

People's Association

Annual Consolidated Financial Statements
31 March 2025



People’s Association

Statement by the People’s Association and Consolidated Financial Statements

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People's Association

Statement by the Board of the People's Association

In our opinion,

- (a) the accompanying consolidated financial statements of People's Association (the "Association"), set out on pages 6 to 45 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Part 5 of 2018 (the "PSG Act"), the People's Association Act 1960 (the "PA Act"), the Singapore Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS") so as to present fairly, in all material respects, the financial position of the Association as at 31 March 2025 and the financial performance and changes in equity and cash flows of the Association for the year ended on that date;
- (b) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Association during the year are, in all material respects, in accordance with the provisions of the PSG Act, the PA Act and the requirements of any other written law applicable to moneys of or managed by the Association; and
- (c) proper accounting and other records have been kept, including records of all assets of the Association whether purchased, donated or otherwise.

On behalf of the Board of the People's Association,



Lawrence Wong
Chairman



Jimmy Toh
Chief Executive Director

19 September 2025

People's Association

Independent Auditor's Report to the People's Association

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the People's Association (the "Association") which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements are properly drawn up in accordance with the provisions of the PSG Act, the PA Act, the Charities Act and Regulations and SB-FRS so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2025 and the results and changes in equity of the Association and cash flows of the Association 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 Association in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Statement by the Board of the People's Association, but does not include the financial statements and our auditor's report thereon.

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

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

People's Association

Independent Auditor's Report to the People's Association

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the PSG Act, the PA Act, the Charities Act and Regulations and SB-FRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the consolidated financial statements, the Management is responsible for assessing the Association'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 there is intention to wind up the Association or for the Association to cease operations.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

People's Association

Independent Auditor's Report to the People's Association

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association'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 Association 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 Association as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Report on other legal and regulatory requirements

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Association during the year are, in all material respects, in accordance with the provisions of the PSG Act, the PA Act and the requirements of any other written law applicable to moneys of or managed by the Association; and
- (b) proper accounting and other records have been kept, including records of all assets of the Association whether purchased, donated or otherwise.

Basis for opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Association in accordance with the 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 on management's compliance.

People's Association

Independent Auditor's Report to the People's Association

Responsibilities of management for compliance with legal and regulatory requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the PA Act, and the requirements of any other written law applicable to moneys of or managed by the Association. This responsibility includes monitoring related compliance requirements relevant to the Association, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

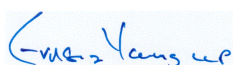
Auditor's responsibilities for the compliance audit

Our responsibility is to express an opinion on management's compliance based on our audit of the consolidated financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the PA Act and the requirements of any other written law applicable to moneys of or managed by the Association.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

Other matter

The financial statements of People's Association for the year ended 31 March 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 17 September 2024.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
19 September 2025

People's Association**Consolidated Statement of Financial Position
As at 31 March 2025**

	Note	2025 \$'000	2024 \$'000
Equity			
Capital	4	2,178,712	2,062,682
Accumulated surplus:			
- General funds		1,090,877	1,069,251
- Specific funds		253,014	258,867
		1,343,891	1,328,118
Total equity		3,522,603	3,390,800
Non-current assets			
Property, plant and equipment	5	1,404,123	1,305,116
Intangible assets	6	15,146	14,327
Right-of-use assets	7	162,155	153,800
Investments	8	300,000	300,000
Total non-current assets		1,881,424	1,773,243
Current assets			
Investments	8	608,765	589,453
Deposits, prepayments and other receivables	9	76,025	71,763
Cash and cash equivalents	10	1,982,320	2,057,177
Total current assets		2,667,110	2,718,393
Current liabilities			
Accruals and other payables	11	375,478	339,583
Unutilised subvention for land rental	12	595	595
Lease liabilities	13	51,484	50,626
Unutilised administrative grants	14	230,835	385,219
Development grants received in advance	15	168,052	130,408
Total current liabilities		826,444	906,431
Net current assets		1,840,666	1,811,962
Non-current liabilities			
Unutilised subvention for land rental	12	4,489	5,084
Lease liabilities	13	61,643	50,032
Deferred capital grants	16	131,019	136,727
Provision for restoration costs	17	2,336	2,562
Total non-current liabilities		199,487	194,405
Net assets of the Association		3,522,603	3,390,800
Net assets of Delegated Schemes Fund	18	3,965	3,926

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

People's Association**Consolidated Statement of Comprehensive Income
Year ended 31 March 2025**

	Note	General Funds		Specific Funds		Total	
		2025	2024	2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income							
Operating income	19	184,958	173,226	29,986	22,391	214,944	195,617
Other miscellaneous gains - net	19	92,598	89,163	8,504	7,833	101,102	96,996
		277,556	262,389	38,490	30,224	316,046	292,613
Less: Expenditure							
Administrative expenses	20	(555,602)	(468,311)	(5,548)	(4,606)	(561,150)	(472,917)
Subsidies and contributions		(10,147)	(7,418)	2,269	(24)	(7,878)	(7,442)
Activities and projects		(200,578)	(191,101)	(936,295)	(542,431)	(1,136,873)	(733,532)
Goods and services tax expense		(15,662)	(12,740)	(20)	—	(15,682)	(12,740)
Depreciation of property, plant and equipment	5	(75,130)	(77,014)	(42)	(46)	(75,172)	(77,060)
Amortisation of intangible assets	6	(5,756)	(3,573)	—	—	(5,756)	(3,573)
Depreciation of right-of-use assets	7	(69,860)	(67,482)	(7)	(7)	(69,867)	(67,489)
Loss on disposal of property, plant and equipment		(4,089)	(4,687)	(22)	(1)	(4,111)	(4,688)
Loss on disposal of intangible assets		—	(8)	—	—	—	(8)
Loss on disposal of right-of-use assets		(25)	—	—	—	(25)	—
		(936,849)	(832,334)	(939,665)	(547,115)	(1,876,514)	(1,379,449)
Deficit from operations		(659,293)	(569,945)	(901,175)	(516,891)	(1,560,468)	(1,086,836)
Grants from the Government	22	660,381	635,688	895,322	542,266	1,555,703	1,177,954
Amortisation of deferred capital grants	16	20,538	18,274	—	1	20,538	18,275
		680,919	653,962	895,322	542,267	1,576,241	1,196,229
Total surplus/(deficit) for the year		21,626	84,017	(5,853)	25,376	15,773	109,393
Transfer between general and specific funds		—	16,566	—	(16,566)	—	—
Total comprehensive income for the year		21,626	100,583	(5,853)	8,810	15,773	109,393

