

A SHARED PURPOSE
For Empowered Communities
& Fuller Lives

Financial Statements
FY2025/26

FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

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Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

STATEMENT BY THE BOARD OF GOVERNANCE

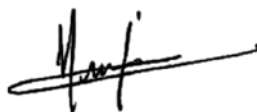
In the opinion of the Board of Governance,

- (a) the financial statements of Methodist Welfare Services (the “Society”) as set out on pages 6 to 60 are properly drawn up in accordance with the provisions of the Societies Act 1996 (the “Societies Act”), the Singapore Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Society as at 31 March 2026 and of the financial performance, changes in accumulated fund and specific funds and cash flows of the Society for the financial year then ended;
- (b) the Society has used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations;
- (c) the Society has complied with Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations;
- (d) the accounting and other records required to be kept have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act and the Charities Act and Regulations; and
- (e) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

On behalf of the Board of Governance



Mr Eugene Toh Ming Hong
Chairperson



Mr Yeo Kai Eng
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST WELFARE SERVICES

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Methodist Welfare Services (the "Society") as set out on pages 6 to 60, which comprise the balance sheet as at 31 March 2026, statement of comprehensive income, statement of changes in accumulated fund and specific 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 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 position of the Society as at 31 March 2026 and of the financial performance, changes in accumulated fund and specific funds and cash flows of the Society 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 Society in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audit of the financial statements of public interest entities in Singapore. We have also 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 Governance as set out on page 1, and the information included in the Annual Report 2026, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST WELFARE SERVICES

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

Other Information (Cont'd)

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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management 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 management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Society'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST WELFARE SERVICES

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 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 Society'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 Society 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 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,

- (i) the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (ii) the fund raising appeals held during the financial year ended 31 March 2026 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METHODIST WELFARE SERVICES

Report on Other Legal and Regulatory Requirements (Cont'd)

During the course of our audit, nothing has come to our attention that causes us to believe that during the financial year:

- (i) the Society has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- (ii) the Society has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Khor Boon Hong.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

30 July 2026

STATEMENT OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2026

	Note	2026 \$	2025 \$
Income			
Donations and fund-raising income	3	15,403,764	13,470,177
Government/National Council of Social Service (NCSS) grants	4	63,603,700	46,980,753
Other NCSS grants – Community Chest		604,767	458,672
Programme income		8,153,542	6,173,842
Amortisation of:			
– Capital grants	17	978,708	851,958
– Building grants	18	303,391	303,391
Interest income	5	341,419	576,088
Other income	6	1,154,338	1,258,649
Total income		90,543,629	70,073,530
Less: Expenditure			
Expenditure on manpower	7	53,455,225	48,263,039
Depreciation of property, plant and equipment	9	5,091,129	4,558,607
Maintenance		3,630,226	3,262,477
Other expenditure		17,244,777	12,992,988
Interest expense on lease liabilities	19	165,278	141,533
Net impairment losses on receivables		10,254	8,644
Total expenditure		79,596,889	69,227,288
Surplus for the financial year	8	10,946,740	846,242
Other comprehensive income for the financial year:			
<i>Items that will not be reclassified subsequently to income or expenditure</i>			
Fair value gain on financial assets at fair value through other comprehensive income			
<u>Methodist Welfare Services</u>			
– CSL Trust Endowment Fund	29	77,259	7,434
– Dr LCM Manpower Development Fund	25	182,580	157,153
– Lew Foundation Fund	30	203,100	231,130
– Investments of General Accumulated Fund		1,766,435	1,315,207
		2,229,374	1,710,924
Total comprehensive income for the financial year		13,176,114	2,557,166

