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FINANCIAL REPORT  
— 2024 —

**MDIS**



Photographs and event pictures in this Annual Report feature MDIS students, alumni, lecturers, staff and other stakeholders.

**MANAGEMENT DEVELOPMENT INSTITUTE  
OF SINGAPORE**  
(Reg. No. S61SS0151F)  
**AND ITS SUBSIDIARIES**

**FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2024**

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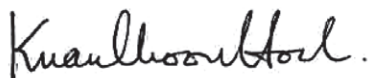
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**MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE  
AND ITS SUBSIDIARIES**

**STATEMENT BY GOVERNING COUNCIL**

On behalf of the Governing Council, we do hereby state that in our opinion, the financial statements of Management Development Institute of Singapore (the “Institute”) and its subsidiaries (collectively, the “Group”) as set out on pages 5 to 53 are properly drawn up in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial positions of the Group and the Institute as at 31 December 2024, and of the financial performance, changes in funds and cash flows of the Group for the financial year ended on that date.

On behalf of the Governing Council



Kuan Choon Hock, Eric  
President

25 June 2025



Cheng Tai Heng, Bernard  
Honorary Treasurer

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE**

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

#### ***Opinion***

We have audited the accompanying financial statements of Management Development Institute of Singapore (the "Institute") and its subsidiaries (collectively, the "Group") as set up on pages 5 to 53, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Institute as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in funds and consolidated statement of cash flows of the Group for the financial 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 Institute are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial positions of the Group and the Institute as at 31 December 2024 and the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group 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 Group 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 Governing Council is responsible for the other information. The other information comprises the Statement by Governing Council as set out on page 1, and the information included in the Annual Report 2024, 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE (cont'd)**

### **Report on the Audit of the Financial Statements (cont'd)**

#### ***Other Information (cont'd)***

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 on this regard.

#### ***Responsibilities of Governing Council for the Financial Statements***

The Governing Council is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act, Charities Act and Regulations and FRSS, and for such internal control as the Governing Council 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, the Governing Council 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 the Governing Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Institute's Governing Council is responsible for 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 controls.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAGEMENT DEVELOPMENT INSTITUTE OF 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)*

- 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 Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Governing Council.
- Conclude on the appropriateness of Governing Council'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.
- 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 group audit. We remain solely responsible for our audit opinion.

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

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

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act and the Charities Act and Regulations to be kept by the Institute and the accounting and other records required by the Companies Act 1967 to be kept by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with those regulations and the Companies Act respectively.

Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

25 June 2025

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
For the financial year ended 31 December 2024

	Note	Accumulated Fund 2024 \$	Other Fund/ Reserve 2024 \$	Total 2024 \$	Total 2023 \$
Revenue	4	50,477,452	–	50,477,452	52,644,771
Cost of services		(17,629,339)	–	(17,629,339)	(19,836,771)
<b>Gross profit</b>		<b>32,848,113</b>	<b>–</b>	<b>32,848,113</b>	<b>32,808,000</b>
Other income and gains	5	144,966	–	144,966	4,244,312
Administrative expenses		(36,927,322)	(5,739,219)	(42,666,541)	(47,142,640)
Other expenses		(496,461)	–	(496,461)	(470,411)
<b>Results from operating activities</b>		<b>(4,430,704)</b>	<b>(5,739,219)</b>	<b>(10,169,923)</b>	<b>(10,560,739)</b>
Net finance income	6	1,810,166	–	1,810,166	1,411,705
Share of (loss)/profit of joint ventures		(1,050,570)	–	(1,050,570)	325,855
Share of (loss)/profit of an associate		(28,966)	–	(28,966)	93,728
<b>Deficit before tax</b>	7	<b>(3,700,074)</b>	<b>(5,739,219)</b>	<b>(9,439,293)</b>	<b>(8,729,451)</b>
Tax expense	8	(107,621)	–	(107,621)	(57,152)
<b>Deficit for the financial year</b>		<b>(3,807,695)</b>	<b>(5,739,219)</b>	<b>(9,546,914)</b>	<b>(8,786,603)</b>
<b>Deficit attributable to:</b>					
The Institute		(3,799,022)	(5,739,219)	(9,538,241)	(8,780,284)
Non-controlling interests		(8,673)	–	(8,673)	(6,319)
<b>Deficit for the financial year</b>		<b>(3,807,695)</b>	<b>(5,739,219)</b>	<b>(9,546,914)</b>	<b>(8,786,603)</b>
<b>Other comprehensive income/(loss)</b>					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences		–	4,654,072	4,654,072	(4,511,144)
Share of foreign currency translation differences of equity-accounted investees		–	(112,710)	(112,710)	(491,520)
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences		–	(4,530)	(4,530)	4,096
<b>Other comprehensive income/(loss) for the financial year, net of tax</b>		<b>–</b>	<b>4,536,832</b>	<b>4,536,832</b>	<b>(4,998,568)</b>
<b>Total comprehensive loss for the financial year</b>		<b>(3,807,695)</b>	<b>(1,202,387)</b>	<b>(5,010,082)</b>	<b>(13,785,171)</b>

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

**MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (cont'd)**  
**For the financial year ended 31 December 2024**

	Accumulated Fund 2024	Other Fund/ Reserve 2024	Total 2024	Total 2023
Note	\$	\$	\$	\$
<b>Total comprehensive loss attributable to:</b>				
The Institute	(3,799,022)	(1,197,857)	(4,996,879)	(13,782,948)
Non-controlling interests	(8,673)	(4,530)	(13,203)	(2,223)
	<hr/>			
<b>Total comprehensive loss for the financial year</b>	<b>(3,807,695)</b>	<b>(1,202,387)</b>	<b>(5,010,082)</b>	<b>(13,785,171)</b>
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The accompanying notes form an integral part of these financial statements.

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

At 31 December 2024

	Note	Group		Institute	
		2024 \$	2023 \$	2024 \$	2023 \$
<b>Non-current assets</b>					
Property, plant and equipment	9	109,855,320	82,990,962	21,662,445	538,549
Right-of-use assets	10	22,093,023	13,840,998	21,809,741	13,409,481
Intangible assets	11	266,489	1,318,796	244,485	733,455
Investment properties	12	704,884	19,131,131	704,884	19,131,131
Subsidiaries	13	–	–	89,702,342	109,563,742
Joint ventures	14	3,770,074	4,950,404	–	–
Associate	15	264,043	308,575	–	–
Financial assets at fair value through profit or loss	16	11,601,239	11,442,284	173,826	859,622
		<b>148,555,072</b>	133,983,150	<b>134,297,723</b>	144,235,980
<b>Current assets</b>					
Inventories	17	11,426	9,029	10,169	6,850
Trade receivables	18	16,261,616	10,907,037	15,434,557	10,253,275
Other receivables	19	5,979,917	7,451,766	63,375,137	72,210,193
Cash and cash equivalents	21	46,379,493	47,135,783	28,147,037	14,557,023
Pledged bank deposits	21	726,234	1,198,210	42,714	563,025
		<b>69,358,686</b>	66,701,825	<b>107,009,614</b>	97,590,366
<b>Total assets</b>		<b>217,913,758</b>	200,684,975	<b>241,307,337</b>	241,826,346
<b>Non-current liabilities</b>					
Lease liabilities	10	11,772,146	329,511	11,628,731	37,064
Deferred tax liabilities	22	656	5,587	–	–
Trade and other payables	23	2,724,005	2,572,345	–	–
		<b>14,496,807</b>	2,907,443	<b>11,628,731</b>	37,064
<b>Current liabilities</b>					
Trade and other payables	23	11,970,088	10,515,469	2,239,431	2,773,769
Contract liabilities	20	1,378,822	2,351,480	2,614	1,173
Lease liabilities	10	10,185,870	170,096	10,036,838	28,160
Derivative liability		158,467	–	–	–
Tax payable		35,737	42,438	–	–
		<b>23,728,984</b>	13,079,483	<b>12,278,883</b>	2,803,102
<b>Total liabilities</b>		<b>38,225,791</b>	15,986,926	<b>23,907,614</b>	2,840,166

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

**MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (cont'd)**  
**At 31 December 2024**

		<b>Group</b>		<b>Institute</b>	
	Note	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Funds</b>					
Accumulated Fund		<b>206,337,870</b>	210,136,892	<b>217,399,723</b>	233,246,961
Foreign currency translation reserve		<b>(26,564,511)</b>	(31,105,873)	–	–
Building Fund	24	–	5,739,219	–	5,739,219
		<b>179,773,359</b>	184,770,238	<b>217,399,723</b>	238,986,180
Non-controlling interests		<b>(85,392)</b>	(72,189)	–	–
<b>Total funds</b>		<b>179,687,967</b>	184,698,049	<b>217,399,723</b>	238,986,180
<b>Total funds and liabilities</b>		<b>217,913,758</b>	200,684,975	<b>241,307,337</b>	241,826,346

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS

For the financial year ended 31 December 2024

	Accumulated Fund \$	Foreign currency translation reserve \$	Building Fund \$	Total attributable to the Institute \$	Non- controlling interests \$	Total \$
<b>Group</b>						
At 1 January 2024	210,136,892	(31,105,873)	5,739,219	184,770,238	(72,189)	184,698,049
Deficit for the financial year	(3,799,022)	–	(5,739,219)	(9,538,241)	(8,673)	(9,546,914)
<b>Other comprehensive income/(loss)</b>						
Foreign currency translation differences	–	4,654,072	–	4,654,072	(4,530)	4,649,542
Share of foreign currency translation differences of equity-accounted investees	–	(112,710)	–	(112,710)	–	(112,710)
<b>Total comprehensive income/(loss) for the financial year</b>	(3,799,022)	4,541,362	(5,739,219)	(4,996,879)	(13,203)	(5,010,082)
<b>At 31 December 2024</b>	<b>206,337,870</b>	<b>(26,564,511)</b>	<b>–</b>	<b>179,773,359</b>	<b>(85,392)</b>	<b>179,687,967</b>

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS (cont'd)  
For the financial year ended 31 December 2024

	Accumulated Fund \$	Foreign Currency translation reserve \$	Building Fund \$	Total attributable to the Institute \$	Non- controlling interests \$	Total \$
<b>Group</b>						
Balance as at 1 January 2023	213,323,861	(26,103,209)	11,332,534	198,553,186	(69,966)	198,483,220
Deficit for the financial year	(3,186,969)	–	(5,593,315)	(8,780,284)	(6,319)	(8,786,603)
<b>Other comprehensive (loss)/income</b>						
Foreign currency translation differences	–	(4,511,144)	–	(4,511,144)	4,096	(4,507,048)
Share of foreign currency translation differences of equity-accounted investees	–	(491,520)	–	(491,520)	–	(491,520)
<b>Total comprehensive loss for the financial year</b>	(3,186,969)	(5,002,664)	(5,593,315)	(13,782,948)	(2,223)	(13,785,171)
At 31 December 2023	210,136,892	(31,105,873)	5,739,219	184,770,238	(72,189)	184,698,049

