 31 March 2025	213,858	-	7,252	614,595	3,807,978	4,643,683

(a) Property reserve

The donations were raised from Charity Bike 'n' Blade and are restricted for renovation works at the premises of Peacehaven's residential living area and its property upkeep and repair.

(b) Information Technology ("IT") reserve

(i) A grant was received as subsidies by Tech Booster Project initiated by National Council of Social Service of up to 98% of the cost expended by the Children and Youth Group to ramp up ready technologies adoption to enhance operational efficiency, alleviate demand for vacant positions and increase centrality of services. The grant was fully utilised in the previous financial year.

(ii) A grant was received to support the cost of running the Senior Digital Online Support Group project. This project seeks to conduct small support groups on a digital platform and to give seniors a face-to-face experience with other group members on an online community. The grant was fully utilised in the previous financial year.

13 Restricted funds (Cont'd)(c) Education reserve

This was a donation received and the fund is used specifically for education purposes or elevating education standards of Singaporeans and transnational citizens who are vulnerable, identified and are assessed to be under the Ministry of Social and Family Development (“MSF”) policies in protecting Children and Youth in general.

(d) Renovation reserve

This was a donation received during the financial year for Peacehaven and the fund is used specifically for the renovation works at Peacehaven’s residential living area as specified by the donor.

(e) Programme reserve

The Programme reserves are funds to be applied for the specific purposes designated by donor(s) or grantor(s) in support of the Organisation’s objectives and comprise of the following reserves:

(i) Lien Foundation

This was the balance from the Lien Foundation’s donation for the construction of Jade Circle Building. The funds were re-allocated to fund the following Jade Circle’s operations as specified by the donors:

- a) Consultancy and collaborative projects related to documenting, enhancing and scaling the Person-Centred Care model distinct to Jade Circle;
- b) Expand curricula of training modules in dementia care, including the hire of manpower to support this effort; and
- c) Community initiatives to serve the seniors living in the vicinity in areas related to dementia such as raising awareness, delaying and managing the condition.

(ii) Community Silver Trust

The CST is a scheme whereby the government will provide a matching grant of one dollar for every donation dollar raised by eligible organisations to fund programmes. The objectives are to encourage more donations and provide additional resources for the service providers in the Intermediate and Long-Term Care Sector and to enhance capabilities and provide value-added services to achieve affordable and higher quality care.

In the previous financial year, the funds were transferred from unrestricted reserves to restricted reserves to accurately recognise these funds that are for specified purposes.

As of the financial year end, the unutilised CST funds amounted to \$501,180. The unutilised grants are subject to the following expiry dates:

<u>Expiry date</u>	31 March 2025
	\$
31 March 2026	93,174
31 March 2027	274,200
31 March 2028	133,806
	501,180

13 Restricted funds (Cont'd)(e) Programme reserve (Cont'd)(iii) Programme reserve for Children and Youth Programme

The funds received for the following programme are restricted for the operation of the programme only:

a) Gracehaven Children's Home

Gracehaven Children's Home provides residential care services to protect and/or rehabilitate children and youths which formed a key portion of the portfolio of services offered by the Group. Many of these services involve the application of homebased intervention to reunify residents with their natural families. Gracehaven Children's Home operates mixed gender residential services which provides multiple residential care programmes.

b) Gracehaven IPAC

Gracehaven IPAC is a programme under Gracehaven Children's Home whereby allows children under child protection to be temporarily cared for till their more permanent placement in the most appropriate care environment.

c) Gracehaven Fostering

Gracehaven Fostering is a non-residential based services whereby it is fostering agency arm of the Group to collaborate with dedicated foster families, offer a safe and secure home for children and young individuals in need of care and protection. These children come to the Group for temporary support, as circumstances prevent their families from providing adequate care.

d) Gracehaven OBF

Gracehaven OBF is a funding to the Group to provide fostering services; and residential care services for clients selected for Outcomes-Based Funding Pilot programme.

e) The Haven

The Haven provides residential care services aimed to protect and/or rehabilitate children and youths which formed a key portion of the portfolio of services offered by the Group. Many of these services involve the application of homebased intervention to reunify residents with their natural families. The Haven operates mixed gender residential services which offers a small group home environment.

f) Kids-in-Play

Kids-in-Play is a non-residential based services whereby this programme provides a child-centric approach in supporting families affected by parental incarceration through casework management, counselling and practical help or referrals for assistance - with the eventual aim of facilitating the reintegration of former inmates with their families and the community upon release.