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

BALANCE SHEET

At 31 March 2026

	Note	2026 \$	2025 \$
Non-current assets			
Property, plant and equipment	9	10,741,632	11,284,123
Financial assets at fair value through other comprehensive income	10	15,380,292	13,591,302
Financial assets at amortised cost	11	3,039,595	2,220,329
Financial assets at fair value through profit or loss	12	2,256,228	1,393,803
Financial assets under fund management	13	6,531,382	-
		<u>37,949,129</u>	<u>28,489,557</u>
Current assets			
Other financial assets at amortised cost	11	-	1,504,315
Other receivables	14	8,481,542	5,617,877
Fixed deposits	15	9,550,000	19,050,000
Cash and bank balances	16	29,892,063	17,580,621
		<u>47,923,605</u>	<u>43,752,813</u>
Total assets		<u>85,872,734</u>	<u>72,242,370</u>
Non-current liabilities			
Capital grants	17	2,828,695	1,184,100
Building grants	18	1,693,818	1,997,209
Lease liabilities	19	2,003,629	2,203,665
		<u>6,526,142</u>	<u>5,384,974</u>
Current liabilities			
Lease liabilities	19	2,140,649	2,618,255
Sundry payables and accruals	20	12,759,158	10,258,998
Deferred income	20	1,058,679	3,768,151
		<u>15,958,486</u>	<u>16,645,404</u>
Total liabilities		<u>22,484,628</u>	<u>22,030,378</u>
Net assets		<u>63,388,106</u>	<u>50,211,992</u>
Funds			
General Accumulated Fund	21	25,302,330	31,742,998
Service Centres' Accumulated Funds	22	22,954,008	6,931,657
Fair Value Reserve	23	2,945,405	1,320,923
Asset Capitalisation Reserve	24	1,103,645	718,182
Dr LCM Manpower Development Fund	25	1,294,392	1,072,116
Building Maintenance Fund	26	919,387	869,387
Community Outreach Project Fund	27	69,726	35,525
Community Silver Trust	28	3,437,902	2,775,994
MWS - CSL Trust Endowment Fund	29	1,526,835	1,438,895
Lew Foundation Fund	30	1,718,730	1,372,823
Other Funds	31	2,115,746	1,933,492
Total funds		<u>63,388,106</u>	<u>50,211,992</u>

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS

For the Financial Year Ended 31 March 2026

2026
At 1.4.2025
(Deficit)/surplus for the financial year
Other comprehensive income for the financial year, net of tax:
- Fair value gain on financial assets at fair value through other comprehensive income
Other comprehensive income for the financial year, net of tax
Total comprehensive (loss)/income for the financial year
Transfer of funds
At 31.3.2026

	General Accumulated Fund \$ (Note 21)	Service Centres' Accumulated Funds \$ (Note 22)	Fair Value Reserve \$ (Note 23)	Asset Capitalisation Reserve \$ (Note 24)	Dr LCM Manpower Development Fund \$ (Note 25)	Building Maintenance Fund \$ (Note 26)	\$Subtotal
31,742,998	6,931,657	1,320,923	718,182	1,072,116	869,387	42,655,263	
(6,482,621)	16,002,351	-	(294,675)	39,696	-	9,264,751	
-	-	1,766,435	-	182,580	-	1,949,015	
-	-	1,766,435	-	182,580	-	1,949,015	
(6,482,621)	16,002,351	1,766,435	(294,675)	222,276	-	11,213,766	
41,953	20,000	(141,953)	680,138	-	50,000	650,138	
25,302,330	22,954,008	2,945,405	1,103,645	1,294,392	919,387	54,519,167	

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS

For the Financial Year Ended 31 March 2026

	Community Outreach Project Fund	Community Silver Trust	Community Fund	MWS – CSL Trust Endowment Fund	Lew Foundation Fund	Other Funds	Subtotal	Total Funds
	(Note 27)	(Note 28)	(Note 29)	(Note 30)	(Note 31)			
At 1.4.2025	\$ 35,525	\$ 2,775,994	\$ 1,438,895	\$ 1,372,823	\$ 1,933,492	\$ 7,556,729	\$ 50,211,992	
Surplus for the financial year	34,201	1,342,046	80,681	142,807	82,254	1,681,989	10,946,740	
Other comprehensive income for the financial year, net of tax:								
- Fair value gain on financial assets at fair value through other comprehensive income	-	-	77,259	203,100	-	280,359	2,229,374	
Other comprehensive income for the financial year, net of tax	-	-	77,259	203,100	-	280,359	2,229,374	
Total comprehensive income for the financial year	34,201	1,342,046	157,940	345,907	82,254	1,962,348	13,176,114	
Transfer of funds	-	(680,138)	(70,000)	-	100,000	(650,138)	-	
At 31.3.2026	69,726	3,437,902	1,526,835	1,718,730	2,115,746	8,868,939	63,388,106	