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

MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the financial year ended 31 December 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Deficit before tax		(9,439,293)	(8,729,451)
Adjustments for:			
Dividend income		(215,832)	(185,502)
Amortisation of intangible asset		502,519	494,532
Depreciation of property, plant and equipment		2,556,289	2,482,445
Depreciation of right-of-use assets		13,381,447	12,445,832
Depreciation of investment properties		28,192	265,077
Fair value gain on financial assets at fair value through profit or loss - net		(287,478)	(385,698)
Interest income		(1,599,800)	(1,238,026)
Interest expense on lease liabilities		21,051	11,823
Goodwill written off		551,045	–
Reversal of management fee income (net)		1,565,057	
Share of profit of joint ventures		1,050,570	(325,855)
Share of profit of an associate		28,966	(93,728)
Unrealised foreign exchange (gain)/loss		(1,315,822)	314,232
		<hr/>	<hr/>
Operating cash flows before working capital changes		6,826,911	5,055,681
<b>Changes in:</b>			
Trade receivables		(5,046,406)	(941,120)
Other receivables		(236,161)	(92,209)
Inventories		(2,396)	99,254
Trade and other payables		(179,828)	(960,126)
Contract liabilities		(972,658)	(2,069,896)
		<hr/>	<hr/>
<b>Cash generated from operations</b>		<b>389,462</b>	<b>1,091,584</b>
Taxes paid		(126,851)	(4,417)
		<hr/>	<hr/>
<b>Net cash generated from operating activities</b>		<b>262,611</b>	<b>1,087,167</b>
<b>Cash flows from investing activities</b>			
Interest received		1,739,602	1,276,379
Dividend received		215,832	185,502
Proceeds from disposal/redemption of financial assets at fair value through profit or loss		12,285,761	4,971,386
Purchase of property, plant and equipment (Note A)		(3,482,074)	(976,771)
Purchase of intangible asset		–	(38,427)
Purchase of financial assets at fair value through profit or loss		(11,998,770)	(4,194,540)
Dividend received from joint venture		–	111,705
		<hr/>	<hr/>
<b>Net cash (used in)/generated from investing activities</b>		<b>(1,239,649)</b>	<b>1,335,234</b>

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

**MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES**

**CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)  
For the financial year ended 31 December 2024**

	Note	2024 \$	2023 \$
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities - principal	10	(175,112)	(176,657)
Repayment of lease liabilities - interest	10	(21,051)	(11,823)
Decrease/(increase) in fixed deposits pledged		471,976	(31,030)
<b>Net cash generated from/(used in) financing activities</b>		<b>275,813</b>	(219,510)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(701,225)</b>	2,202,891
Cash and cash equivalents at 1 January		47,135,783	45,213,305
Effects of exchange rate fluctuations on cash and cash equivalents		(55,065)	(280,413)
<b>Cash and cash equivalents at 31 December</b>	21	<b>46,379,493</b>	47,135,783

**Note A:**

	2024 \$	2023 \$
Aggregate cost of property, plant and equipment acquired	5,258,713	976,771
Less: Asset contributed	(1,776,639)	-
<b>Net cash outflow for purchase of property, plant and equipment</b>	<b>3,482,074</b>	976,771

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

# MANAGEMENT DEVELOPMENT INSTITUTE OF SINGAPORE AND ITS SUBSIDIARIES

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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

### 1. Corporate information

Management Development Institute of Singapore (the “Institute”) is registered in the Republic of Singapore under the Societies Act 1966, with its principal place of business at 501 Stirling Road, Singapore 148951.

Its subsidiaries in Singapore are incorporated in the Republic of Singapore under the Singapore Companies Act 1967.

With effect from 23 August 1996, the Institute has been registered as a charity (Registration No. 1200) under the Singapore Charities Act 1994.

The Group is primarily involved in the arrangement of courses and seminars in the field of management and award of certificates, diplomas and degrees in respect of courses conducted. The principal activities of the subsidiaries and a branch of a subsidiary are disclosed in Note 13.

### 2. Material accounting policies

#### a) Basis of preparation

The financial statements, expressed in Singapore dollar (“\$”) which is the Institute’s functional currency, have been prepared in accordance with the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

#### *Use of estimates and judgements*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3.

The carrying amounts of trade receivables, other receivables, cash and cash equivalents, pledged bank deposits and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

## 2. Material accounting policies (cont'd)

### a) Basis of preparation (cont'd)

#### *New and revised standards that are adopted*

In the current financial year, the Group has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for the current financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new and revised FRS and INT FRS did not have any material effect on the financial results or position of the Group and the Institute.

#### *New and revised standards not yet effective*

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Institute.

### **FRS 118 Presentation and Disclosure in Financial Statements**

FRS 118 will replace FRS 1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for “operating profit”, “profit or loss before financing and income taxes”, and “profit or loss” in the statement of profit or loss.
- Management-defined performance measures (MPMs) are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the FRSs.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

### b) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

## 2. Material accounting policies (cont'd)

### b) Revenue recognition (cont'd)

*Fee from courses, seminars, training programmes and tuitions*  
*Membership subscriptions*

Revenue is recognised as a performance obligation satisfied over time and are recognised over the duration of the course and in the period during which service is provided, having regards to the stage of completion of the service. Unearned income relating to service to be rendered in future periods is included in contract liabilities.

*Sales of books, magazines and publications*

Revenue is recognised when the control of the goods has been transferred to its customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Payment of the transaction price is due immediately at the point the customer purchases the goods. No element of financing is deemed present as the consideration is repayable on delivery of goods.

*Registration fees*

Registration fees are recognised upon successful signing up of courses by students.

*Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be reliably measured.

### c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Institute and its subsidiaries as at the reporting date. Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

### d) Subsidiaries

In the Institute's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses, if any.

### e) Intangible assets

*Goodwill*

Goodwill is initially recognised at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

## 2. Material accounting policies (cont'd)

### e) Intangible assets (cont'd)

#### *Goodwill (cont'd)*

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### *Computer software*

The software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Direct expenditure, which enhances or extends the performance of computer software beyond its original specifications and which can be reliably measured, is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining computer software are recognised as an expense as incurred.

Computer software development costs and acquired computer software licences are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised using the straight-line method over their estimated useful lives of 5 to 10 years.

Software in the course of development, is carried at cost, less any recognised impairment loss until development is completed. Depreciation of these assets commences when the assets are ready for their intended use.

### f) Associated companies and joint ventures

An associated company is an entity over which the Group has significant influence but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist generally when the Group holds 20% or more but not exceeding 50% of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method of accounting, less impairment losses, if any.

Investments in associated companies and joint ventures are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Subsequent to initial recognition, the consolidated financial statements include the Group's share of the post-acquisition profit or loss and other comprehensive income of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

## 2. Material accounting policies (cont'd)

### f) Associated companies and joint ventures (cont'd)

Distributions received from associated companies and joint ventures are adjusted against the carrying amount of the investment. When the Group's share of losses in an associated company and joint venture equals or exceeds its interest in the associated company and joint venture, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations or has made payments on behalf of the associated company and joint venture.

In the Institute's financial statements, investments in associates and joint ventures are carried at cost less accumulated impairment loss. On disposal of investment in associates or joint ventures, the difference between the disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

### g) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. Freehold land is not depreciated. Depreciation of other property, plant and equipment is calculated on a straight-line basis to allocate the depreciable amount of property, plant and equipment over their expected useful lives.

The rates of depreciation used are:

Buildings	50 years
Office furniture, fittings and equipment	3 to 5 years
Office and other renovation	5 to 7 years
Computers	3 years
Audio and visual aids	3 years
Laboratory equipment	5 to 7 years
Hotel practicum facilities	5 to 7 years
Motor vehicle	5 years
Library books	10 years

No depreciation is provided on construction in progress until the construction is completed.

### h) Investment properties

Investment properties comprise commercial and residential properties that are held for long-term rental yields and/or for capital approach.

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life of 50 to 100 years.

### i) Income taxes

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly to equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly to equity respectively).

## **2. Material accounting policies (cont'd)**

### **i) Income taxes (cont'd)**

Current tax is the expected tax payable or recoverable on the taxable income for the current year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided using the liability method, on all temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

The Institute is a registered charity under the Singapore Charities Act and is exempted from income tax under the provisions of the Income Tax Act. Consequently, no provision for income tax has been made in the Institute's financial statements.

### **j) Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

### **k) Impairment of non-financial assets**

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## 2. Material accounting policies (cont'd)

### 1) Financial assets

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss (“FVTPL”).

The classification is based on the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group reclassifies financial assets when and only when its business model for managing those assets changes.

#### *Amortised cost*

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

#### *Fair value through profit or loss (“FVTPL”)*

Investments, comprising debt and equity instruments, that are managed by fund managers on a fair value portfolio basis are classified as financial assets at fair value through profit or loss and measured at their fair values.

Movements in their fair values are recognised in profit or loss in the period in which the changes arise and presented in “other income”.

#### ***Impairment***

The Group recognises an allowance for expected credit losses (“ECLs”) for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

## 2. Material accounting policies (cont'd)

### l) Financial assets (cont'd)

#### *Impairment (cont'd)*

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

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

### m) Financial liabilities

Financial liabilities include trade and other payables and lease liabilities. Financial liabilities are recognised on the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

### n) Funds

Unless specifically indicated, fund balances are not represented by any specific assets or liabilities but are represented by all assets of the Group.

### o) Leases

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

#### *When the Group is the lessee*

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. lease of office and warehouse space and office equipment). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

## 2. Material accounting policies (cont'd)

### o) Leases (cont'd)

#### *When the Group is the lessee (cont'd)*

##### *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 by using the rate implicit in the lease. If the rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

##### *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset as follows:

The rates of depreciation used are:

Land lease and leasehold properties	Over lease term
Office furniture, fittings and equipment	3 to 5 years
Office units	1 to 5 years
Equipments	1 to 5 years

The right-of-use assets are presented as a separate line in the statements of financial position.

#### *When the Group is the lessor*

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### p) Foreign currency

The financial statements are presented in Singapore Dollar, which is also the Institutes' functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

## **2. Material accounting policies (cont'd)**

### **p) Foreign currency (cont'd)**

#### ***Transactions and balances***

Transactions in foreign currencies are measured in the respective functional currencies of the Institute and its subsidiaries and are recorded on initial recognition in the functional currencies 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 end of the financial year. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the financial year are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

#### ***Consolidated financial statements***

For consolidation purpose, the assets and liabilities of foreign operations are translated into Singapore dollars at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated under foreign currency reserves. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

## **3. Critical accounting judgement and key sources of estimation uncertainty**

In the process of applying the Group's accounting policies which are described in Note 2, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements.

### ***Critical judgements in applying the Company's accounting policies***

#### ***Joint venture***

As disclosed in Note 14, the Group holds 51% interest in MDIS Tashkent LLC. Management has considered the contractual terms of the joint arrangement and assessed that the Group has joint control over MDIS Tashkent LLC and that the Group and the other joint venture party have rights to the net assets or liabilities of the joint venture under the arrangement. Accordingly, the arrangements is classified as a joint venture in accordance with FRS 111 *Joint Arrangements*.

### 3. Critical accounting judgement and key sources of estimation uncertainty (cont'd)

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### *Impairment of non-current assets (other than goodwill and other indefinite-life intangible assets)*

The Group and Institute will review the non-current assets for impairment whenever there are indicators of impairment. The Group and Institute also assess whether there is any indication that an impairment loss recognised in prior periods for non-current assets, other than goodwill, may no longer exist or may have decreased.