13 Restricted funds (Cont'd)(e) Programme reserve (Cont'd)(iv) Programme reserve for Children and Youth programme (Cont'd)g) Youth Development Centre

Youth Development Centre provides aftercare services to children and young persons who were either discharged from residential homes or those who are in non-residential care but require further mentoring.

h) Befrienders for Families

Befrienders For Families is a programme to help support families that have been reunited with their children by connecting each family with a group of volunteer befrienders.

(v) True Hearts Mentoring Programme reserve

This was a donation received from True Hearts Connection for the purpose of supporting the True Hearts Mentoring programme at The Haven. The fund is used specifically for programmes, activities, outings and clothing for special events.

(vi) BizCamp

This was a grant received from Give2Asia's Starbucks Fund which supports a 10-day camp to impart entrepreneurial skills for about 25 primarily at-risk or disadvantaged youth in Singapore to encourage entrepreneurial mindsets and build skills in confidence and self-belief amongst the youth through a 70-hour structured curriculum and the funds will support manpower for planning and implementing the program, facilitator and trainer fees, venue, and food and other camp-related costs. This grant was fully utilised in the previous financial year.

(vii) Youth Mental Health

This was a grant received from Starbucks Foundation Fund, through Myriad USA, which supports a youth mental health resilience program that aims to reduce mental health risks of approximately 60 vulnerable youth from low-income backgrounds in Singapore and the funds will be allocated for staff salaries, travel expenses, project supplies and equipment, food, property rental, program costs, and overhead expenses. In the previous financial year, this grant was received from Give2Asia's Starbucks Fund.

(viii) Financial Assistance

This was a donation received for the purpose of providing financial assistance to clients under the Aftercare Support Programme. This fund is used to kickstart their employment upon release from prison with a maximum amount of \$300 to be disbursed to each client.

Notes to the financial statements for the financial year ended 31 March 2025

14 Donations

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$ (Restated)
Cash donations	8,706,502	13,554,349
Donation-in-kind	73,784	373,880
	8,780,286	13,928,229

15 Investment income

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Dividend income	317,523	283,762
Interest income		
- Bank	2,965	4,956
- Bonds	2,326,947	1,036,443
- Fixed and short-term deposits	501,348	413,147
Reversal of impairment loss on investments	-	1,390,759
Foreign exchange gain on fixed and short-term deposit interest and investments	115,575	345,788
Property related income	10,122	45,051
	3,274,480	3,519,906

16 Funding from government

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Ministry of Health ("MOH") / Agency for Integrated Care ("AIC")	16,526,433	16,097,968
Community Silver Trust grant	-	507,799
Ministry of Social and Family Development ("MSF")	7,039,791	5,821,458
National Council of Social Services ("NCSS")	7,090	48,435
Others	31,630	277,728
	23,604,944	22,753,388

17 Funding from government - others

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
CPF Transition Offset	23,809	10,431
Enabling Employment Credit Scheme	41,298	42,694
Job Growth Incentive Payout	-	28,906
Training grant	10,295	11,044
Transformation Support Scheme	-	12,000
Senior Worker Early Adopter Grant [Note (a)]	-	250,000
WSG Career Conversion Programme	21,806	-
WSG Employment Support	13,564	-
Progressive Wage Credit Scheme	785,320	-
Other Employment Credit schemes	64,017	40,968
Others	60,948	29,295
	1,021,057	425,338

Notes to the financial statements for the financial year ended 31 March 2025

17 Funding from government - others (Cont'd)

- (a) The Senior Worker Early Adopter Grant ("SWEAG") is a program in Singapore that provides funding up to \$250,000 to employers who are willing to raise both internal retirement and re-employment ages ahead of the legislative schedule.