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

People's Association**Consolidated Statement of Changes in Equity**
Year ended 31 March 2025

	Note	Accumulated surplus				Total \$'000
		Capital \$'000	General Funds \$'000	Specific Funds \$'000	Sub-total \$'000	
Balance as at 1 April 2023		1,873,814	968,668	250,057	1,218,725	3,092,539
Surplus for the year		–	84,017	25,376	109,393	109,393
Transfer between general and specific funds		–	16,566	(16,566)	–	–
Total comprehensive income for the year		–	100,583	8,810	109,393	109,393
<i>Transaction with owners, recorded directly in equity:</i>						
Issuance of shares	4	188,868	–	–	–	188,868
Total transaction with owners		188,868	–	–	–	188,868
Balance as at 31 March 2023 and 1 April 2024		2,062,682	1,069,251	258,867	1,328,118	3,390,800
Surplus/(deficit) for the year		–	21,626	(5,853)	15,773	15,773
Total comprehensive income for the year		–	21,626	(5,853)	15,773	15,773
<i>Transaction with owners, recorded directly in equity:</i>						
Issuance of shares	4	116,030	–	–	–	116,030
Total transaction with owners		116,030	–	–	–	116,030
Balance as at 31 March 2025		2,178,712	1,090,877	253,014	1,343,891	3,522,603

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

People's Association**Consolidated Statement of Cash Flows**
Year ended 31 March 2025

	Note	2025 \$'000	2024 \$'000
Operating activities			
Total surplus for the year		15,773	109,393
Adjustments for:			
Grants from the Government	22	(1,555,703)	(1,177,954)
Amortisation of deferred capital grants	16	(20,538)	(18,275)
Amortisation of intangible assets	6	5,756	3,573
Depreciation of property, plant and equipment	5	75,172	77,060
Depreciation of right-of-use assets	7	69,867	67,489
Interest on lease liabilities	13	3,291	2,253
Interest income from fixed deposits	19	(34,944)	(41,279)
Interest income from Special Singapore Government Securities	19	(9,330)	(4,665)
Interest income from quoted debt securities	19	(15,093)	(14,763)
Dividend income from quoted equity securities	19	(1,135)	(1,791)
Loss on disposal of intangible assets		—	8
Loss on disposal of property, plant and equipment		4,111	4,688
Loss/(gain) on termination of lease		25	(3)
Net change in fair value of investments	19	(19,063)	(21,657)
Provision for restoration costs (net)	17	(226)	(44)
Operating cash flows before working capital changes		(1,482,037)	(1,015,967)
Changes in deposits, prepayments and other receivables		(2,183)	6,406
Changes in accruals and other payables		28,872	15,959
Net cash used in operating activities		(1,455,348)	(993,602)
Investing activities			
Interest received		57,244	55,207
Dividend received		1,179	1,766
Net payment for sale and purchase of financial assets at fair value through profit or loss		(249)	(17,394)
Purchase of Special Singapore Government Securities		—	(300,000)
Purchase of intangible assets	6	(7,183)	(5,835)
Purchase of property, plant and equipment	5	(170,659)	(94,884)
Net cash used in investing activities		(119,668)	(361,140)
Financing activities			
Grants received from the Government		1,484,024	1,284,057
Grants refunded to the Government	14	(30,827)	—
Proceeds from issuance of shares	4	116,030	188,868
Payment for principal portion of lease liabilities	13	(65,777)	(66,023)
Payment for interest portion of lease liabilities		(3,291)	(2,253)
Net cash from financing activities		1,500,159	1,404,649
Net (decrease)/increase in cash and cash equivalents		(74,857)	49,907
Cash and cash equivalents at 1 April		2,057,177	2,007,270
Cash and cash equivalents at 31 March		1,982,320	2,057,177

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

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

1. Corporate information

The People's Association (the "Association") was established on 1 July 1960 in the Republic of Singapore under the People's Association Act 1960 (the "PA Act"). The Association is a statutory board under the Ministry of Culture, Community and Youth ("MCCY"). The principal place of business and registered office is located at 9 King George's Avenue, Singapore 208581.

The Association's vision for the community is A Nation that Cares for Our Community. The mission of the Association is to Spark and Nurture Community Participation for a Caring and United Singapore.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with the provisions of the Public Sector (Governance) Act 2018, Part 5 of 2018 (the "PSG Act"), the PA Act, the Singapore Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes.

The consolidated financial statements have been prepared on the historical cost basis except otherwise described in the notes below.

These consolidated financial statements are presented in Singapore Dollars (\$) and all values in the tables are rounded to the nearest thousand ("'\$'000"), except where otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements of the Association include the financial statements of the Association's Headquarters and its entities which consist of the Community Development Councils ("CDCs"), Community Centres/Clubs Building Fund ("CCBF"), Community Development Fund ("CDF"), Grassroots Organisations ("GROs"), National Community Leadership Institute ("NACLI"), Our Tampines Hub ("OTH"), Heartbeat@Bedok ("Heartbeat"), Wisma Geylang Serai ("WGS"), One Punggol ("OP"), PAssion WaVe Outlets ("PWOs"), The Grassroots' Club ("TGC"), onePeople.sg ("OPSG") and Marine Parade Leadership Foundation ("MPLF"). The GROs comprise the Citizens' Consultative Committees ("CCCs"), Community Club Management Committees ("CCMCs"), Residents' Committees ("RCs"), Neighbourhood Committees ("NCs"), Residents' Network ("RNs"), Community Sports Network ("CSNs"), Community Emergency and Engagement Committees ("C2Es"), CCC Community Development and Welfare Fund ("CCC CDWF"), CCC Community Development Welfare and Building Fund ("CCC CDWBF") and their sub committees and various Co-ordinating Councils.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Entities are consolidated from the date of acquisition, being the date on which the Association obtains control, and continue to be consolidated until the date that such control ceases.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.3 *Adoption of new and amended standards and interpretations*

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Association has adopted all the new and revised standards and interpretations which are relevant to the Association and are effective for annual financial period beginning on or after 1 April 2024.