If any such indication exists, the Group and Institute estimate the recoverable amount of that asset. An impairment loss exists when the carrying value of an asset exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. An impairment loss recognised in prior periods shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit and a suitable discount rate in order to determine the present value of the cash flows. Where the recoverable amount is based on fair value less costs to sell, management has determined the fair value based on the valuations performed by an independent professional external valuer. The carrying values of the Group's and Institute's property, plant and equipment and right-of-use assets are disclosed in Notes 9 and 10. The carrying values of the Group's intangible assets with finite lives are disclosed in Note 11. The carrying amounts of the investments in subsidiaries are disclosed in Note 13. Changes in assumptions made and discount rate applied could affect the carrying values of these assets.

#### *Calculation of loss allowance*

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amounts of trade and other receivables. Details of ECL measurement and carrying value of trade and other receivables at reporting date are disclosed in Notes 18,19 and 28.

#### 4. Revenue

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Fee from courses, seminars, training programmes and tuitions	<b>41,912,751</b>	43,103,461
Registration fees	<b>444,907</b>	487,871
Membership subscriptions	<b>1,600</b>	900
Rental income from hostel accommodation	<b>7,663,038</b>	8,630,200
Others	<b>455,156</b>	422,339
	<b>50,477,452</b>	52,644,771
<hr/>		
<b>Primary geographical markets</b>		
Singapore	<b>45,924,166</b>	50,122,925
Malaysia	<b>4,359,001</b>	2,459,542
India	–	7,995
Dushanbe	<b>194,285</b>	54,309
	<b>50,477,452</b>	52,644,771
<hr/>		
<b>Timing of revenue recognition</b>		
Over time	<b>49,577,389</b>	51,734,561
At a point in time	<b>900,063</b>	910,210
	<b>50,477,452</b>	52,644,771
<hr/>		

#### 5. Other income and gains

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Car park income	<b>55,107</b>	73,601
Government grants	<b>28,446</b>	55,718
Management service income from a joint venture	–	788,999
Reversal of management service income in joint venture (net)	<b>(1,565,057)</b>	–
Other rental income	<b>614,073</b>	781,384
Rental income from investment properties	<b>362,900</b>	1,441,364
Financial assets at fair value through profit or loss		
- Net fair value gain	<b>287,478</b>	385,698
Others	<b>362,019</b>	717,548
	<b>144,966</b>	4,244,312
<hr/>		

## 6. Net finance income

	2024	Group	2023
	\$		\$
<b>Finance income/(costs)</b>			
Dividend income	215,832		185,502
Interest income on fixed deposits and cash at bank	1,599,800		1,238,026
Interest expense on lease liabilities	(21,051)		(11,823)
Others	15,585		–
	<b>1,810,166</b>		<b>1,411,705</b>

## 7. Deficit before tax

The following items have been included in arriving at deficit for the financial year:

	2024	Group	2023
	\$		\$
Audit fees			
- Auditors of the Company	164,500		85,000
- Other auditors - network firms	25,114		23,082
Non-audit fees			
- Auditors of the Company	18,700		18,700
- Other auditors - network firms	6,402		1,849
Employee benefits expense*	13,508,062		14,932,619
Amortisation of intangible asset (Note 11)	502,519		494,532
Depreciation of property, plant and equipment (Note 9)	2,556,289		2,482,445
Depreciation of right-of-use asset (Note 10)			
- Building Fund (Note 24)	5,739,219		5,593,315
- Accumulated Fund (Note 10)	7,642,228		6,852,517
Depreciation of investment properties (Note 12)	28,192		265,077
Goodwill written off	551,045		–
Impairment losses on trade receivables (Note 28)	32,559		1,398
Impairment losses on accrued billings	–		2,760
Net foreign exchange (gain)/loss	(1,145,539)		1,210,614
Short-term lease expenses	12,390		1,603
	<b>11,381,849</b>		<b>12,654,665</b>
<b>*Employee benefits expense:</b>			
Salaries, bonus and other staff costs	2,126,213		2,277,954
Contribution to defined contribution plans			
	<b>13,508,062</b>		<b>14,932,619</b>

## 8. Tax expense

	2024	Group 2023
	\$	\$
Tax expense		
- Current year	128,990	56,391
- (Over)/under provision in prior years	(26,300)	585
	<b>102,690</b>	<b>56,976</b>
Deferred tax expense		
- Current year	4,931	176
	<b>4,931</b>	<b>176</b>
	<b>107,621</b>	<b>57,152</b>
<b><i>Reconciliation of effective tax rate</i></b>		
Deficit before tax	<b>(9,439,293)</b>	<b>(8,729,451)</b>
Tax calculated using the Singapore tax rate of 17% (2023: 17%)	<b>(1,604,680)</b>	<b>(1,484,006)</b>
Tax exempt income	–	(244,600)
Non-deductible expenses	<b>470,251</b>	1,977,129
Effect of tax rate in foreign jurisdictions	<b>318,907</b>	(668,607)
Effect of results in equity-accounted investees presented net of tax	<b>178,597</b>	55,395
Utilisation of deferred tax assets previously not recognised	–	(106,099)
Deferred tax assets not recognised	<b>591,953</b>	552,472
Group tax relief	<b>(62,813)</b>	(45,551)
(Over)/under provision of current tax in previous financial year	<b>(26,300)</b>	585
Change in unrecognised temporary differences	<b>(4,366)</b>	–
Others	<b>246,072</b>	20,434
	<b>107,621</b>	<b>57,152</b>

**9. Property, plant and equipment**

Group Cost	Note	Freehold land \$	Office furniture, fittings and equipment \$		Office and other renovation \$	Computers \$	Audio and visual aids \$	Laboratory equipment \$	Hotel practicum facilities \$	Library books \$	Motor vehicle \$	Nursing equipment \$	Construction in progress \$	Total \$
			Leasehold properties \$											
At 1 January 2023		12,061,028	78,285,820	8,060,488	7,359,913	10,550,609	978,206	2,605,760	90,979	-	-	43,019	-	120,035,822
Additions		-	395,528	37,497	-	336,299	-	19,035	-	113,062	75,350	-	-	976,771
Write off		-	-	-	-	(1,280)	-	-	-	-	-	-	-	(1,280)
Translation difference on consolidation		(681,056)	(4,422,148)	(40,253)	(19,653)	(69,360)	(3,918)	-	-	(2,591)	(1,726)	-	-	(5,240,705)
At 31 December 2023		11,379,972	74,259,200	8,057,732	7,340,260	10,816,268	974,288	2,624,795	90,979	110,471	73,624	43,019	-	115,770,608
Additions		1,776,639	426,010	45,213	-	43,589	-	-	-	-	-	-	2,967,262	5,258,713
Reclassification from investment property		12	18,398,055	-	-	-	-	-	-	-	-	-	-	18,398,055
Write off		-	-	(258)	-	-	-	-	-	-	-	-	-	(258)
Translation difference on consolidation		665,217	4,878,653	(27,539)	30,579	105,075	3,827	-	-	12,529	4,309	-	-	5,672,650
At 31 December 2024		32,219,883	79,563,863	8,075,148	7,370,839	10,964,932	978,115	2,624,795	90,979	123,000	77,933	43,019	2,967,262	145,099,768

**9. Property, plant and equipment (cont'd)**

Group	Note	Freehold land	Office furniture, fittings and equipment							Total				
			Leasehold properties	Office and other renovation	Computers	Audio and visual aids	Laboratory equipment	Hotel practicum facilities	Library books		Motor vehicle	Nursing equipment	Construction in progress	
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$		
<b>Accumulated depreciation</b>														
At 1 January 2023		–	3,358,648	7,076,166	6,973,871	9,566,946	978,206	2,527,044	89,062	–	–	42,993	–	30,612,936
Depreciation charge for the financial year		–	1,576,337	265,485	121,593	417,067	–	35,989	500	–	–	28	–	2,482,445
Write off	7	–	–	–	–	(1,280)	–	–	–	–	–	–	–	(1,280)
Translation difference on consolidation		–	(217,140)	(18,860)	(19,973)	(53,063)	(3,918)	–	–	–	(1,154)	(2)	–	(314,455)
<b>At 31 December 2023</b>		–	4,717,845	7,322,791	7,075,491	9,929,670	974,288	2,563,033	89,562	–	14,725	43,019	–	32,779,646
Depreciation charge for the financial year		–	1,829,482	234,549	140,154	286,832	–	38,161	500	–	–	–	–	2,556,289
Write off	7	–	–	(78)	–	–	–	–	–	–	–	–	–	(78)
Translation difference on consolidation		–	356	(108,741)	20,186	(11,727)	3,827	–	–	–	1,399	–	–	(91,409)
<b>At 31 December 2024</b>		–	6,547,683	7,448,521	7,235,831	10,204,775	978,115	2,601,194	90,062	–	31,171	43,019	–	35,244,448
<b>Carrying amounts</b>														
At 31 December 2023		11,379,972	69,541,355	734,941	264,769	886,598	–	61,762	1,417	–	58,899	–	–	82,990,962
<b>At 31 December 2024</b>		32,219,883	73,016,180	626,627	135,008	760,157	–	23,601	917	–	46,762	–	2,967,262	109,855,320

**9. Property, plant and equipment (cont'd)**

<b>Institute</b>	Note	<b>Freehold land</b> \$	<b>Office furniture, and equipment</b> \$	<b>Office and other renovation</b> \$	<b>Computers</b> \$	<b>Audio and visual aids</b> \$	<b>Construction in progress</b> \$	<b>Total</b> \$
<b>Cost</b>								
At 1 January 2023		–	2,624,029	6,981,325	7,251,355	908,816	–	17,765,525
Additions		–	8,615	–	194,451	–	–	203,066
At 31 December 2023		–	2,632,644	6,981,325	7,445,806	908,816	–	17,968,591
Additions		–	–	–	30,804	–	2,967,262	2,998,066
Reclassification from investment property	12	18,398,055	–	–	–	–	–	18,398,055
<b>At 31 December 2024</b>		<b>18,398,055</b>	<b>2,632,644</b>	<b>6,981,325</b>	<b>7,476,610</b>	<b>908,816</b>	<b>2,967,262</b>	<b>39,364,712</b>
<b>Accumulated depreciation</b>								
At 1 January 2023		–	2,550,274	6,589,639	7,035,452	908,816	–	17,084,181
Depreciation charge for the financial year		–	57,760	121,593	166,508	–	–	345,861
At 31 December 2023		–	2,608,034	6,711,232	7,201,960	908,816	–	17,430,042
Depreciation charge for the financial year		–	17,357	121,167	133,701	–	–	272,225
<b>At 31 December 2024</b>		<b>–</b>	<b>2,625,391</b>	<b>6,832,399</b>	<b>7,335,661</b>	<b>908,816</b>	<b>–</b>	<b>17,702,267</b>
<b>Carrying amounts</b>								
At 31 December 2023		–	24,610	270,093	243,846	–	–	538,549
<b>At 31 December 2024</b>		<b>18,398,055</b>	<b>7,253</b>	<b>148,926</b>	<b>140,949</b>	<b>–</b>	<b>2,967,262</b>	<b>21,662,445</b>

## 10. Right-of-use assets and lease liabilities

### Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

- (i) In prior year, the Group has made an upfront payment to secure the right-of-use of the land lease and has paid for the construction costs of leasehold properties. The lease term of the 19 years' land lease expired in December 2024. During the current financial year, the lease has been extended from December 2024 to December 2027. These properties are used as the Group's head office, campus and hostel.
- (ii) In addition, the Group leases certain office units and office equipment with contractual terms of 1 to 5 years.