18 Manpower costs

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$ (Restated)
Employees' salaries and bonuses	25,954,061	24,982,750
Central Provident Fund contributions	4,288,311	3,996,384
Other short-term benefits	2,069,501	2,238,145
Contract manpower services	2,685,224	2,381,967
	34,997,097	33,599,246

Presented as:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$ (Restated)
Costs of generating voluntary income		
- Manpower costs	473,820	431,512
Costs of generating income		
- Manpower costs	4,281,178	3,785,641
Costs of charitable activities		
- Manpower costs		
- Eldercare	17,952,226	17,462,686
- Children and Youth	8,188,689	8,207,569
- Migrant Workers Ministry	612,708	527,979
- Community and Other Services	1,059,939	1,216,130
- Student Care Centre	276,319	228,222
- Evangelical and Outreach Ministries	1,075,863	855,637
Governance costs		
- Manpower costs	1,076,355	883,870
	34,997,097	33,599,246

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Notes to the financial statements for the financial year ended 31 March 2025

19 Operating and administrative costs

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$ (Restated)
Auditors' remuneration	192,105	197,337
Bank charges	81,696	81,423
Education and pocket money expenses	117,787	266,415
Financial assistance	610,809	688,269
Food expenses	1,867,504	2,450,528
Housekeeping	110,691	123,213
IT expenses	974,819	851,529
Medical supplies	1,464,499	1,710,173
Newsletters	179,022	182,217
Non property insurance	106,131	130,250
Other expenses	138,061	116,500
Other repair and maintenance	822,312	1,150,209
Postage and communication	250,466	210,198
Printing and stationery	94,997	127,390
Professional fees	225,900	50,081
Property repair and maintenance	5,601,389	3,154,171
Publicity	95,775	64,159
Rental of building	829,252	617,841
Rental of equipment and furnishings	81,892	103,146
Special event	838,448	1,025,139
Travelling expenses	1,228,207	1,181,351
Trading	144,337	209,899
Utilities	1,316,487	1,490,028
	17,372,586	16,181,466

Presented as:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Costs of generating voluntary income - Operating and administrative costs	440,767	353,907
Costs of generating income - Operating and administrative costs	3,811,487	2,115,023
Costs of charitable activities - Operating and administrative costs	12,448,259	13,233,009
Governance costs - Operating and administrative costs	672,073	479,527
	17,372,586	16,181,466

20 Investment expenses

	Year ended 31 March 2025	Year ended 31 March 2024
	\$	\$
Bank charges	100	16
Depreciation of investment property (Note 5)	12,813	16,736
Investment management and brokerage costs	302,401	270,819
Loss on disposal of investments in financial assets, gross	-	799,914
Property maintenance costs	13,561	12,751
	328,875	1,100,236

21 Tax-deductible donation receipts

The Social Fund unit under the Organisation enjoys concessionary tax treatment whereby qualifying donors are granted tax deductions for the donations made to the Social Fund. This status is effective for the period from 1 July 2022 to 30 June 2025 under the Institutions of a Public Character (“IPC”) Scheme. The IPC status has been further renewed from 1 April 2025 to 31 March 2028.

There were no fund-raising appeals held by the Organisation with gross receipts exceeding \$1 million in the current and previous financial years.

Included in the donation income recognised in the statement of financial activities is the following amount of tax-deductible donation received:

	Year ended 31 March 2025	Year ended 31 March 2024
	\$	\$
Total value of tax-deductible donation received	6,422,519	5,111,545

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Notes to the financial statements for the financial year ended 31 March 2025