The adoption of these standards and interpretations did not have any material effect on the financial performance or position of the Association.

2.4 *Standards issued but not yet effective*

The Association have not adopted the following standards applicable to the Association that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SB-FRS 109: Financial Instruments and SB-FRS 107: Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to SB-FRS 109: Financial Instruments and SB-FRS 107: Financial Instruments: Disclosures: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to SB-FRSs — Volume 11	1 January 2026
SB-FRS 118: Presentation and Disclosure in Financial Statements	1 January 2027

Except for the below, management expects that the adoption of the standards and interpretation above will have no material impact on the financial statements in the year of initial application.

SB-FRS 118: Presentation and Disclosure in Financial Statements

SB-FRS 118: Presentation and Disclosure in Financial Statements replaces SB-FRS 1: Presentation of Financial Statements. SB-FRS 118 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements ("PFS") and the notes.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.4 Standards issued but not yet effective (cont'd)

SB-FRS 118: Presentation and Disclosure in Financial Statements (cont'd)

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

SB-FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SB-FRS 118 will apply retrospectively.

The amendments will have impact on the disclosure in the Association's consolidated financial statements but not on the measurement or recognition of any items in the Association's consolidated financial statements.

2.5 General funds and specific funds

Income and expenditure are generally accounted for under the general funds in the consolidated statement of comprehensive income.

The income and expenditure relating to funds that are set up for specific purposes are accounted for under specific funds in the consolidated statement of comprehensive income. The specific funds include the CDF, CDC Project Funds, CCBF, CCC Community Development and Welfare Funds, OPSG and MPLF. The purposes of these funds are to support activities, programmes and facilities for the promotion of social cohesion, racial harmony and civic responsibility; provide financial assistance to needy residents; and finance the construction of the new CCs and upgrading of existing CCs. The main sources of these funds are government grants, donations, proceeds from activities and fund-raising projects.

The net assets of the specific funds are represented by cash and cash equivalents, property, plant and equipment, investments, deposits, prepayment and other receivables, accrual and other payables, development grants received in advance, deferred capital grants and lease liabilities.

These Funds are designated as Institutions of a Public Character ("IPCs") which upon liquidation of the Funds, the remaining assets are required to be channelled to other charities or IPC Funds approved by the Association with the concurrence of Charities Unit, the Sector Administrator of the Funds.

The Association includes the financial statements of these IPC Funds in its consolidated financial statements as under the framework in which the Association operates, the Association is able to direct the residual assets to other IPC Funds under its control to fulfil similar objectives and purposes.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.6 *Trust and agency funds*

Trust and agency funds are government grants and contributions from other organisations where the Association is not the owner and beneficiary of the funds. The Association is merely administering the funds on behalf of the owners of these funds. Income and expenditure of these funds are taken to the funds accounts. The net assets relating to the funds are shown as a separate line item in the consolidated statement of financial position. Included in the trust and agency funds are the Ministry of Social and Family Development ("MSF") delegated schemes and programmes (collectively known as "Delegated Schemes Fund").

Trust and agency funds are accounted for on a cash basis.

2.7 *Income recognition*

Income is recognised to the extent that it is probable that the economic benefits will flow to the Association and the income can be reliably measured, regardless of when the payment is made. Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Income from activities and projects

Income from activities and projects is recognised over time during the financial year or where there is an enforceable right to receive. Contributions are recognised when there is reasonable assurance that the contributions will be received and all the attached conditions will be complied with.

Course fees

Course fees are recognised over time during the financial year as and when the courses are delivered.

Donations

Donations received are recognised at a point in time on a cash basis or where there is an enforceable right to receive.

Rental income

The Association's policy for recognition of income from operating leases is described in Note 2.15.

Interest income

Interest income is recognised over time, on a time proportion basis using the effective interest method.

Dividend income

Dividend income is recognised at a point in time when the Association's right to receive payment is established.

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Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.8 Grants

The Association receives various types of grants for its daily operating and development activities.

The types of grants received are as follows:

Operating grant

Operating grant is received or receivable from the Government to meet the current year's operating expenses.

Land grant

Land grant is received from the Government for the financing of land rental expenses.

Development grant

Development grant comprise monies received or receivable from the Government and other organisations for the purchase of depreciable assets or the financing of capital projects.

Administrative grant

Administrative grant is received or receivable from the grantors to administer the various programmes.

Government grants are recognised as income on an accrual basis and only when there is reasonable assurance that the Association will comply with the conditions attached to the grants and the grants will be received.

Where the operating, development and administrative grants are utilised for the purchase of depreciable assets, the grant amount is taken to the deferred capital grant account if the assets are capitalised, or to the consolidated statement of comprehensive income if the assets are expensed off in the year of purchase.

Land grant is recognised in the consolidated statement of comprehensive income to match the land rental expenses incurred.

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Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.9 *Property, plant and equipment*

Recognition and measurement

All items of property, plant and equipment ("PPE") are initially recognised at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of PPE includes its purchase price, capitalised borrowing cost and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset for purpose other than to produce inventories. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Items costing less than \$5,000 each are expensed off in the month of purchase.

When parts of an item of PPE have different useful lives, they are accounted for as separate items (major components) of PPE.

Subsequent expenditure

Subsequent expenditure relating to PPE that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in the consolidated statement of comprehensive income when incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. The Association adopts the component approach to depreciation whereby the amount initially recognised in respect of an item of PPE is allocated to its significant parts. Each significant part is depreciated separately if those parts have different useful lives.

Depreciation is recognised in the consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of PPE.

Community Club ("CC") buildings reside on land that are on tenancy agreements of one to three years and are depreciated over 30 years based on historical land lease renewal experience with the relevant authorities.

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

Buildings	-	15 to 50 years
Renovation	-	7 years
Machinery and equipment	-	3 to 25 years
Furniture and fittings	-	8 years

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.9 Property, plant and equipment (cont'd)

Depreciation (cont'd)

Heritage assets are not depreciated as the Management is of the opinion that the heritage assets have infinite useful lives.