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS

For the Financial Year Ended 31 March 2026

	General Accumulated Fund \$ (Note 21)	Service Centres' Accumulated Funds \$ (Note 22)	Fair Value Reserve \$ (Note 23)	Asset Capitalisation Reserve \$ (Note 24)	Dr LCM Manpower Development Fund \$ (Note 25)	Building Maintenance Fund \$ (Note 26)	Subtotal \$
2025							
At 1.4.2024	39,160,964	(902,742)	5,716	1,263,181	873,554	819,387	41,220,060
(Deficit)/surplus for the financial year	(7,340,984)	7,837,417	-	(774,514)	41,409	-	(236,672)
Other comprehensive income for the financial year, net of tax:							
- Fair value gain on financial assets at fair value through other comprehensive income	-	-	1,315,207	-	157,153	-	1,472,360
Other comprehensive income for the financial year, net of tax	-	-	1,315,207	-	157,153	-	1,472,360
Total comprehensive (loss)/income for the financial year	(7,340,984)	7,837,417	1,315,207	(774,514)	198,562	-	1,235,688
Transfer of funds	(76,982)	(3,018)	-	229,515	-	50,000	199,515
At 31.3.2025	31,742,998	6,931,657	1,320,923	718,182	1,072,116	869,387	42,655,263

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

STATEMENT OF CHANGES IN ACCUMULATED FUND AND SPECIFIC FUNDS

For the Financial Year Ended 31 March 2026

	Community Outreach Project Fund \$ (Note 27)	Community Silver Trust Fund \$ (Note 28)	MWS – CSL Trust Endowment Fund \$ (Note 29)	Lew Foundation Fund \$ (Note 30)	Other Funds \$ (Note 31)	Subtotal \$	Total Funds \$
2025							
At 1.4.2024	40,192	2,107,295	1,416,176	1,037,599	1,833,504	6,434,766	47,654,826
(Deficit)/surplus for the financial year	(4,667)	898,214	85,285	104,094	(12)	1,082,914	846,242
Other comprehensive income for the financial year, net of tax:							
- Fair value gain on financial assets at fair value through other comprehensive income	-	-	7,434	231,130	-	238,564	1,710,924
Other comprehensive income for the financial year, net of tax	-	-	7,434	231,130	-	238,564	1,710,924
Total comprehensive (loss)/income for the financial year	(4,667)	898,214	92,719	335,224	(12)	1,321,478	2,557,166
Transfer of funds	-	(229,515)	(70,000)	-	100,000	(199,515)	-
At 31.3.2025	35,525	2,775,994	1,438,895	1,372,823	1,933,492	7,556,729	50,211,992

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

STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Surplus for the financial year		10,946,740	846,242
Amortisation of:			
- Capital grants	17	(978,708)	(851,958)
- Building grants	18	(303,391)	(303,391)
Depreciation of property, plant and equipment	9	5,091,129	4,558,607
Dividend income	6	(808,231)	(735,001)
Net fair value gain on financial assets at fair value through profit or loss ("FVTPL")	6	(195,332)	(272,674)
Net impairment loss on receivables		10,254	8,644
Interest income	5	(341,419)	(576,088)
Interest expense on lease liabilities	19	165,278	141,533
(Gain)/loss on disposal of financial assets at amortised cost	6	(19,773)	22,558
Gain on disposal of financial assets at fair value through other comprehensive income ("FVOCI")	6	-	(15,315)
Property, plant and equipment written off		6,221	29,176
Operating surplus before working capital changes		13,572,768	2,852,333
Receivables		(2,940,716)	(1,169,525)
Payables		2,500,160	327,886
Capital grants	17	2,623,303	177,214
Deferred income		(2,709,472)	2,666,160
Net cash generated from operating activities		13,046,043	4,854,068
Cash flows from investing activities			
Dividend received		808,231	735,001
Purchase of property, plant and equipment	9	(2,341,127)	(2,120,923)
Interest received		408,216	576,088
Purchase of financial assets at FVOCI		(599,139)	(744,004)
Purchase of financial assets at FVTPL		(6,686,793)	(764,746)
Purchase of financial assets at amortised cost		(1,815,173)	(1,002,000)
Proceeds from disposal of financial assets at FVOCI		1,039,523	317,980
Proceeds from redemption of debt securities (financial assets at amortised cost)		2,008,313	5,000,000
Proceeds from disposal of financial assets at FVTPL		-	4,034,225
Net cash (used in)/generated from investing activities		(7,177,949)	6,031,621