The maturity analysis of the lease liabilities is disclosed in Note 28(b).

Information about leases for which the Group is a lessee is presented below:

*Amounts recognised in statement of financial position*

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
Carrying amount of right-of-use assets				
- Land lease and leasehold properties	<b>21,541,603</b>	13,140,431	<b>21,541,603</b>	13,140,431
- Office furniture, fittings and equipment	<b>98</b>	98	<b>98</b>	98
- Office and other renovation	<b>212,315</b>	213,505	<b>212,315</b>	213,505
- Office units	<b>258,540</b>	406,777	-	-
- Equipment	<b>80,467</b>	80,187	<b>55,725</b>	55,447
	<b>22,093,023</b>	13,840,998	<b>21,809,741</b>	13,409,481
Carrying amount of lease liabilities				
- Current	<b>10,185,870</b>	170,096	<b>10,036,838</b>	28,160
- Non-current	<b>11,772,146</b>	329,511	<b>11,628,731</b>	37,064
	<b>21,958,016</b>	499,607	<b>21,665,569</b>	65,224
Additions to right-of-use assets	<b>21,633,521</b>	424,462	<b>21,633,521</b>	-



## 11. Intangible assets

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
Goodwill	–	551,045	–	–
Software	<b>266,489</b>	767,751	<b>244,485</b>	733,455
	<b>266,489</b>	1,318,796	<b>244,485</b>	733,455

### a) Goodwill

Goodwill arose from the acquisition of Service Quality Centre Pte Ltd (“SQC”). The carrying amounts of the assets and liabilities of SQC are identified as a single CGU.

The recoverable amount of the CGU is determined from value-in-use calculation. The key assumptions for the value-in-use calculation is those regarding the discount rate, growth rate and expected changes to course fee and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rate is based on the CGU’s historical trend and management’s industry growth forecasts. Changes in course fees and direct costs are based on past performances and management’s assessment of future trends and developments in the market.

The Group’s value-in-use calculation used cash flow forecasts derived from the most recent financial budgets approved by the Governing Council covering a five-years period. Revenue growth for the second to fifth years was projected taking into account the average growth levels experienced. The terminal growth rate applied rate does not exceed the average long-term growth rate for the relevant markets.

The pre-tax rate used to discount the forecast cash flows is 8.8% (2023: 8.8%).

Based on the impairment assessment performed by management during the current financial year, the goodwill is fully impaired to the recoverable amount of Nil.

### b) Computer software

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
<b>Cost</b>				
At 1 January	<b>2,484,789</b>	2,446,508	<b>2,444,849</b>	2,444,849
Additions	–	38,427	–	–
Currency translation differences	<b>1,257</b>	(146)	–	–
At 31 December	<b>2,486,046</b>	2,484,789	<b>2,444,849</b>	2,444,849
<b>Amortisation</b>				
At 1 January	<b>1,717,038</b>	1,222,506	<b>1,711,394</b>	1,222,424
Additions	<b>502,519</b>	494,532	<b>488,970</b>	488,970
At 31 December	<b>2,219,557</b>	1,717,038	<b>2,200,364</b>	1,711,394
<b>Net carrying amount</b>				
At 31 December	<b>266,489</b>	767,751	<b>244,485</b>	733,455

## 12. Investment properties

	<b>Group and Institute</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Cost</b>		
At 1 January	25,098,082	25,098,082
Reclassification to property, plant and equipment (Note 9)	(23,688,482)	–
At 31 December	<b>1,409,600</b>	25,098,082
<b>Accumulated depreciation</b>		
At 1 January	5,966,951	5,701,874
Depreciation charge for the financial year (Note 7)	28,192	265,077
Reclassification to property, plant and equipment (Note 9)	(5,290,427)	–
At 31 December	<b>704,716</b>	5,966,951
<b>Carrying amount</b>		
At 31 December	<b>704,884</b>	19,131,131
<b>Fair value</b>		
At 31 December	<b>4,030,000</b>	60,030,000

All of the Group's investment properties are freehold properties.

As at 31 December 2024, investment properties comprise residential properties leased to external customers and held for capital appreciation (2023: commercial and residential properties).

During the current financial year, an investment property with a carrying value of \$18,398,055 was reclassified to property, plant and equipment as the use of the property will be owner-occupied.

### *Measurement of fair values*

The fair values of the Group's investment properties are \$4,030,000 (2023: \$60,030,000). The fair values are based on fair values determined by the Governing Council as at 31 December 2024. The Governing Council drew reference to desk-top valuations performed by a professional valuer as at 31 December 2023 on a highest and best use basis (2023: based on desk-top valuations by a professional valuer). This fair value measurement for disclosure purposes is categorised in Level 3 of the fair value hierarchy.

## 13. Subsidiaries

	<b>Institute</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Equity investments at cost	1,000,000	1,000,000
Loans to subsidiaries	96,251,102	108,563,742
Less: Impairment	97,251,102 (7,548,760)	109,563,742 –
	<b>89,702,342</b>	109,563,742

Management determined that the loans to subsidiaries are quasi-equity in nature and are therefore included in the investments in subsidiaries. The quasi-equity loans have no repayment terms.

### 13. Subsidiaries (cont'd)

Details of subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Ownership interest	
			2024 %	2023 %
MDIS Holdings Ltd <sup>(1)(3)</sup>	Investment holding and carrying on the business of management development	Singapore	100	100
<i>Held through MDIS Holdings Ltd</i>				
MDIS International Pte Ltd <sup>(3),(5)</sup>	Investment holding and carrying on the business of management development	Singapore	100	100
MDIS Corporation Pte Ltd <sup>(3)</sup>	Investment holding and carrying on the business of providing training	Singapore	100	100
MDIS Residences Pte Ltd <sup>(3)</sup>	Carrying on the business of hostel operations	Singapore	100	100
<i>Held through MDIS International Pte Ltd</i>				
MDIS India Private Limited <sup>(6)</sup> ("MDIS India")	Carrying on the business of management development	India	100	100
MDIS (Malaysia) Sdn Bhd <sup>(4)</sup>	Carrying on the business of investment holding and consultancy services	Malaysia	100	100
MDIS Unicampus (Malaysia) Sdn Bhd <sup>(2)(4)</sup>	Carrying on the business of managing private higher educational institution	Malaysia	99	99
<i>Held through MDIS Corporation Pte Ltd</i>				
Management Development Institute of Singapore Pte Ltd <sup>(3)</sup>	Carrying on the business in of managing higher education programmes	Singapore	100	100
Service Quality Centre Pte Ltd <sup>(3)</sup>	Carrying on the business of management development	Singapore	100	100

### 13. Subsidiaries (cont'd)

Details of subsidiaries are as follows (cont'd):

- (1) MDIS Holdings Ltd is a company limited by guarantee and does not have share capital. The members of the subsidiary have undertaken to contribute \$100 towards the assets of the subsidiary in the event the subsidiary is wound up whilst they are still a member or within one year after they cease to be a member. As at 31 December 2024, the subsidiary had 3 (2023: 3) members, who are holding their interests in trust for the Institute. The Institute has provided a letter of indemnity to these members.
- (2) Consists of a 51% interest indirectly held through MDIS (Malaysia) Sdn. Bhd. and a 48% interest held through three individuals who hold the shares in trust on MDIS International's behalf.
- (3) Audited by Baker Tilly TFW LLP.
- (4) Audited by independent overseas member firms of Baker Tilly International.
- (5) MDIS International Pte Ltd also owns a branch registered in the Republic of Tajikistan ("Dushanbe branch"). The Dushanbe branch operates in Dushanbe and its principal activities are to perform educational activities. The financial information of Dushanbe branch has been included in the Group's financial statements.
- (6) MDIS India is dormant.

The Group does not have any subsidiaries with material non-controlling interest.

### 14. Joint ventures

	Group	
	2024	2023
	\$	\$
Interests in joint ventures	<b>3,770,074</b>	4,950,404

Details of the joint venture are set out below:

Name of joint venture	Principal activities	Country of incorporation	Ownership interest	
			2024 %	2023 %
MDIS Tashkent LLC <sup>(1)</sup>	Provision of educational and other academic services	Republic of Uzbekistan	51	51
MDIS - VELLS Education Pte. Ltd. <sup>(2)</sup>	Provision of educational and other academic services	Republic of India	51	51

(1) The financial statements for the financial year ended 31 December 2024 is audited by Parker Russell Uzbekistan. The financial statements as at 31 December 2023 was audited by HLB Tashkent.

(2) The above joint venture remained inactive as at 31 December 2024 and 2023.

#### 14. Joint ventures (cont'd)

The following table summarises the financial information of the Group's joint venture based on the financial statements of MDIS Tashkent LLC and prepared in accordance with FRS. Other than the abovementioned, the remaining joint venture is immaterial from the opinion of management.

	<b>MDIS Tashkent LLC</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Revenue	<b>15,379,991</b>	15,722,263
(Loss)/profit for the financial year <sup>(a)</sup>	<b>(2,059,942)</b>	638,931
Other comprehensive loss	<b>(221,000)</b>	(963,765)
<b>Total comprehensive loss</b>	<b>(2,280,942)</b>	(324,834)
Dividend received from joint venture	–	219,029
Non-current assets	<b>24,759,257</b>	16,402,933
Current assets <sup>(b)</sup>	<b>6,966,595</b>	8,520,713
Non-current liabilities	<b>(530,125)</b>	(179,411)
Current liabilities	<b>(23,803,425)</b>	(15,037,561)
<b>Net assets</b>	<b>7,392,302</b>	9,706,674
Group's share of net assets	<b>3,770,074</b>	4,950,404

<sup>(a)</sup> Includes:

- Depreciation and amortisation of \$664,365 (2023: \$681,884).
- Income tax expense of \$Nil (2023: \$154,364).

<sup>(b)</sup> Includes cash and cash equivalents of \$1,779,132 (2023: \$5,271,523).

#### 15. Associate

The following table summarises the carrying amount and share of loss and other comprehensive income of the associate that are accounted for using the equity method:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Carrying amount of interest in associate	<b>264,043</b>	308,575
Group's share of (loss)/profit from continuing operations, representing total comprehensive (loss)/income	<b>(28,966)</b>	93,728

## 15. Associate (cont'd)

Details of the associate are as follows:

Name of associate	Principal activities	Country of incorporation	Ownership interest	
			2024 %	2023 %
<i>Held directly by Service Quality Centre Pte Ltd</i>				
PT Service Quality Centre Indonesia <sup>(1)</sup>	Manpower management consultancy services	Indonesia	40	40

<sup>(1)</sup> The current year financial statements is audited by Moore Global Network Limited (Mirawati Sensi Idris). The prior year financial statements was audited by Crowe Horwath, Indonesia (Kosasi, Nurdiyaman, Mulyadi, Tjahjo & Rekan).

## 16. Financial assets at fair value through profit or loss

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
<b>Non-current</b>				
Quoted equity securities	3,101,979	5,355,382	173,826	859,622
Quoted debt securities	7,487,099	4,738,024	–	–
Quoted perpetual corporate notes	1,012,161	1,348,878	–	–
	<b>11,601,239</b>	<b>11,442,284</b>	<b>173,826</b>	<b>859,622</b>

The above financial assets are managed by fund managers on a fair value portfolio basis. Any movements in the fair values are recognised as gains or losses in the profit or loss.