Development projects-in-progress ("DPIP") are not depreciated until construction is completed and the assets are transferred to the appropriate categories of PPE and are available for use.

The residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of PPE is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal of PPE is determined as the difference between the sales proceeds and the carrying amount of the PPE, and is recognised in the consolidated statement of comprehensive income.

2.10 Intangible assets

Acquired computer software licenses are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Computer software costing less than \$5,000 is expensed off in the month of purchase.

Computer software is measured at cost less accumulated amortisation and accumulated impairment losses.

These costs are amortised to the consolidated statement of comprehensive income using the straight-line method over their estimated useful lives of three to five years.

Intangible assets included in DPIP are not amortised until construction is completed and the assets are transferred to the category of computer software and are available for use.

The estimated useful lives, residual values and amortisation method of intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the consolidated statement of comprehensive income in the year the asset is derecognised.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.11 *Impairment of non-financial assets*

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

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

Impairment losses are recognised in income or expenditure.

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

2.12 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

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

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

Receivables are measured at the amount of consideration to which the Association expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the receivables do not contain a significant financing component at initial recognition.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.12 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Association's business model for managing the asset and the contractual cash flow characteristics of the asset.

Amortised cost

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

Fair value through profit or loss

Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost are classified as FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

Equity instruments

The Association subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and income - net". Dividends from equity investments are recognised in profit or loss as "dividend income".

Derecognition

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

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.12 Financial instruments (cont'd)

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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

2.13 Impairment of financial assets

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

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

For receivables, the Association applies a simplified approach in calculating ECLs. Therefore, the Association does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Association has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Association considers a financial asset to be in default when internal or external information indicates that the Association is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Association. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.14 *Derivative financial instruments and hedging activities*

A derivative financial instrument is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

2.15 *Leases*

The Association as lessor

When the Association acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. Lease assets in which the Association does not transfer substantially all the risks and rewards of ownership of the lessor are classified as operating leases.

When a contract includes lease and non-lease components, the Association applies SB-FRS 115 to allocate the consideration under the contract to each component.

The Association applies the derecognition and impairment requirements in SB-FRS 109 to net investment in the lease.

The Association recognises lease payment received under operating leases as income on a straight-line basis over the lease term as part of 'rental income'.

Initial direct costs 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 leased term on the same basis as rental income.

The Association as lessee

The Association applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Association recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Association recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost, less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The cost of a right-of-use asset also includes an estimate of the costs to be incurred by the Association in dismantling and removing the underlying asset, restoring the site on which the asset is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. The Association, as a lessee, incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.15 Leases (cont'd)

The Association as lessee (cont'd)

Right-of-use assets (cont'd)

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Right-of-use assets are presented within "Property, plant and equipment" in Note 9 to the financial statements.

Lease liabilities

At the commencement date of the lease, the Association recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Association exercising that option.

For a contract that contains both lease and non-lease components, the Association allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

In calculating the present value of lease payments, the Association uses its incremental borrowing rate at the lease commencement date, if applicable, because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are measured at amortised cost using the effective interest method, if applicable. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Association's assessment of whether it will exercise an extension option; or
- There are modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in income or expenditure if the carrying amount of the right-of-use asset has been reduced to zero.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.15 Leases (cont'd)

The Association as lessee (cont'd)

Short-term leases and leases of low-value assets

The Association applies the short-term lease recognition exemption for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption for leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.16 Employee benefits

Defined contribution plans

The Association makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in consolidated statement of comprehensive income in the periods during which related services are rendered by employees.

Short-term employee benefits

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

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

2.17 Provisions

Provisions are recognised if, as a result of a past event, the Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.17 Provisions (cont'd)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for restoration costs

Where the Association's lease arrangements contain clauses requiring reinstatement of the leased land to its original condition at the end of the lease term, the Association recognises a provision for reinstatement costs when it is determined that the Association has a present legal obligation arising from past events, and when it is probable that an outflow of resources will be required to settle the obligation. The estimated reinstatement costs are recognised as part of the cost of the related leasehold improvements in accordance with SB-FRS 16 Property, Plant and Equipment. The provision is measured at the present value of expected future cash flows and adjusted for changes in estimates and discount rates.

Management monitors the lessor's historical practice with respect to restoration enforcement. Management considers reinstatement obligations to become probable only when the lessor communicates its intention to enforce, typically through the issuance of an advance notice. At that point, a provision is recognised in accordance with SB-FRS 37.

2.18 Tax

No tax is provided for as the Association is a tax exempted institution under Section 13(1)(e) with reference to the First Schedule (A19), of the Income Tax Act 1947.

2.19 Cash and cash equivalents in the statement of cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand and at bank, cash managed by the Accountant-General's Department ("AGD"), and short-term deposits with financial institutions that are readily convertible to cash and which are subject to an insignificant risk of changes in value.

Under the AGD's Circular No. 4/2009 AG(S) 0138/07, the Association participated in the AGD's centralised liquidity management initiative to centrally manage cash of all Ministries and Statutory Boards. As at 31 March 2025, the cash balances placed with AGD amounted to \$1,366,701,000 (2024: \$1,343,925,000). The Association's remaining cash balances are placed with banks and financial institutions which are regulated.

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

2. Material accounting policy information (cont'd)

2.20 Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Association at their functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in income or expenditure.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates 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 is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Association's accounting policies, which are described in Note 2, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 Management is of the opinion that there are no critical judgements or significant estimates that would have a significant effect on the amounts recognised in the consolidated financial statements.

4. Capital

	2025	2024	2025	2024
	Number of shares		Amount	
	'000	'000	\$'000	\$'000
At 1 April	2,062,682	1,873,814	2,062,682	1,873,814
Issuance of shares	116,030	188,868	116,030	188,868
At 31 March	2,178,712	2,062,682	2,178,712	2,062,682

During the financial year, the Association issued 116,030,000 (2024: 188,868,000) ordinary shares to the Ministry of Finance for a total consideration of \$116,030,000 (2024: \$188,868,000).