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

STATEMENT OF CASH FLOWS

For the Financial Year Ended 31 March 2026

	Note	2026 \$	2025 \$
Cash flows from financing activities			
Interest paid	19	(165,278)	(141,533)
Repayment of lease liabilities	19	(2,891,374)	(2,083,805)
Net cash used in financing activities		<u>(3,056,652)</u>	<u>(2,225,338)</u>
Net increase in cash and cash equivalents		2,811,442	8,660,351
Cash and cash equivalents at beginning of financial year		<u>36,630,621</u>	<u>27,970,270</u>
Cash and cash equivalents at end of financial year		<u>39,442,063</u>	<u>36,630,621</u>
Cash and cash equivalents comprise:			
Fixed deposits		9,550,000	19,050,000
Cash and bank balances		<u>29,892,063</u>	<u>17,580,621</u>
		<u>39,442,063</u>	<u>36,630,621</u>

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

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

1 General information

Methodist Welfare Services (the “Society”) is registered in Singapore under the Societies Act 1966 and is an approved Institution of a Public Character.

The principal activities of the Society are to assist in the relief of poverty, physical, psychological and emotional suffering regardless of age, sex, race, nationality, religion or moral character, especially by the provision of nursing care, counselling, rehabilitation services, training or educational services or assistance. The Corporate Services of the Society is located at 70 Barker Road, #05-01, Singapore 309936.

In accordance with the Society’s constitution, immovable property and investments, other than treasury bills, shall be held in trust by The Secretary of the Trustees of the Methodist Church in Singapore (the “Trustee”). The Trustee shall hold, sell, transfer, lease, mortgage, charge, or otherwise dispose of, encumber or deal with the immovable property and investments of the Society in such manner as the Society’s Board of Governance shall from time to time prescribed. The carrying amount of such properties and financial assets are set out in Notes 9, 10, 11, 12 and 13.

The principal activities of the service centres of the Society are as follows:

MWS Home Hospice

The Centre provides palliative homecare, befriending, and loan of equipment to those with life-limiting illnesses.

MWS Bethany Nursing Home – Choa Chu Kang (“MWS BNH”)

The Home provides residential quarters and rehabilitation facilities for the sick and needy requiring nursing care.

MWS Christalite Methodist Home

The Home is one of the Welfare Homes gazetted under the Destitute Persons Act. It provides holistic residential care for elderly residents, including their healthcare, physical, emotional and social needs.

MWS Christalite Student Care Centre

The Centre comprises student care facilities for students of working parents.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

1 General information (Cont'd)

MWS Senior Care Centre – Eunós

The Centre provides frail seniors with a home-like environment where they can socialise and take part in recreational activities. Through day care and community rehabilitation services, the seniors are supported to age in place through looking after their general, physical and social well-being.

MWS Home Care

The Centre is a home care ensuite service that provides assistance to frail elderly persons in areas of personal hygiene and grooming, engagement programmes, assistance in housekeeping, medication reminder and other personal care tasks. Personal care services ceased in May 2023.

MWS Nursing Home – Eunós

The Home provides residential quarters and rehabilitation facilities for the sick and needy requiring nursing care.

The Home was established on 30th April 2023 and started operations in March 2025.

MWS Nursing Home – Yew Tee

The Home provides residential quarters and rehabilitation facilities for the sick and needy requiring nursing care, as well as home care services that assist frail elderly persons in areas of personal hygiene and grooming, home engagement programmes, general housekeeping, medication reminding and other personal care tasks. Personal care services ceased in May 2023.