22 Significant related party transactions

(a) Transactions with related parties

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant related party transactions between the Organisation and related parties at agreed rates:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
<u>Transactions with The Salvation Army, Malaysia:</u>		
- Manpower cost	-	-
- Contribution for HQ support services	29,707	29,059
- Donation received on behalf of	(121,342)	(948,421)
- Donation received on behalf by	28,747	26,844
- Allocation of investment in financial assets	-	520,491
- Operating and administrative costs paid on behalf by	(28,723)	(213,437)
- Operating and administrative costs paid on behalf of	197,791	193,703
<u>Transactions with The Salvation Army, Myanmar:</u>		
- Usage of premises	3,920	-
- Contribution for HQ support services	1,916	1,921
- Donation received on behalf of	(946,777)	(1,001,515)
- Donation received on behalf by	7,201	8,816
- Operating and administrative costs paid on behalf by	(113,674)	(142,182)
- Operating and administrative costs paid on behalf of	221,317	234,662
<u>Transactions with The Salvation Army, Thailand:</u>		
- Usage of premises	-	(1,157)
- Donation received on behalf of	(76,503)	(154,664)
- Donation received on behalf by	-	11,545
- Operating and administrative costs paid on behalf of	151,306	160,627
- Operating and administrative costs paid on behalf by	-	(92,523)
<u>Transactions with International Headquarters:</u>		
- Management fees paid	(27,048)	(26,251)
- Donation received on behalf of	(87,522)	(166,661)
- Operating and administrative costs paid on behalf by	(38,158)	(19,705)
- Operating and administrative costs paid on behalf of	2,752	288

Related parties refer to other Salvation Army regions under the purview of the Territorial Management Board, which includes those in Malaysia, Myanmar and Thailand. Salvation Army territories are administered by the International Headquarters, which is also a related party.

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22 Significant related party transactions (Cont'd)

(b) Compensation of key management personnel

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Employees' salaries and bonuses	2,653,967	2,212,817
Central Provident Fund contributions	240,982	211,368
Other short-term benefits	100,930	66,284
	<u>2,995,879</u>	<u>2,490,469</u>

Number of key management in remuneration bands:

	Year ended 31 March 2025	Year ended 31 March 2024
<\$100,000	16	23
\$100,000 to \$150,000	5	4
>\$150,000 to \$200,000	6	4
>\$200,000 to \$250,000	1	-

The annual remuneration (comprising basic salary, bonuses, allowances and employer's contribution to Central Provident Fund) of the three (2024: three) highest paid staff classified by remuneration bands are as follows:

	Year ended 31 March 2025	Year ended 31 March 2024
\$100,000 to \$200,000	2	3
\$200,001 to \$300,000	1	-

There were no claims by the key management personnel for services provided to the Organisation, either by reimbursements or providing the key management with an allowance or by direct payment to a third party during the current and previous financial year.

23 Commitments

(a) Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements, are as follows:

	31 March 2025 \$	31 March 2024 \$
<u>Plant and equipment:</u>		
- Assets-in-progress	243,163	-

(b) Repairs and maintenance - plant and equipment

	31 March 2025 \$	31 March 2024 \$
Contractual obligations for future repairs and maintenance – not recognised as liability	309,845	-

23 Commitments (Cont'd)

(c) Operating lease commitments - as lessor

Future minimum lease receivable under non-cancellable operating leases in respect of rental of premises as at the financial year end date are as follows:

	31 March 2025 \$	31 March 2024 \$
Not later than one year	164,403	654,093
Later than one year but not later than five years	115,460	116,844
Later than five years	7,200	28,800
	<u>287,063</u>	<u>799,737</u>

Rental income arising from non-cancellable operating leases is recognised in the statement of financial activities as follows:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Rental income	<u>835,730</u>	<u>893,814</u>

(d) Operating lease commitments - as lessee

Future minimum rental payable under non-cancellable operating leases in respect of rental of land and equipment as at the financial year end date are as follows:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Not later than one year	692,746	339,760
Later than one year but not later than five years	1,076,911	-
	<u>1,769,657</u>	<u>339,760</u>

Rental expense arising from non-cancellable operating leases is recognised in the statement of financial activities as follows:

	Year ended 31 March 2025 \$	Year ended 31 March 2024 \$
Rental expense	<u>501,761</u>	<u>532,561</u>

24 Taxation

The Organisation is registered as an exempt charity under the Charities Act 1994 and is exempted from income tax under the provision of Section 13(1)(zm) of the Income Tax Act 1947.