The holder of ordinary shares is entitled to receive dividends as and when declared annually, in accordance with the Finance Circular Minute No. M2/2024 issued by the Ministry of Finance.

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****5. Property, plant and equipment**

	Buildings \$'000	Renovation \$'000	Machinery and equipment \$'000	Furniture and fittings \$'000	Heritage assets \$'000	Development projects- in-progress \$'000	Total \$'000
Cost							
At 1 April 2023	1,357,439	13,589	277,283	55,927	342	273,306	1,977,886
Additions	2,377	1,155	1,989	3,691	–	126,914	136,126
Disposals	(12,740)	(39)	(16,865)	(15,817)	(29)	–	(45,490)
Transfers	51,798	598	14,272	100	–	(66,768)	–
At 31 March 2024	1,398,874	15,303	276,679	43,901	313	333,452	2,068,522
Additions	2,627	661	2,801	1,805	–	170,396	178,290
Disposals	(18,508)	(327)	(5,260)	(1,089)	–	(142)	(25,326)
Transfers	181,748	–	13,349	–	–	(195,097)	–
At 31 March 2025	1,564,741	15,637	287,569	44,617	313	308,609	2,221,486
Accumulated depreciation							
At 1 April 2023	485,109	10,850	181,274	41,708	–	–	718,941
Depreciation charge for the year	50,646	939	21,498	3,977	–	–	77,060
Disposals	(10,583)	(34)	(15,785)	(14,400)	–	–	(40,802)
At 31 March 2024	525,172	11,755	186,987	31,285	–	–	755,199
Depreciation charge for the year	49,900	752	20,956	3,564	–	–	75,172
Disposals	(7,413)	(285)	(4,315)	(995)	–	–	(13,008)
At 31 March 2025	567,659	12,222	203,628	33,854	–	–	817,363

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****5. Property, plant and equipment (cont'd)**

	Buildings \$'000	Renovation \$'000	Machinery and equipment \$'000	Furniture and fittings \$'000	Heritage assets \$'000	Development projects- in-progress \$'000	Total \$'000
Accumulated impairment:							
At 1 April 2023							
Impairment loss for the year	8,207	—	—	—	—	—	8,207
At 31 March 2024	8,207	—	—	—	—	—	8,207
Disposal	(8,207)	—	—	—	—	—	(8,207)
At 31 March 2025	—	—	—	—	—	—	—
Carrying amounts:							
At 31 March 2024	865,495	3,548	89,692	12,616	313	333,452	1,305,116
At 31 March 2025	997,082	3,415	83,941	10,763	313	308,609	1,404,123

Reconciliation of acquisition of property, plant and equipment

During the financial year ended 31 March 2025, the Association acquired property, plant and equipment amounting to \$178,290,000 (2024: \$136,126,000). As at year end, \$69,285,000 (2024: \$61,654,000) has not been paid at the end of the reporting period.

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****6. Intangible assets**

	Computer software \$'000	Development projects-in- progress \$'000	Total \$'000
Cost:			
At 1 April 2023	55,868	4,352	60,220
Additions	–	1,501	1,501
Disposals	(6,037)	–	(6,037)
Transfers	3,317	(3,317)	–
At 31 March 2024	53,148	2,536	55,684
Additions	33	6,542	6,575
Disposals	(2,002)	–	(2,002)
Transfers	8,062	(8,062)	–
At 31 March 2025	59,241	1,016	60,257
Accumulated amortisation:			
At 1 April 2023	43,813	–	43,813
Amortisation for the year	3,573	–	3,573
Disposals	(6,029)	–	(6,029)
At 31 March 2024	41,357	–	41,357
Amortisation for the year	5,756	–	5,756
Disposals	(2,002)	–	(2,002)
At 31 March 2025	45,111	–	45,111
Carrying amounts:			
At 31 March 2024	11,791	2,536	14,327
At 31 March 2025	14,130	1,016	15,146

Reconciliation of acquisition of intangible assets

During the financial year ended 31 March 2025, the Association acquired intangible assets amounting to \$6,575,000 (2024: \$1,501,000). As at year end, \$1,467,000 (2024: \$2,075,000) has not been paid at the end of the reporting period.

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****7. Right-of-use assets**

The Association leases several leasehold land, office space and void deck spaces with contract terms of varying years.

	Leasehold land \$'000	Office space \$'000	Others \$'000	Total \$'000
Cost:				
At 1 April 2023	397,242	6,910	19,193	423,345
Additions	52,942	2,862	–	55,804
Disposal	(787)	(3,442)	(4)	(4,233)
At 31 March 2024	449,397	6,330	19,189	474,916
Additions	75,725	101	2,632	78,458
Disposal	(1,640)	(100)	(69)	(1,809)
At 31 March 2025	523,482	6,331	21,752	551,565
Accumulated amortisation:				
At 1 April 2023	246,289	6,194	4,817	257,300
Depreciation charge for the year	65,136	941	1,412	67,489
Disposals	(313)	(3,356)	(4)	(3,673)
At 31 March 2024	311,112	3,779	6,225	321,116
Depreciation charge for the year	66,888	990	1,989	69,867
Disposals	(1,410)	(100)	(63)	(1,573)
At 31 March 2025	376,590	4,669	8,151	389,410
Carrying amounts:				
At 31 March 2024	138,285	2,551	12,964	153,800
At 31 March 2025	146,892	1,662	13,601	162,155

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****8. Investments**

	2025 \$'000	2024 \$'000
Financial assets at amortised cost:		
<i>Non-current:</i>		
Special Singapore Government Securities	300,000	300,000

The Association invested in fixed rate Special Singapore Government Securities. The interest rate on these securities is 3.11% (2024: 3.11%) per annum for a tenure of 3 years.

The fair value of the financial assets carried at amortised cost approximate their carrying amounts.

	2025 \$'000	2024 \$'000
Financial assets at fair value through profit or loss:		
<i>Current:</i>		
Quoted equity securities	121,690	124,613
Quoted debt securities	485,322	463,766
Net derivative financial assets	1,753	1,074
	608,765	589,453

The financial assets are externally managed and comprised funds placed with three professional fund managers. The investment management agreements with these fund managers will mature on 31 March 2027. The fund managers invest the funds within guidelines established by the Association. The Investment Advisory Committee of the Association and the fund managers hold quarterly meetings to review the performance of the funds.