MWS Girls' Residence

The Centre provides a place of safety and a conducive environment for the physical, social and psychological development for the young female adult probationer.

MWS Family Development Programme ("FDP")

The Centre advances facilitates and researches programmes and social issues for the promotion of effective social interventions.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

1 General information (Cont'd)

MWS Family Support Programme – East

The Centre is the appointed Parenting Support Provider (“PSP”) by MSF to support schools within the regional cluster of Pasir Ris, Punggol and Tampines. The Centre ceased operations on 1 April 2024. With the approval from MSF in December 2024, the accumulated funds were transferred to Families for Life @ Community.

MWS Families for Life @ Community (FFLC) (fka as MWS Family Support Programme – North)

With effect from 1 April 2024, the Centre was appointed by MSF to support parenting and marriage programmes, within the regional cluster of Hougang, Sengkang and Serangoon.

MWS Strengthening Families Programme (FAM)

Effective 1st Jan 2026, the Centre was renamed as MWS Strengthening Families Programme (FAM). The Centre is appointed to operate the Strengthening Families Programme (FAM) in the allocated regional cluster of Hougang, Sengkang and Serangoon, which comprises Divorce Support (“DS”), Family Counselling (“FC”), and Central Functions.

MWS Research, Innovation and Training Academy

The Research, Innovation and Training Academy (“RITA”) was established to drive research capability and innovative practices, leveraging MWS’ experience in the social and healthcare sectors to support evidence-based clinical practice, programme delivery and policy development. During the financial year, RITA ceased operations effective 31 October 2025 and its functions were integrated into the business services to facilitate closer alignment of research, innovation and capability-building initiatives with the respective service areas.

ACS Academy

In partnership with the Board of Governors of the Anglo Chinese Schools (ACS), a proposal to set up a special education school was approved by the Ministry of Education (MOE) on 31 May 2023. ACS Academy was subsequently incorporated as a Company Limited by Guarantee (CLG) on 24 April 2025. Following its incorporation, ACS Academy ceased to operate as an MWS Service Centre and became an independent entity. The Academy welcomed its pioneer cohort of students in January 2026.

Active Ageing Centres

The Centres provide a range of programmes and services which enhance the well-being of older persons residing in the community and enabling them to age-in-place for as long as possible.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

1 General information (Cont'd)

Active Ageing Centres (Cont'd)

The seven active ageing centres are:

- (i) *MWS Charis ACE Active Ageing Centre – Geylang East*
- (ii) *MWS Active Ageing Centre – Fernvale Rivergrove*
- (iii) *MWS Active Ageing Centre – GreenTops@Sims Place*
- (iv) *MWS Active Ageing Centre – Golden Lily@Pasir Ris*
- (v) *MWS Active Ageing Centre – Kebun Baru*
- (vi) *MWS Active Ageing Centre – Teck Ghee Vista*
- (vii) *MWS Wesley Active Ageing Centre – Jalan Berseh*

Family Service Centres

These centres provide casework and counselling, information and referral services, preventive and developmental programmes and activities for individuals and families in need.

The four family service centres are:

- (i) *MWS Covenant Family Service Centre – Hougang & Buangkok*
- (ii) *MWS Family Service Centre – Yishun*
- (iii) *MWS Family Service Centre – Tampines*
- (iv) *MWS Family Service Centre – Sengkang West*

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies

a) Basis of preparation

The financial statements, presented in Singapore dollar (“\$”) which is the functional currency of the Society, 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 income and expenditure 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 when assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year is disclosed in Note 2(i).

The carrying amounts of cash and bank balances, fixed deposits, other receivables and payables (other than lease liabilities) 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 Society 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 Society's accounting policy have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

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

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

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 end of the reporting year but are not yet effective for the financial year ended from 31 March 2026 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 Society 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 Society is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

b) Income recognition

Income is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Society, and the amount of income and related expenditure can be reliably measured.

Donations	- when received or amortised in accordance with the policy as described in Note 2(c)
Fund-raising income	- in the period the event occurred or project held
Programme income	- over the period of provision of services to clients
Interest income	- on a time proportion basis
Dividend income	- when the right to receive payment is established

c) Grants

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.