The fair values of the financial assets at fair value through profit or loss are determined based on quoted market prices at the reporting date. These instruments are included in Level 1 of the fair value hierarchy.

## 17. Inventories

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
Trading supplies	10,169	6,850	10,169	6,850
Consumable materials	1,257	2,179	–	–
	<b>11,426</b>	<b>9,029</b>	<b>10,169</b>	<b>6,850</b>

### 18. Trade receivables

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
External parties	<b>983,874</b>	1,100,558	<b>85,695</b>	98,937
Amounts due from subsidiaries	–	–	<b>854,480</b>	14,360,213
Amount due from a joint venture	<b>15,460,022</b>	10,265,498	<b>15,460,022</b>	10,265,498
	<b>16,443,896</b>	11,366,056	<b>16,400,197</b>	24,724,648
- External parties	<b>(182,280)</b>	(459,019)	<b>(111,160)</b>	(111,160)
- Amounts due from subsidiaries	–	–	<b>(854,480)</b>	(14,360,213)
Less: Impairment losses	<b>(182,280)</b>	(459,019)	<b>(965,640)</b>	(14,471,373)
	<b>16,261,616</b>	10,907,037	<b>15,434,557</b>	10,253,275

The amounts due from subsidiaries and a joint venture are unsecured, interest-free and repayable on demand.

### 19. Other receivables

	Group		Institute	
	2024 \$	2023 \$	2024 \$	2023 \$
Amounts due from subsidiaries	–	–	<b>73,158,388</b>	70,369,097
Amount due from a joint venture	<b>2,447,294</b>	3,879,999	–	–
Amounts due from related corporations	<b>1,646,703</b>	1,009,016	<b>1,261,283</b>	623,596
Deposits	<b>428,100</b>	514,294	<b>195,960</b>	179,890
GST receivables	<b>110,048</b>	56,787	<b>110,048</b>	56,787
Interest receivables	<b>316,330</b>	456,132	<b>151,121</b>	108,665
Other receivables	<b>514,793</b>	660,126	<b>5,000</b>	207,137
	<b>5,463,268</b>	6,576,354	<b>74,881,800</b>	71,545,172
Prepayments	<b>516,649</b>	875,412	<b>349,452</b>	665,021
Less: Impairment loss - amount due from subsidiaries	–	–	<b>(11,856,115)</b>	–
	<b>5,979,917</b>	7,451,766	<b>63,375,137</b>	72,210,193

The amounts due from subsidiaries, a joint venture and related corporations are non-trade in nature, unsecured, interest-free and repayable on demand except for amounts due from subsidiaries as at 31 December 2024 of \$6,449,580 (2023: \$6,449,580) which bear interests ranging from 5% to 10% (2023: 5% to 10%) per annum.

## 20. Contract liabilities

The Group receives payments from customers based on a billing schedule as established in contracts. Contract assets relate to the Group's rights to consideration for services rendered but not billed at this reporting date. Contract liabilities relate to billings in excess of revenue recognised to-date and deferred revenue. Contract liabilities are recognised as revenue as (or when) the Group satisfies the performance obligations under its contracts.

The following table provides information about contract assets and contract liabilities from contracts with customers:

	Group			Institute		
	2024	2023	1.1.2023	2024	2023	1.1.2023
	\$	\$	\$	\$	\$	\$
Trade receivables from contracts with customers	983,874	1,100,558	1,096,203	85,695	98,937	108,456
Contract liabilities	1,378,822	2,351,480	4,428,707	2,614	1,173	3,360

## 21. Cash and cash equivalents

	Group		Institute	
	2024	2023	2024	2023
	\$	\$	\$	\$
Cash in hand	1,900	1,900	–	–
Cash at banks	10,233,555	15,915,339	776,220	985,795
Fixed deposits	36,144,038	31,218,544	27,370,817	13,571,228
Cash and cash equivalents in the consolidated statement of cash flows	46,379,493	47,135,783	28,147,037	14,557,023
Pledged bank deposits	726,234	1,198,210	42,714	563,025

Fixed deposits earn interests ranging from 1.5% to 5.10% (2023: 0.90 % to 5.30%) per annum and for tenures of 3 to 12 months (2023: 12 months). These deposits are considered as cash and cash equivalents as management is of the view that these deposits may be withdrawn as and when required without having to incur a penalty.

Pledged bank deposits relate to amounts pledged to certain banks as security for performance guarantees (Note 26).

## 22. Deferred tax asset/(liabilities)

The following are the deferred liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods:

	Balance as at 1 January 2023 \$	Recognised in profit or loss (Note 8) \$	Balance as at 31 December 2023 \$	Recognised in profit or loss (Note 8) \$	Balance as at 31 December 2024 \$
<b>Group</b>					
<b>Deferred tax liabilities</b>					
Property, plant and equipment	(5,763)	176	(5,587)	4,931	<b>(656)</b>

At the reporting date, deferred tax assets relating to the following temporary differences have not been recognised:

	<b>Group</b>	
	2024 \$	2023 \$
Unutilised tax losses	29,151,180	26,595,913
Other deductible temporary differences - property, plant and equipment	3,324,704	3,558,502
Others	(3,146)	807,517
	<b>32,472,738</b>	<b>30,961,932</b>

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the respective subsidiaries can utilise the benefits therefrom. The use of these tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

## 23. Trade and other payables

	<b>Group</b>		<b>Institute</b>	
	2024 \$	2023 \$	2024 \$	2023 \$
<b>Current</b>				
Trade payables	1,033,626	1,106,912	346,246	661,475
Accreditation fee payables	1,189,487	2,455,976	936,506	1,249,683
Other payables*	5,275,439	3,387,728	57,276	39,000
Accrued operating expenses	2,687,211	1,678,963	648,223	460,447
Deposit payables	1,784,325	1,885,890	251,180	144,861
Amount due to subsidiary (non-trade)	-	-	-	218,303
	<b>11,970,088</b>	<b>10,515,469</b>	<b>2,239,431</b>	<b>2,773,769</b>
<b>Non-current</b>				
Other payables	2,724,005	2,572,345	-	-

### 23. Trade and other payables (cont'd)

- \* Included in the Group's other payables is the amount due to other investing party of the MDIS Dushanbe Branch amounting to \$2,193,350 (2023: \$269,113) as at year end.

### 24. Building Fund

	<b>Group and Institute</b>	
	<b>2024</b>	<b>2023</b>
	\$	\$
<i>Building Fund - Asset Capitalisation Reserve</i>		
At beginning of the financial year	<b>5,739,219</b>	11,332,534
Depreciation of right-of-use assets (Note 10)	<b>(5,739,219)</b>	(5,593,315)
At end of the financial year	<b>–</b>	<b>5,739,219</b>

### 25. Operating leases

#### *Leases as lessor*

The Group leases out its investment properties to third parties. Each lease is generally for a period of one to five years (2023: one to five years) with an option to renew the lease after that date. No contingent rents are charged.

At the reporting date, the future minimum lease payments receivable for the Group and for the Institute under non-cancellable leases are as follows:

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
Lease payments payable:				
- Within 1 year	<b>147,000</b>	541,520	<b>91,000</b>	446,720
- Within 2 to 5 years	–	140,875	–	84,875
	<b>147,000</b>	682,395	<b>91,000</b>	531,595

### 26. Contingent liabilities

Details and estimates of maximum amounts of contingent liabilities are as follow:

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
Guarantees given to banks in favour of vendors in lieu of utilities and rental charges	<b>1,392,806</b>	1,050,916	<b>742,714</b>	520,941

## 27. Related parties

### *Key management personnel compensation*

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group.

Compensation paid and payable to key management personnel comprise:

	<b>Group</b>	
	<b>2024</b>	2023
	\$	\$
Short-term employee benefits	<b>1,344,610</b>	1,136,635
Post-employment benefits	<b>148,654</b>	115,494
Termination benefits	<b>52,073</b>	13,292
	<b>1,545,337</b>	1,265,421
Director fees paid to directors of subsidiaries	<b>96,000</b>	114,760

### *Related party transactions*

Related parties in these financial statements refer to charities or companies whose trustees or members are members of the Institute's Governing Council.

Transactions with entities in which the Governing Council members have direct/indirect interest:

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	\$	\$	\$	\$
Agent commissions	<b>132,045</b>	115,480	–	–
Legal and professional service	<b>13,760</b>	19,360	–	–
Security expenses	<b>685,884</b>	699,250	<b>418,700</b>	445,750

Transactions with Governing Council members, Senate and Audit Committee members:

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	\$	\$	\$	\$
Lecturer and trainer fee	<b>67,614</b>	103,925	–	–
Honorarium and sponsorships	<b>82,100</b>	107,891	<b>82,100</b>	107,891

## 27. Related parties (cont'd)

### *Other related party transactions*

Other than those disclosed elsewhere in the financial statements, transactions with related parties at terms agreed between the parties are as follows:

	Group		Institute	
	2024	2023	2024	2023
	\$	\$	\$	\$
<b>Joint venture</b>				
Academic fee income	<b>(8,546,790)</b>	(8,579,903)	<b>(8,546,790)</b>	(8,579,903)
Management service income	–	(775,982)	–	–
Dividend income	–	(111,705)	–	–
Academic service recharge	<b>(1,500,530)</b>	(1,693,897)	<b>(1,500,530)</b>	(1,693,897)
Reversal of management service income	<b>1,565,057</b>	–	–	–
<b>Related corporations</b>				
Accountancy fee income	<b>(18,000)</b>	(18,000)	<b>(18,000)</b>	(18,000)
Maintenance fee	<b>120,000</b>	207,137	<b>120,000</b>	207,137

## 28. Financial instruments

### a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	Group		Institute	
	2024	2023	2024	2023
	\$	\$	\$	\$
<i>Financial assets</i>				
Financial assets at amortised cost	<b>68,720,563</b>	65,760,597	<b>106,539,945</b>	96,861,708
Financial assets at fair value through profit or loss	<b>11,601,239</b>	11,442,284	<b>173,826</b>	859,622
<i>Financial liabilities</i>				
Financial liabilities at amortised cost	<b>35,687,523</b>	12,622,834	<b>23,891,272</b>	2,825,265
Financial derivatives	<b>158,467</b>	–	–	–

### b) Financial risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments.

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

The Group's activities expose it to a variety of financial risks including foreign currency risk, interest rate risk, credit risk, price risk, and liquidity risk. The Group and Institute's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

General risk management is determined and carried out by the Governing Council.

#### *Foreign currency risk*

The Group is exposed to foreign currency risk on revenue and expenses that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily the United States Dollar, British Pound and Malaysian Ringgit.