The Association's exposure to market and credit risks related to investments is disclosed in Note 24.

9. Deposits, prepayments and other receivables

	2025 \$'000	2024 \$'000
Deposits	2,908	2,585
Prepayments	2,693	2,183
Interest income receivable	26,681	24,558
Dividend income receivable	70	114
Amounts due from other organisations	19,183	24,189
Other receivables	24,490	18,134
	76,025	71,763

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****9. Deposits, prepayments and other receivables (cont'd)**

Other organisations include Ministries, Statutory Boards and other government agencies. Amounts due from other organisations are unsecured, interest-free and repayable on demand.

The Association's exposure to credit risk related to loans and receivables is disclosed in Note 24.

10. Cash and cash equivalents

	2025 \$'000	2024 \$'000
Balance with Accountant-General's Department ("AGD")	1,366,701	1,343,925
Cash with external fund managers	37,899	27,345
Fixed deposits	175,670	170,449
Cash at bank and on hand	402,050	515,458
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Cash and cash equivalents in the consolidated statement of cash flows	1,982,320	2,057,177
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Balances with AGD refers to cash that is managed by AGD as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries. During the financial year ended 31 March 2025, the average interest rate of the deposits with the AGD is 3.08% (2024: 3.38%) per annum.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Fixed deposits earn interest at the respective short-term deposit rates.

The Association's exposure to market, credit and liquidity risks is disclosed in Note 24.

11. Accruals and other payables

	2025 \$'000	2024 \$'000
Accruals for operating expenses	97,367	90,208
Security and miscellaneous deposits	15,739	14,292
Amounts due to other organisations	181,016	161,592
Accruals for development projects	63,981	58,419
Other payables	17,375	15,072
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	375,478	339,583
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People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

11. Accruals and other payables (cont'd)

The amounts due to other organisations include monies received in advance from government bodies as the Association makes payments on behalf of these government bodies for shared costs which include cyclical maintenance costs and building costs. Amounts due to other organisations are unsecured, interest-free and repayable on demand.

The Association's exposure to liquidity risk related to accruals and other payables is disclosed in Note 24.

12. Unutilised subvention for land rental

	2025 \$'000	2024 \$'000
At 1 April	5,679	6,274
Grants utilised during the year (Note 22)	(595)	(595)
At 31 March	5,084	5,679
Represented by:		
Non-current portion	4,489	5,084
Current portion	595	595
	5,084	5,679

13. Lease liabilities

	2025 \$'000	2024 \$'000
Maturity analysis:		
Within one year	53,718	51,966
Between one and five years	57,229	44,596
More than five years	6,315	7,636
	117,262	104,198
Less: Unearned interest	(4,135)	(3,540)
At 31 March	113,127	100,658
Represented by:		
Non-current portion	61,643	50,032
Current portion	51,484	50,626
	113,127	100,658

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****13. Lease liabilities (cont'd)**Reconciliation of liabilities arising from financing activities

The table below details changes in the Association's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be classified in the Association's consolidated statement of cash flows as cash flows from financing activities.

	2025 \$'000
Balance as at 1 April 2024	100,658
Payment for principal portion of lease liabilities	(65,777)
Total changes from financing cash flows	(65,777)
Payment for interest portion of lease liabilities	(3,291)
New leases	78,457
Termination of lease	(211)
Interest on lease liabilities	3,291
Balance as at 31 March 2025 (Note 13)	113,127
	2024 \$'000
Balance as at 1 April 2023	111,440
Payment for principal portion of lease liabilities	(66,023)
Total changes from financing cash flows	(66,023)
Payment for interest portion of lease liabilities	(2,253)
New leases	55,804
Termination of lease	(563)
Interest on lease liabilities	2,253
Balance as at 31 March 2024 (Note 13)	100,658

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****14. Unutilised administrative grants**

	2025 \$'000	2024 \$'000
At 1 April	385,219	301,640
Grants received or receivable during the year	844,851	694,826
Grants refunded during the year	(30,827)	—
Grants utilised during the year (Note 22)	(968,408)	(611,247)
At 31 March	230,835	385,219

The unutilised administrative grants balance includes the CDC Voucher Scheme which is an assistance scheme to help Singapore citizens defray cost of living or help in daily expenses. As at 31 March 2025, the unutilised administrative grants balance relating to the CDC Voucher Scheme was \$157,043,000 (2024: \$350,910,000).

15. Development grants received in advance

	2025 \$'000	2024 \$'000
At 1 April	130,408	112,646
Grants received during the year	40,457	18,604
Transfer to deferred capital grants (Note 16)	(2,223)	—
Grants utilised during the year (Note 22)	(590)	(842)
At 31 March	168,052	130,408

16. Deferred capital grants

	2025 \$'000	2024 \$'000
At 1 April	136,727	149,645
Transfer from		
Operating grants (Note 22)	12,607	5,357
Development grants (Note 15)	2,223	—
Amortisation of deferred capital grants	(20,538)	(18,275)
At 31 March	131,019	136,727

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****17. Provision for restoration costs**

	2025 \$'000	2024 \$'000
At 1 April	2,562	2,606
Provision made during the year	74	301
Provision reversed during the year	(300)	(345)
At 31 March	2,336	2,562
Provision for restoration costs: Non-current	2,336	2,562

18. Net assets of delegated schemes fund

The statement of receipts and payments and consolidated statement of financial position of Delegated Schemes Fund for the financial years ended 31 March 2025 and 2024 are as follows:

(a) Statement of receipts and payments

	2025 \$'000	2024 \$'000
Receipts		
Grants for:		
Social Assistance ("SA") Schemes	964	1,197
Less: Payments		
Payments for:		
SA Schemes	(925)	(1,169)
Surplus for the year	39	28
Accumulated surplus at the beginning of the year	3,926	3,898
Accumulated surplus at the end of the year	3,965	3,926

People’s Association

Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025

18. Net assets of delegated schemes fund (cont’d)

(b) Consolidated statement of financial position

	2025 \$'000	2024 \$'000
Accumulated surplus	3,965	3,926
Represented by:		
Current assets		
Cash and cash equivalents	3,965	3,926
Net assets of Delegated Schemes Fund	3,965	3,926