25 Fund management

The Territorial Governance Board reviews the Organisation's unrestricted reserves annually to ensure that the Organisation will be able to continue as a going concern. The reserve target is established at a level below 2 years of Organisation's annual operating expenditure.

Notes to the financial statements for the financial year ended 31 March 2025

26 Comparative information

Certain reclassifications have been made to the FY 2024 comparative figures as follows:

- (i) The Organisation incorrectly classified donations of \$1,177,748 under “Fundraising income” under “Activities for generating funds”, instead of under “Donations” within “Voluntary income”.

The corresponding costs of \$314,651 has also been adjusted to reclassify the related expenses from “Other fundraising costs” to “Operating and administrative costs” within “Cost of generating voluntary income”.

- (ii) The Organisation incorrectly classified recovered GST of \$440,278 under “Others” within “Other income”, instead of expressing expenses net of the amount of GST recovered.

- (iii) The Organisation incorrectly presented the movement on provision for unutilised leave under “change in trade and other payables”, instead of presenting as a non-cash item.

- (iv) The Organisation incorrectly presented the advances of \$1,119,762 from related parties under “change in trade and other payables” in cash flow from operating activities, instead of presenting this under financing activities.

	Note	As previously reported	Restatement	As restated
		Year ended 31 March 2024		Year ended 31 March 2024
		\$	\$	\$
Statement of financial activities				
<u>For the financial year ended 31 March 2024</u>				
<u>Unrestricted fund</u>				
<u>Income</u>				
Income from generated funds				
Voluntary income				
- Donations	(i)	12,750,481	1,177,748	13,928,229
Activities for generating funds				
- Fundraising	(i)	1,187,471	(1,177,748)	9,723
Other income				
- Others	(ii)	476,835	(440,278)	36,557
<u>Expenditure</u>				
Cost of generating funds				
Costs of generating voluntary income				
- Manpower costs	(ii)	433,081	(1,569)	431,512
- Operating and administrative costs	(i), (ii)	51,922	301,985	353,907
- Other fundraising costs	(i)	314,767	(314,651)	116
Costs of generating income				
- Manpower costs	(ii)	3,812,907	(27,266)	3,785,641
- Operating and administrative costs	(ii)	2,158,080	(43,057)	2,115,023
Cost of charitable activities				
- Manpower costs				
- Eldercare	(ii)	17,504,685	(41,999)	17,462,686
- Children and Youth	(ii)	8,227,197	(19,628)	8,207,569
- Migrant Workers Ministry	(ii)	529,250	(1,271)	527,979
- Community and Other Services	(ii)	1,219,039	(2,909)	1,216,130
- Student Care Centre	(ii)	228,793	(571)	228,222
- Evangelical and Outreach Ministries	(ii)	857,687	(2,050)	855,637
- Other costs				
- Operating and administrative costs	(ii)	13,508,367	(275,358)	13,233,009
Governance costs				
- Manpower costs	(ii)	887,619	(3,749)	883,870
- Operating and administrative costs	(ii)	487,712	(8,185)	479,527

Notes to the financial statements for the financial year ended 31 March 2025

26 Comparative information (Cont'd)

	Note	As previously reported Year ended 31 March 2024	Restatement	As restated Year ended 31 March 2024
		\$	\$	\$
Statement of cash flows				
<u>Cash flows from operating activities</u>				
Reversal of provision for unutilised leave		-	(2,116)	(2,116)
Operating cash flows before changes in working capital	(iii)	4,989,555	(2,116)	4,987,439
Change in trade and other payables	(iii),(iv)	261,665	(1,117,646)	(855,981)
Net cash generated from operating activities	(iii), (iv)	6,027,401	(1,119,762)	4,907,639
<u>Cash flows from financing activities</u>				
Advances from related parties	(iv)	-	1,119,762	1,119,762
Net cash generated from financing activities		-	1,119,762	1,119,762