The Group and Institute's currency exposure of the other financial instruments based on information provided to key management is as follows:

	United States Dollar \$	British Pound \$	Malaysia Ringgit \$	Singapore Dollar \$
<b>Group</b>				
<b>2024</b>				
Financial assets at fair value through profit or loss	4,029,745	–	–	–
Cash and cash equivalents	16,034,675	2,578,655	2,602,970	–
Trade receivables	–	–	213,633	–
Other receivables	3,879,999	–	5,188,561	–
Trade and other payables	–	(2,455,976)	(7,081,419)	–
Intra-group payable	–	–	–	114,713,855
	<b>23,944,419</b>	<b>122,679</b>	<b>923,745</b>	<b>114,713,855</b>
<b>2023</b>				
Financial assets at fair value through profit or loss	4,029,745	1,484,952	–	–
Cash and cash equivalents	13,178,589	–	3,416,307	–
Trade receivables	–	–	29,248	–
Other receivables	3,879,999	–	3,561,296	–
Trade and other payables	–	(2,455,976)	(4,759,448)	–
Intra-group payable	–	–	–	114,995,193
	<b>21,088,333</b>	<b>(971,024)</b>	<b>2,247,403</b>	<b>114,995,193</b>
<b>Institute</b>				
<b>2024</b>				
Cash and cash equivalents	15,808,863	10,138	–	–
Trade and other payables	–	(1,249,683)	–	–
	<b>15,808,863</b>	<b>(1,239,545)</b>	<b>–</b>	<b>–</b>

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Foreign currency risk (cont'd)*

The Group and Institute's currency exposure of the other financial instruments based on information provided to key management is as follows (cont'd):

	<b>United States Dollar \$</b>	<b>British Pound \$</b>
<b>Institute</b>		
2023		
Cash and cash equivalents	12,583,011	29,332
Trade and other payables	–	(1,249,683)
	<hr/>	<hr/>
	12,583,011	(1,220,351)
	<hr/>	<hr/>

The Group's and the Institute's major foreign currency exposure against the respective functional currencies of the Group's entities and the Institute based on the information provided by key management is as follows:

	<b>Group Increase/ (decrease) in loss \$</b>	<b>Institute Increase/ (decrease) in loss \$</b>
<b>2024</b>		
USD/SGD		
- Strengthened 10%	(2,394,442)	(1,580,886)
- Weakened 10%	2,394,442	1,580,886
GBP/SGD		
- Strengthened 10%	(12,268)	123,955
- Weakened 10%	12,268	(123,955)
MYR/SGD		
- Strengthened 10%	(92,375)	–
- Weakened 10%	92,375	–
	<hr/>	<hr/>
2023		
USD/SGD		
- Strengthened 10%	(2,108,833)	(1,258,301)
- Weakened 10%	2,108,833	1,258,301
GBP/SGD		
- Strengthened 10%	97,102	122,035
- Weakened 10%	(97,102)	(122,035)
MYR/SGD		
- Strengthened 10%	224,740	–
- Weakened 10%	(224,740)	–
	<hr/>	<hr/>

If the SGD strengthened/weakened against the MYR by 10% the exchange difference arising from the intra-group payable will result in other comprehensive (loss)/income of \$11.5 million (2023: \$11.5 million) against the Group's foreign currency reserve.

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Interest rate risk*

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's policy is to minimise interest rate risk exposures while obtaining sufficient funds for business expansion and working capital needs. To achieve this, the Group regularly assesses and monitors its cash with reference to its business plans and day-to-day operations.

The Group's exposure to interest rate risk arises primarily its interest-bearing financial assets. If the interest rate increase/decrease by 1% with all other variable held constant, the impact to the loss will be decreased/increased by \$446,432 (2023: decreased/increased in the loss by \$374,527). The Group and Institute do not have significant interest-bearing financial liabilities.

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's maximum exposure to credit risk is represented by the carrying amounts of each financial asset on the statements of financial position.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

<b>Description of evaluation of financial assets</b>	<b>Basis for recognition and measurement of ECL</b>
Customer has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 1 year past due and there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, and reminders and warning letters issued for the debts due for more than 12 months	Write-off

#### *Significant increase in credit risk*

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

##### *Significant increase in credit risk (cont'd)*

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- significant increases in credit risk on other financial instruments of the same debtor.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the customer or counterparty; or
- information developed internally or obtained from external sources indicates that the customer or counterparty is unlikely to pay the Group, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

##### *Estimation techniques and significant assumptions*

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

At 31 December 2024, there was no significant concentration of credit risk for the Group and the Institute except for the amount due from a joint venture amounting to \$17,907,316 (2023: \$14,145,497) and the amounts due from subsidiaries of \$61,302,273 (2023: \$70,369,097) respectively (Notes 18 and 19).

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

#### *Estimation techniques and significant assumptions (cont'd)*

As the Group and the Institute do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of the financial instruments presented on the statements of financial position.

There are no movement in the allowance for impairment of financial assets under FRS 109 during the financial year for the Group and Institute except for the following:

	<b>Trade receivables \$</b>
<b>Group</b>	
Balance at 1 January 2023	459,718
Loss allowance measured:	
Lifetime ECL	
- Credit-impaired	1,398
Translation difference on consolidation	(2,096)
	<hr/>
Balance at 31 December 2023	459,019
Loss allowance measured:	
Lifetime ECL	
- Credit-impaired	32,559
Written off	(309,298)
	<hr/>
<b>Balance at 31 December 2024</b>	<b>182,280</b>

	<b>Trade receivables \$</b>	<b>Other receivables \$</b>	<b>Total \$</b>
<b>Institute</b>			
Balance at 1 January 2023	111,160	–	111,160
Lifetime ECL			
- Credit-impaired	14,360,213	–	14,360,213
	<hr/>		
Balance at 31 December 2023	14,471,373	–	14,471,373
Write off	(14,360,213)	–	(14,360,213)
Loss allowance measured:			
Lifetime ECL			
- Credit-impaired	854,480	11,856,115	12,710,595
	<hr/>		
<b>Balance at 31 December 2024</b>	<b>965,640</b>	<b>11,856,115</b>	<b>12,821,755</b>

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

##### *Trade receivables*

The Group has applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor.

##### *Credit quality of financial assets*

The table below details the credit quality of the Group's financial assets (other than trade receivables) as at 31 December 2024 and 31 December 2023:

<b>2024 Group</b>	<b>12-month or lifetime ECL</b>	<b>Gross carrying amount \$</b>	<b>Loss allowance \$</b>	<b>Net carrying amount \$</b>
Other receivables	12-month ECL	<b>5,353,220</b>	–	<b>5,353,220</b>
Pledged bank deposits	Not applicable (Exposure limited)	<b>726,234</b>	–	<b>726,234</b>
Cash and cash equivalents	Not applicable (Exposure limited)	<b>46,379,493</b>	–	<b>46,379,493</b>
<b>Institute</b>				
Other receivables	12-month ECL	<b>1,613,364</b>	–	<b>1,613,364</b>
	Lifetime ECL	<b>73,158,388</b>	<b>(11,856,115)</b>	<b>61,302,273</b>
Pledged bank deposits	Not applicable (Exposure limited)	<b>42,714</b>	–	<b>42,714</b>
Cash and cash equivalents	Not applicable (Exposure limited)	<b>28,147,037</b>	–	<b>28,147,037</b>

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

#### *Credit quality of financial assets (cont'd)*

The table below details the credit quality of the Group's financial assets (other than trade receivables) as at 31 December 2024 and 31 December 2023 (cont'd):

2023 Group	12-month or lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
Other receivables	12-month ECL	6,519,567	–	6,519,567
Pledged bank deposits	Not applicable (Exposure limited)	1,198,210	–	1,198,210
Cash and cash equivalents	Not applicable (Exposure limited)	47,135,783	–	47,135,783
<b>Institute</b>				
Other receivables	12-month ECL	1,119,288	–	1,119,288
	Lifetime ECL	70,369,097	–	70,369,097
Pledged bank deposits	Not applicable (Exposure limited)	563,025	–	563,025
Cash and cash equivalents	Not applicable (Exposure limited)	14,557,023	–	14,557,023

The credit loss exposure for other receivables, pledged bank deposits and cash and cash equivalents are immaterial as at 31 December 2024 and 31 December 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 another financial asset. As part of its overall prudent liquidity management, the Group maintains sufficient level of cash to meet its working capital requirement.

## 28. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Liquidity risk (cont'd)*

At the reporting date, the expected contractual undiscounted cash flows of the Group's trade and other payables are expected to occur within one year and are equivalent to their carrying amounts.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount \$	Contractual cash flows \$	Within 1 year \$	Within 2 to 5 years \$
<b>Group</b>				
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	(13,729,507)	(13,729,507)	(11,005,502)	(2,724,005)
Lease liabilities	(21,958,016)	(23,256,009)	(12,272,728)	(10,983,281)
<hr/>				
2023				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	(12,123,227)	(12,123,227)	(9,550,882)	(2,572,345)
Lease liabilities	(499,607)	(582,231)	(201,108)	(381,123)
<hr/>				
<b>Institute</b>				
<b>2024</b>				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	(2,225,703)	(2,225,703)	(2,225,703)	–
Lease liabilities	(21,665,569)	(22,789,919)	(12,112,528)	(10,677,391)
<hr/>				
2023				
<b>Non-derivative financial liabilities</b>				
Trade and other payables	(2,760,041)	(2,760,041)	(2,760,041)	–
Lease liabilities	(65,224)	(116,141)	(41,088)	(75,053)
<hr/>				

#### *Price risk*

Market price 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 prices (other than interest or exchange rates). The Group is exposed to price risk arising from its investment in quoted equity and debt instruments. These instruments are quoted on the SGX-ST in Singapore and overseas stock exchange and are classified as financial assets at fair value through profit or loss. To manage its price risk arising from investments in equity and debt securities, the Group diversifies its portfolio in accordance with the limits set by the Group.

## 28. Financial instruments (cont'd)

### b) Price risk (cont'd)

#### *Sensitivity analysis for equity price risk*

At the reporting date, 10% (2023: 10%) increase/decrease in the fair value of the financial assets at fair value through profit or loss at the reporting date would decrease/increase the Group's loss by \$1,160,124 (2023: \$1,144,228) respectively.

### c) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

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

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

#### *Quoted equity and debts securities*

The fair values of quoted equity and debts securities are based on quoted market prices at the reporting date. These instruments are included in Level 1 (Note 16).

#### **Asset that are not carried at fair value but which fair value are disclosed.**

#### *Investment properties*

#### *Valuation technique and significant unobservable input*

The following table shows the valuation technique used to determine fair value of investment properties, as well as the significant unobservable input used:

<b>Valuation technique</b>	<b>Significant unobservable input</b>
Adjusted sales comparison method	Adjusted comparable transacted price per square metre: The key unobservable input used is the transacted prices per square metre of comparable properties in close proximity based on recent market transactions. These recent transacted prices are subsequently adjusted to consider the size and floor level of the Group's property to those of the comparable properties sold to derive the fair value of the Group's investment properties. The estimated fair value increases with higher comparable price.

#### ***Fair values of financial instruments by classes that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value***

The carrying amounts of these financial assets and financial liabilities (excluding lease liabilities) whose carrying amounts measured at amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

## 29. Reserves management

The Group's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term. The Group's and Institute's capital comprises its funds as presented on the statements of financial position.

No changes are made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

## 30. Capital commitments

Capital commitments not provided for in the financial statements:

	<b>Group</b>		<b>Institute</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
Capital commitments in respect of property, plant and equipment	<b>37,452,413</b>	1,392,321	<b>36,425,738</b>	399,600

## 31. Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position of the Institute for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Governing Council dated 25 June 2025.