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****19. Operating income and other miscellaneous gains**

	General Funds		Specific Funds		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating income:						
Course fees	44,758	42,786	–	–	44,758	42,786
Rental income	81,951	77,777	460	398	82,411	78,175
Donations	12,744	9,895	22,036	20,595	34,780	30,490
Income from activities and projects	45,505	42,768	7,490	1,398	52,995	44,166
	184,958	173,226	29,986	22,391	214,944	195,617
Other miscellaneous gains						
Interest income from fixed deposits	27,322	33,942	7,622	7,337	34,944	41,279
Interest income from quoted debt securities	15,024	14,700	69	63	15,093	14,763
Dividend income from quoted equity securities	1,128	1,783	7	8	1,135	1,791
Interest income from Special Singapore Government Securities	9,330	4,665	–	–	9,330	4,665
Fair value changes on financial assets at fair value through profit or loss:						
(Loss)/gain on foreign exchange	(948)	332	(12)	3	(960)	335
Fair value (loss)/gain on hedging	(1,610)	(4,754)	6	(10)	(1,604)	(4,764)
Fair value gain on investments	21,560	26,004	67	82	21,627	26,086
	19,002	21,582	61	75	19,063	21,657
Others	20,792	12,491	745	350	21,537	12,841
	92,598	89,163	8,504	7,833	101,102	96,996

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****20. Administrative expenses**

	General Funds		Specific Funds		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Employee benefit expenses (Note 21)	345,154	287,840	739	685	345,893	288,525
Rental expense:						
Land	75	17	—	—	75	17
Others	7,513	7,484	108	72	7,621	7,556
Professional services	78,724	62,121	3,169	2,902	81,893	65,023
Repairs and maintenance	78,990	70,485	381	135	79,371	70,620
Supplies and materials	6,802	5,798	28	32	6,830	5,830
Communications	9,530	7,664	33	11	9,563	7,675
Utilities	14,772	15,983	108	106	14,880	16,089
Other expenses	14,042	10,919	982	663	15,024	11,582
	555,602	468,311	5,548	4,606	561,150	472,917

21. Employee benefit expense

	General Funds		Specific Funds		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Wages and salaries	296,123	245,000	618	572	296,741	245,572
Contributions to Central Provident Fund	42,906	37,885	117	109	43,023	37,994
Pension contributions and gratuities	1	1	—	—	1	1
Other staff benefits	6,124	4,954	4	4	6,128	4,958
	345,154	287,840	739	685	345,893	288,525

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

21. Employee benefit expense (cont'd)

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

The key management's remuneration includes fees, salaries, bonus and other emoluments (including benefits-in-kind) computed based on the cost incurred by the Association, and where the Association did not incur any costs, the value of the benefits. The key management's remuneration was as follows:

	2025 \$'000	2024 \$'000
Salaries and other short-term employee benefits	5,124	3,400
Defined contribution plans	191	172
	<u>5,315</u>	<u>3,572</u>

22. Grants from the government

The Association receives various types of grants from the Government to meet its operating and development expenditure.

	2025 \$'000	2024 \$'000
Operating grants received or receivable during the year	526,936	507,272
Transfer to deferred capital grants (Note 16)	(12,607)	(5,357)
	<u>514,329</u>	<u>501,915</u>
Operating grant income for the year	514,329	501,915
Land grants utilised (Note 12)	595	595
Administrative grants utilised (Note 14)	968,408	611,247
Development grants utilised (Note 15)	590	842
Other grant income for the year	71,781	63,355
	<u>1,555,703</u>	<u>1,177,954</u>

23. Commitments

Capital commitments

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

	2025 \$'000	2024 \$'000
Amount contracted for the purchase of property, plant and equipment	497,060	404,154

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

23. Commitments (cont'd)

Operating lease commitments – where the Association is a lessee

As at 31 March 2025, the Association is committed to \$588,000 for short-term leases (2024: \$16,000).

Operating lease commitments – where the Association is a lessor

At the end of the reporting period, commitments in respect of non-cancellable operating leases for the rental of premises are as follows:

	2025 \$'000	2024 \$'000
Year 1	54,299	71,965
Year 2	41,748	45,464
Year 3	7,850	19,286
Year 4	167	184
	<hr/> 104,064	<hr/> 136,899

Operating lease payments represent rentals receivable by the Association for rental of premises with an average lease term of 3 years.

24. Financial risk management objectives and policies

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2025 \$'000	2024 \$'000
Financial assets		
Financial assets at amortised cost:		
Special Singapore Government Securities (Note 8)	300,000	300,000
Deposits and other receivables	73,332	69,580
Cash and cash equivalents (Note 10)	1,982,320	2,057,177
Fair value through profit or loss (Note 8)	608,765	589,453
	<hr/> 2,964,417	<hr/> 3,016,210
Financial liabilities		
Financial liabilities at amortised cost:		
Accruals and other payables (Note 11)	375,478	339,583
Lease liabilities (Note 13)	113,127	100,658

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025**

24. Financial risk management objectives and policies (cont'd)**(b) Financial risk management policies and objectives**

The Association is subject to market risk (including foreign exchange risk, interest rate risk and equity price risk), credit risk and liquidity risk.

Risk management framework

The Association has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Management continually monitors the Association's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Association's activities.

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Association's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Funds with fund managers

In connection with the funds placed with fund managers, the funds are exposed to a variety of financial risk: credit risk, liquidity risk and market risk (including foreign exchange risk, fair value interest rate risk, cash flow interest rate risk and price risk).

The Association's exposure to market risk relates primarily to its quoted equity and debt securities. The market values of these securities are affected by, amongst others, changes in market prices as a result of changes in the global economic conditions, macro-and micro-economic factors affecting the country, and factors specific to the investee corporations. For externally managed securities, the fund managers monitor and respond to these changes as and when appropriate, and use discretion to diversify the Association's portfolios across different markets and industries whenever it is appropriate, in accordance with the investment guidelines.

(i) Foreign exchange risk management

The Association's exposure to foreign currency risk mainly arises from its externally managed investments (Note 8) denominated in currencies other than its functional currency. The currencies primarily giving rise to this risk are the United States Dollars ("USD"), Hong Kong Dollars ("HKD") and Euro ("EUR").

For the externally managed investments, the fund managers use foreign exchange derivative financial instruments when necessary to reduce exposure to fluctuation in foreign exchange rates. The Association's exposure to foreign currency risk was as follows based on notional amounts:

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025****24. Financial risk management objectives and policies (cont'd)****(b) Financial risk management policies and objectives****(i) Foreign exchange risk management (cont'd)**

	USD	HKD	EUR
	\$'000	\$'000	\$'000
2025			
Cash and cash equivalents	6,961	21	20
Quoted equity securities	61,521	11,259	7,852
Quoted debt securities	179,902	–	–
Gross exposure	248,384	11,280	7,872
Hedged by foreign exchange instruments	(102,578)	–	–
Net exposure	145,806	11,280	7,872
2024			
Cash and cash equivalents	12,001	947	320
Quoted equity securities	62,186	6,207	19,437
Quoted debt securities	137,367	–	–
Gross exposure	211,554	7,154	19,757
Hedged by foreign exchange instruments	(108,231)	–	–
Net exposure	103,323	7,154	19,757

Foreign exchange risk sensitivity analysis

A strengthening of the SGD, as indicated below, against the USD, HKD and EUR at reporting date would have decreased surplus by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Association considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis performed using the same basis as 2024 is indicated below:

	Surplus	
	2025	2024
	\$'000	\$'000
USD (10% strengthening)	14,581	10,332
HKD (10% strengthening)	1,128	715
EUR (10% strengthening)	787	1,976
	16,496	13,023

A weakening of the SGD against the above currencies at the reporting date would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025**

24. Financial risk management objectives and policies (cont'd)**(b) Financial risk management policies and objectives****(ii) Interest rate risk management**

The Association's exposure to movements in market interest rates relates primarily to its deposits with AGD, cash at bank and fixed deposits. The interest rates for deposits with AGD are based on deposit rates determined by the financial institutions with which the cash are deposited and are expected to move in tandem with market interest rate movements.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Association's surplus for the year would increase or decrease by \$12,149,000 (2024: \$12,468,000).

(iii) Equity price risk management

The Association is exposed to equity risk arising from equity investments designated as fair value through profit or loss ("FVTPL") managed by fund managers. The Association diversifies its portfolio in accordance with its investment mandate to manage exposure to fluctuations in equity prices.

Further details of these equity investments can be found in Note 8 to the consolidated financial statements.

Equity price sensitivity

The sensitivity analysis has been determined based on the exposure to equity price risk at the end of the reporting period.

In respect of the FVTPL equity investments, if the underlying equity prices had been 10% higher or lower, the surplus of the Association will increase or decrease by \$12,169,000 (2024: \$12,461,000).

People's Association**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025**

24. Financial risk management objectives and policies (cont'd)**(b) Financial risk management policies and objectives****(iv) Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Association. In managing credit risk exposure, credit review and approval processes as well as monitoring mechanisms are applied.

The Association's major classes of financial assets include cash and cash equivalents, other receivables and financial assets held at fair value through profit or loss. The maximum exposure to credit risk for each class of financial assets is represented by the carrying amount of each financial asset on the consolidated statement of financial position.

Transactions involving quoted debt securities and derivative financial instruments are entered into only with counterparties that are of acceptable credit quality and the Management does not expect any counterparty to fail to meet its obligation.

(v) Liquidity risk

Liquidity risk is the risk that the Association will not be able to meet its financial obligations as and when they fall due. The Association has minimal exposure to liquidity risk as its operating activities are mainly funded by government grants.

All financial assets and financial liabilities as at the end of the reporting period are non-interest bearing and repayable on demand or due within one year from the end of the reporting period except for investments at amortised cost as disclosed in Note 8.

(c) Fair value of financial assets and financial liabilities

Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SB-FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in SB-FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

People's Association

Notes to the Consolidated Financial Statements For the financial year ended 31 March 2025

24. Financial risk management objectives and policies (cont'd)

(c) Fair value of financial assets and financial liabilities (cont'd)

The carrying amounts of financial assets and financial liabilities as reported on the consolidated statement of financial position are assumed to approximate their respective fair values because of their short period to maturity. The fair values of other classes of financial assets are disclosed in the respective notes.

The fair value of quoted equity securities is determined by reference to quoted bid prices reflected as at the financial year end in statements provided by the fund managers and custodian.

The fair value of quoted debt securities and financial derivative instruments are determined with reference to statements as at the financial year end provided by the fund managers and custodian, using inputs such as bankers' quotations, foreign exchange spot and forward rates.

The Association classifies fair value measurements using a fair value hierarchy as detailed in Note 2 which reflects the significance of the inputs used in making the measurements.

	Level 1	Level 2	Total
	\$'000	\$'000	\$'000
2025			
Financial assets at fair value through profit or loss (Note 8)	121,690	487,075	608,765
2024			
Financial assets at fair value through profit or loss (Note 8)	124,613	464,840	589,453

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the year.

People’s Association

**Notes to the Consolidated Financial Statements
For the financial year ended 31 March 2025**

25. Related party transactions

For the purpose of these consolidated financial statements, related parties refer to Ministries, Organ of States and other Statutory Boards. The transactions with Government-related entities other than Ministries, Organ of States, and other Statutory Boards are not disclosed unless there are circumstances to indicate that these transactions are of interest to the readers of the consolidated financial statements.

Other than as disclosed elsewhere in the consolidated financial statements, the following significant transaction took place between the Association and its related parties during the financial year:

Nature and amount of individually significant transaction

The Association leases land from Singapore Land Authority.

	2025	2024
	\$'000	\$'000
Statutory board		
Land rental	65,779	65,155

26. Capital management

The Association manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board.

The capital structure of the Association consists of accumulated surplus and capital account. The overall strategy of the Association remains unchanged from the previous financial year.

27. Comparative figures

The financial statements for the financial year ended 31 March 2024 were audited by another firm of Public Accountants and Chartered Accountants.

28. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of People’s Association on 19 September 2025.