**“Imagination is more important than knowledge. For knowledge is limited, whereas imagination embraces the entire world, stimulating progress, giving birth to evolution.”**

**— *Albert Einstein* —**



**“Learn from yesterday.  
Live for today.  
Hope for tomorrow.”**

**- Albert Einstein -**



**“You are braver than  
you believe, stronger than  
you seem and smarter than  
you think.”**

**MDIS EDUCATION TRUST FUND**  
(Co. Reg. No. T02CC1562B)

**FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**31 DECEMBER 2024**

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## **MDIS EDUCATION TRUST FUND**

### **STATEMENT BY TRUSTEES**

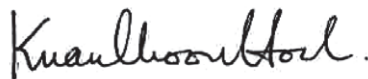
On behalf of the Trustees, we do hereby state that in our opinion, the financial statements of MDIS Education Trust Fund (the “Trust Fund”) as set out on pages 5 to 21 are properly drawn up in accordance with the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore (“FRSs”) so as to present fairly, in all material respects, the financial position of the Trust Fund as at 31 December 2024 and the financial performance, changes in funds and cash flows of the Trust Fund for the financial year then ended on that date.

On behalf of the Trustees



Gan Kuat Cheong, Winston  
Trustee

17 June 2025



Kuan Choon Hock, Eric  
Trustee

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MDIS EDUCATION TRUST FUND**

### **Report on the audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of MDIS Education Trust Fund (the "Trust Fund") as set up on pages 5 to 21, which comprise the statement of financial position as at 31 December 2024 and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Trust Fund as at 31 December 2024 and of the financial performance, changes in funds and cash flows of the Trust Fund 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 Trust Fund in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Other Information***

Trustees are responsible for the other information. The other information comprises the Statement by Trustees as set out on page 1.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MDIS EDUCATION TRUST FUND (cont'd)**

### **Report on the audit of the Financial Statements (cont'd)**

#### ***Responsibilities of Trustees for the Financial Statements***

Trustees are responsible for the preparation and fair presentation of these financial statements in accordance with the Charities Act and Regulations and FRSs, and for such internal control as the Trustees 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, Trustees are responsible for assessing the Trust Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust Fund or to cease operations, or has no realistic alternative but to do so.

The Trustees' responsibilities include overseeing the Trust Fund's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Trust Fund's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Trustees.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
MDIS EDUCATION TRUST FUND (cont'd)**

**Report on the Audit of the Financial Statements (cont'd)**

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

- Conclude on the appropriateness of Trustee'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 Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Baker Tilly TFW LLP  
Public Accountants and  
Chartered Accountants  
Singapore

17 June 2025

## MDIS EDUCATION TRUST FUND

### STATEMENT OF COMPREHENSIVE INCOME For the financial year ended 31 December 2024

	Education Fund	
	2024	2023
	\$	\$
<b>Income</b>		
Dividend income	46,332	92,082
Interest income from bonds	169,158	119,474
Interest income from fixed deposits	92,733	56,548
Fair value gain on financial assets at fair value through profit or loss	250,415	245,494
Other income	48,645	27,464
<b>Total income</b>	<b>607,283</b>	<b>541,062</b>
<b>Expenses</b>		
Auditors' remuneration	(3,496)	(3,468)
Administrative expenses	(18,000)	(18,000)
Bank charges	(64,348)	(36,873)
Maintenance of computer expenses	(240)	(240)
Telephone expenses	(240)	(240)
Utilities, cleaning and security expenses	(3,000)	(3,000)
<b>Total expenses</b>	<b>(89,324)</b>	<b>(61,821)</b>
<b>Surplus for the financial year</b>	<b>517,959</b>	<b>479,241</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Financial assets at fair value through other comprehensive income		
- Fair value gain - equity securities	3,141	107,703
<b>Other comprehensive income for the financial year</b>	<b>3,141</b>	<b>107,703</b>
<b>Total comprehensive income for the financial year</b>	<b>521,100</b>	<b>586,944</b>

There is no movement for Ramanathan and Nallammah Fund, Fancy Paper Fund and Modern Montessori Institute Fund in 2024 and 2023. Accordingly, the statement of comprehensive income for these funds are not presented above.

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

## MDIS EDUCATION TRUST FUND

### STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Note	2024 \$	2023 \$
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	3	<b>5,691,063</b>	6,677,291
Financial assets at fair value through other comprehensive income	4	–	1,875,412
		<b>5,691,063</b>	<b>8,552,703</b>
<b>Current assets</b>			
Interest receivables		<b>138,165</b>	48,717
Cash and cash equivalents	5	<b>9,443,744</b>	5,638,263
		<b>9,581,909</b>	<b>5,686,980</b>
<b>Total assets</b>		<b>15,272,972</b>	<b>14,239,683</b>
<b>Current liabilities</b>			
Accrued expenses		<b>3,210</b>	16,047
Amount due to related corporations	6	<b>1,534,041</b>	1,009,015
		<b>1,537,251</b>	<b>1,025,062</b>
<b>Funds</b>			
Ramanathan and Nallammah Fund	7	<b>100,000</b>	100,000
Fancy Paper Fund	8	<b>25,000</b>	25,000
Modern Montessori Institute Fund	9	<b>10,000</b>	10,000
Education Fund	10		
- Accumulated fund		<b>13,600,721</b>	13,121,174
- Fair value reserve		–	(41,553)
		<b>13,735,721</b>	<b>13,214,621</b>
<b>Total funds and liabilities</b>		<b>15,272,972</b>	<b>14,239,683</b>

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

**MDIS EDUCATION TRUST FUND**

**STATEMENT OF CHANGES IN FUNDS**  
For the financial year ended 31 December 2024

	Ramanathan and Nallamah Fund \$	Fancy Paper Fund \$	Modern Montessori Institute Fund \$	Education Fund Fair value reserve \$	Education Fund Accumulated Fund \$	Total \$
Balance at 1 January 2024	100,000	25,000	10,000	(41,553)	13,121,174	13,214,621
Surplus for the financial year	—	—	—	—	517,959	517,959
<b>Other comprehensive income</b>						
Fair value gain on financial assets at fair value through other comprehensive loss	—	—	—	3,141	—	3,141
<b>Total comprehensive income for the financial year</b>	—	—	—	3,141	517,959	521,100
Transfer upon disposal of investment	—	—	—	38,412	(38,412)	—
<b>Balance at 31 December 2024</b>	<b>100,000</b>	<b>25,000</b>	<b>10,000</b>	<b>—</b>	<b>13,600,721</b>	<b>13,735,721</b>
Balance at 1 January 2023	100,000	25,000	10,000	(149,256)	12,641,933	12,627,677
Surplus for the financial year	—	—	—	—	479,241	479,241
<b>Other comprehensive income</b>						
Fair value gain on financial assets at fair value through other comprehensive loss	—	—	—	107,703	—	107,703
<b>Total comprehensive income for the financial year</b>	—	—	—	107,703	479,241	586,944
Balance at 31 December 2023	100,000	25,000	10,000	(41,553)	13,121,174	13,214,621

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

## MDIS EDUCATION TRUST FUND

### STATEMENT OF CASH FLOWS For the financial year ended 31 December 2024

	Note	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Surplus for the financial year		<b>517,959</b>	479,241
Adjustments for:			
Fair value gain on financial assets at fair value through profit and loss		<b>(48,897)</b>	(245,494)
Gain on disposal of financial assets at fair value through profit or loss		<b>(201,518)</b>	–
Interest income from bonds		<b>(169,158)</b>	(119,474)
Interest income from fixed deposits		<b>(92,733)</b>	(56,548)
Dividend income		<b>(46,332)</b>	(92,082)
		<b>(40,679)</b>	(34,357)
Changes in accrued expenses		<b>(12,837)</b>	12,837
<b>Net cash used in operating activities</b>		<b>(53,516)</b>	(21,520)
<b>Cash flows from investing activities</b>			
Dividend received		<b>46,332</b>	92,082
Interest received from bonds and fixed deposits		<b>172,443</b>	187,163
Purchases of financial assets		<b>(7,426,226)</b>	(2,907,512)
Proceeds from disposal of financial assets		<b>10,541,422</b>	1,072,522
<b>Net cash generated from/(used in) investing activities</b>		<b>3,333,971</b>	(1,555,745)
<b>Cash flows from financing activity</b>			
Amounts received from related corporations, representing net cash generated from financing activity		<b>525,026</b>	24,998
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,805,481</b>	(1,552,267)
Cash and cash equivalents at beginning of financial year		<b>5,638,263</b>	7,190,530
<b>Cash and cash equivalents at end of financial year</b>	5	<b>9,443,744</b>	5,638,263

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

## MDIS EDUCATION TRUST FUND

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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

#### 1. Corporate information

MDIS Education Trust Fund (the 'Trust Fund') is domiciled in the Republic of Singapore. The address of the Trust Fund's registered office is 501 Stirling Road, Singapore 148951.

The Trust Fund is a trust formed by a trust deed dated 1 February 1999 and was registered under the Charities Act 1994 on 18 April 2002.

The principal activities of the Trust Fund is to further the education of students who are Singapore citizens or permanent residents by awarding scholarships, bursaries and loans tenable for courses conducted by Management Development Institute of Singapore or at any school, junior college, university or other educational establishment approved by the Trustees.

#### 2. Material accounting policies

##### a) Basis of preparation

The financial statements, expressed in Singapore dollar ("S\$") which is the Trust Fund's functional currency, have been prepared in accordance with the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

##### *Use of estimates and judgements*

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There were no significant 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 period.

The carrying amounts of cash and cash equivalents, receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

##### *New and revised standards that are adopted*

In the current financial year, the Trust Fund has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. Changes to the Trust Fund's accounting policies have been made as required in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial results or position of the Trust Fund.

## 2. Material accounting policies (cont'd)

### a) Basis of preparation (cont'd)

#### *New and revised standards not yet effective*

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Trust Fund except as disclosed below:

#### **FRS 118 Presentation and Disclosure in Financial Statements**

FRS 118 will replace FRS 1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for “operating profit”, “profit or loss before financing and income taxes”, and “profit or loss” in the statement of profit or loss.
- Management-defined performance measures (“MPMs”) are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the FRSs.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Trust Fund is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

### b) Revenue recognition

#### *Interest income*

Interest income is recognised using the effective interest method.

#### *Dividend income*

Dividend income is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Trust Fund, and the amount of the dividend can be reliably measured.

### c) Financial assets

#### *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Trust Fund commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Trust Fund has transferred substantially all risks and rewards of ownership.

## 2. Material accounting policies (cont'd)

### c) Financial assets (cont'd)

#### *Recognition and derecognition (cont'd)*

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

#### *Classification and measurement*

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Trust Fund classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through other comprehensive income (“FVOCI”); and
- Fair value through profit or loss (“FVTPL”).

The classification is based on the Trust Fund’s business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Trust Fund reclassifies financial assets when and only when its business model for managing those assets changes.

#### *Subsequent measurement*

##### Debt instruments

##### *Amortised cost*

Debt instruments include cash and cash equivalents and interest receivables. These are subsequently measured at amortised cost based on the Trust Fund’s business model for managing the asset and cash flow characteristics of the asset:

The Trust Fund measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

##### *Fair value through profit or loss (“FVTPL”)*

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVTPL. Movement in fair values and interest income are recognised in profit or loss in the period in which it arises and presented in statement of comprehensive income.

## 2. Material accounting policies (cont'd)

### c) Financial assets (cont'd)

#### *Subsequent measurement (cont'd)*

##### Equity instruments

The Trust Fund subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other income". For equity investments which are not held for trading or not a contingent consideration recognised by an acquirer in a business combination, the Trust Fund may make an irrevocable election (on an investment by investment basis) to designate equity investments as at FVOCI.

The Trust Fund has designated all of its equity investments that are not held for trading as at FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss except for equity investment designated at FVOCI which would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to education fund upon disposal. Dividends from equity investments are recognised in profit or loss and presented in "dividend income". Equity investments classified as FVOCI are not subject to impairment assessment.

##### *Impairment*

The Trust Fund recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Trust Fund expects to receive, discounted at an approximation of the original effective interest rate.

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

If the Trust Fund has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Trust fund measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Trust Fund recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

### d) Financial liabilities

Financial liabilities include accrued expenses and amount due to related corporations. Financial liabilities are recognised on the statement of financial position when, and only when, the Trust Fund becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

**2. Material accounting policies (cont'd)****d) Financial liabilities (cont'd)**

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

**e) Income taxes**

The Trust Fund is a registered charity and is exempted from income tax. Accordingly, no taxation is provided for by the Trust Fund.

**f) Funds**

Unless specifically indicated, fund balances are not represented by any specific assets or liabilities but are represented by all assets of the Trust Fund.

**3. Financial assets at fair value through profit or loss**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Non-current</b>		
Quoted debt securities	<b>4,347,753</b>	4,512,448
Quoted equity securities and equity funds	<b>1,343,310</b>	895,518
Quoted bond funds	–	1,269,325
	<b>5,691,063</b>	<b>6,677,291</b>

The above financial assets are managed by fund managers on a fair value portfolio basis. Any movements in the fair values are recognised as gains or losses on the profit and loss.

The fair values of these financial assets are determined based on quoted market prices at the end of the reporting period. These instruments are included in Level 1 of the fair value hierarchy.

**4. Financial assets at fair value through other comprehensive income**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Non-current</b>		
Quoted equity securities	–	1,875,412

Quoted equity securities represented equity interest in local and foreign companies. These investments in equity securities are not held for trading. Accordingly, in the previous financial year, the Trustees had elected to designate these investments in equity securities at fair value through other comprehensive income. It is the Trust Fund's strategy to hold this investment for long-term purposes.

The fair values of these financial assets were determined based on quoted market prices at the end of the reporting period. These instruments were included in Level 1 of the fair value hierarchy.

**5. Cash and cash equivalents**

	2024	2023
	\$	\$
Cash at banks	381,707	5,036,440
Fixed deposits	9,062,037	601,823
	<u>9,443,744</u>	<u>5,638,263</u>

As at the end of the reporting period, the fixed deposits earn interest ranging from 2.60% to 3.45% (2023: 0.35% to 3.90%) per annum and have a maturity range of 1 to 12 months (2023: 1 to 12 months). These deposits are considered as cash and cash equivalents as the trustees are of the view that these deposits may be withdrawn as and when required without having to incur a penalty fee.

**6. Amount due to related corporations**

The amount due to related corporations is non-trade, unsecured, interest-free and repayable on demand.

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2024	2023
	\$	\$
Balance at 1 January	1,009,015	984,017
Changes from financing cash flows:		
- Amounts received from related corporations	525,026	24,998
Balance at 31 December	<u>1,534,041</u>	<u>1,009,015</u>

**7. Ramanathan and Nallammah Fund**

This fund will be used to pay scholarship and bursary awards. The fund was contributed by R Theyvendran, PBM.

**8. Fancy Paper Fund**

This fund will be used to pay scholarship and bursary awards. The fund was contributed by Mr Chua Chen How.

**9. Modern Montessori Institute Fund**

This fund will be used to pay scholarship and bursary awards. The fund was contributed by Modern Montessori International.

**10. Education Fund**

Donations and contributions made to the Education Fund are retained as principal capital to be kept intact and preserved to earn income. Income and expenditure of the fund are taken to profit or loss. The interests earned from all fixed deposits of the Trust Fund are recorded in Education Fund.

The Education Fund includes fair value reserve arose from financial assets at fair value through other comprehensive income.

**11. Net assets of the Trust Fund**

	Ramanathan Nallammah Fund		Fancy Paper Fund		Modern Montessori Institute Fund		Education Fund		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Represented by:										
<b>Non-current assets</b>										
Financial assets at fair value through profit or loss	-	-	-	-	-	-	5,691,063	6,677,291	5,691,063	6,677,291
Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	1,875,412	-	1,875,412
	-	-	-	-	-	-	5,691,063	8,552,703	5,691,063	8,552,703
<b>Current assets</b>										
Interest receivables	-	-	-	-	-	-	138,165	48,717	138,165	48,717
Cash and cash equivalents	100,000	100,000	25,000	25,000	10,000	10,000	9,308,744	5,503,263	9,443,744	5,638,263
	100,000	100,000	25,000	25,000	10,000	10,000	9,446,909	5,551,980	9,581,909	5,686,980
<b>Current liabilities</b>										
Accrued expenses	-	-	-	-	-	-	(3,210)	(16,047)	(3,210)	(16,047)
Amount due to related corporations	-	-	-	-	-	-	(1,534,041)	(1,009,015)	(1,534,041)	(1,009,015)
	-	-	-	-	-	-	(1,537,251)	(1,025,062)	(1,537,251)	(1,025,062)
<b>Total net assets</b>	100,000	100,000	25,000	25,000	10,000	10,000	13,600,721	13,079,621	13,735,721	13,214,621

## 12. Commitments

Grant commitments not provided for in the financial statements:

	2024	2023
	\$	\$
Education Recovery Grant	<b>884,500</b>	884,500
Healthcare Workfare Grant	<b>126,000</b>	126,000

- a) The Trust Fund had committed to set up the Education Recovery Grant to support Singaporeans and Singapore Permanent Residents in embarking their education journey with MDIS for all pre-degrees and undergraduate degree courses.

As at 31 December 2024, total grants disbursed amounted to \$365,500 (2023: \$365,500).

- b) The Healthcare Workfare Grant was set up for nursing students. No disbursement had been made.

## 13. Related parties transactions

### *Key management personnel compensation*

Key management personnel of the Trust Fund are those persons having the authority and responsibility for planning, directing and controlling the activities of the Trust Fund. The Trustees are considered as key management personnel of the Trust Fund.

The Trustees are not paid any remuneration.

The Trust Fund does not have any staff in its employment for the years ended 31 December 2024 and 31 December 2023. The Trust Fund's administrative services were provided by Management Development Institute of Singapore ("MDIS"). MDIS is considered as a related party as the certain key management personnel of MDIS are also appointed as the Trustees of the Trust Fund.

### *Other related party transactions*

Other than disclosed elsewhere in the financial statements, the transactions with related parties are as follows:

	2024	2023
	\$	\$
Administrative expenses	<b>18,000</b>	18,000
Maintenance expenses	<b>240</b>	240
Utilities and telephone expenses	<b>3,240</b>	3,240
Fixed deposit placed on behalf of MDIS	<b>500,000</b>	–

## 14. Financial instruments

### a) Categories of financial instruments

Financial instruments at their carrying amounts at the end of the reporting period are as follows:

	2024	2023
	\$	\$
<i>Financial assets</i>		
Financial assets at fair value through profit or loss	5,691,063	6,677,291
Financial assets at fair value through other comprehensive income	–	1,875,412
Financial assets at amortised cost	<b>9,581,909</b>	5,686,980
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	<b>1,537,251</b>	1,025,062

### b) Financial risk management

The Trust Fund's overall risk management strategy seeks to minimise potential adverse effects on its financial performance. The risk management processes are reviewed annually by the Trustees and periodic reviews are undertaken to ensure that the Trust Fund's policy guidelines are complied with.

#### *Credit risk*

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust Fund. The Trust Fund's maximum exposure to credit risk is represented by the carrying amounts of each financial asset on the statement of financial position.

The following sets out the Trust Fund's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 1 year past due and there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Trust Fund has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, and reminders and warning letters issued for the debts due for more than 12 months	Write-off

## 14. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

##### *Significant increase in credit risk*

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Trust Fund compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Trust Fund considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

In particular, the Trust Fund considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations.
- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- significant increases in credit risk on other financial instruments of the same debtor.

The Trust Fund regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Trust Fund presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Trust Fund has reasonable and supportable information that demonstrates otherwise.

The Trust Fund also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

##### *Definition of default*

The Trust Fund considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Trust Fund, in full.

## 14. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Credit risk (cont'd)*

##### *Definition of default (cont'd)*

Irrespective of the above analysis, the Trust Fund considers that default has occurred when a financial asset is more than 30 days past due unless the Trust Fund has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

##### *Estimation techniques and significant assumptions*

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

As the Trust Fund does not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of the financial instruments presented on the statement of financial position.

The credit risk exposure for interest receivables and cash and cash equivalents under FRS 109 as at 31 December 2024 and 31 December 2023 is not material and accordingly no allowance for impairment is recognised as at 31 December 2024 and 31 December 2023.

##### *Interest rate risk*

The Company's exposure to interest rate risk is restricted to fixed deposits as in Note 5.

No interest rate sensitivity is disclosed as the exposure is not significant.

##### *Liquidity risk*

Liquidity risk is the risk that the Trust Fund will encounter difficulty in meeting financial obligations due to shortage of funds.

The Trustees exercise prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

The financial liabilities of the Trust Fund as presented on the statement of financial position are due within twelve months from the end of the reporting period and approximate the contractual undiscounted repayment obligations.

## 14. Financial instruments (cont'd)

### b) Financial risk management (cont'd)

#### *Price risk*

Market price risk is the risk that the fair value or future cash flows of the Trust Fund's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Trust Fund is exposed to price risk arising from its quoted investments. These instruments are quoted on both local and foreign markets and are classified as financial assets at fair value through other comprehensive income and fair value through profit or loss. To manage its price risk arising from these quoted investments, the Trust Fund diversifies its portfolio in accordance with the limits set by the Trust Fund.

#### *Sensitivity analysis for price risk*

At the end of the reporting period, if the prices of the Trust Fund's quoted investments change by 10% (2023: 10%) higher/lower with all other variables held constant, the Trust Fund fair value reserves and profit after tax would have been \$ Nil (2023: \$187,541) and \$569,106 (2023: \$667,729) higher/lower, arising as a result of an increase/decrease in the fair value of financial assets classified at FVOCI and FVTPL, respectively.

## 15. Fair values of assets and liabilities

### a) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

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

Fair values have been determined for measurement and/or disclosure purposes based on the following methods:

#### *Quoted instruments*

The fair values of quoted instruments are based on quoted market prices at the end of the reporting period. These instruments are included in Level 1 (Note 3 and 4).

#### *Fair value of financial instruments by classes that are not measured at fair value and whose carrying amounts are reasonable approximation of fair value*

The carrying amounts of these financial assets and financial liabilities whose carrying amounts measured at amortised cost basis approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

## **16. Reserves management**

The Trust Fund's objectives when managing its funds are to safeguard and maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term.

No changes are made in the objectives, policies or processes during the financial years ended 31 December 2024 and 31 December 2023.

## **17. Authorisation of financial statements**

The financial statements of the Trust Fund for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Trustees dated 17 June 2025.

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