Capital grants

Grants received/receivable for the purpose of maintaining, converting, renovating and furnishing a space for the use as a centre, upgrading of server and data management system and purchase of air conditioner and compressors are capitalised in the capital grants account and amortised in accordance with the depreciation of the cost of the respective assets acquired using the grants.

Building grants

Grants received/receivable for the purpose of construction of the building, and purchase of furniture and equipment for the nursing home are capitalised in the building grants account and amortised in accordance with the depreciation of the cost of the respective assets acquired using the grants.

Total capital grants received for the service centres and building grants received for the nursing home less the amounts amortised to income or expenditure at the balance sheet date are included in the balance sheet as capital grants and building grants.

Revenue grants

When the grants received relates to an expenditure item, the grants are amortised to income or expenditure over the period necessary to match them on a systematic basis to the expenditures that the grants are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

c) Grants (Cont'd)

Revenue grants (Cont'd)

Total revenue grants received for the service centres less the amounts amortised to income or expenditure at the balance sheet date are included in the balance sheet as deferred income.

d) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and any impairment loss. Depreciation is charged by equal annual instalments in accordance with a schedule of rates which are calculated to write off the assets over their estimated useful lives as follows:

Building at 9 Choa Chu Kang Avenue 4	-	30 years
Leased properties	-	over the lease terms
Equipment	-	10 years
Computers	-	3 years
Furniture, fittings and office equipment	-	5 to 10 years
Motor vehicles	-	10 years
Renovations	-	5 years

On disposal of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to income or expenditure.

e) Financial assets

Recognition and derecognition

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 income or expenditure. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

e) Financial assets (Cont'd)

Classification and measurement (Cont'd)

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

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

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

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

The Society's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

i) Debt instruments

Debt instruments include cash at bank held by fund manager, fixed deposits, cash and bank balances, other receivables (excluding grant receivables and prepayments) and investment in debt securities. The Society's debt instruments are measured as follows:

Amortised cost

The Society 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

e) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

i) *Debt instruments (Cont'd)*

Amortised cost (Cont'd)

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 income or expenditure when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

ii) *Equity instruments*

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

The Society has designated its equity investments that are not held for trading as 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 income or expenditure. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in income or expenditure 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 accumulated fund upon disposal. Dividends from equity investments are recognised in income or expenditure and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

e) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

iii) *Portfolio of financial assets*

A portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis is measured at FVTPL. The Society is primarily focused on fair value information and uses that information to assess the assets performance and to make decisions.

Impairment

The Society recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost and debt instruments at FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Society 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 Society 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 Society measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Society recognises an impairment gain or loss in income or expenditure for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income, and does not reduce the carrying amount of the financial assets in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

f) Asset Capitalisation Reserve

Specific donations given for the purchase of property, plant and equipment and fundings utilised for purchase of property, plant and equipment, which have been capitalised in the relevant property, plant and equipment accounts are credited to the Asset Capitalisation Reserve. The depreciation with respect to the aforesaid property, plant and equipment is charged directly to the Asset Capitalisation Reserve.

g) Leases

The Society 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. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Society 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.

Lease liabilities

The lease liabilities are 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 this rate cannot be readily determined, the Society uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liabilities comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liabilities are presented as a separate line in the balance sheet.

The lease liabilities are 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.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

g) Leases (Cont'd)

Lease liabilities (Cont'd)

The Society remeasures the lease liabilities (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The Society 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.

Whenever the Society incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset.

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. If ownership of the leased asset transfers to the Society at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within “property, plant and equipment” in the balance sheet.

h) Funds

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Society, the financial statements are maintained substantially in accordance with the principles of “fund accounting” whereby the resources for various purposes are classified for accounting and reporting purposes into specific funds that are in accordance with the activities or objectives specified.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

h) Funds (Cont'd)

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

i) Critical accounting judgement in applying significant accounting policies

In the process of applying the Society's accounting policies, which are described in Note 2(a), the Board of Governance has made the following assumptions.

Depreciation of building and renovations

The cost of the building at 9 Choa Chu Kang Avenue 4 is depreciated over 30 years from 2001 based on an understanding that the land will be made available by the Government of Singapore (the "landlord") for 30 years although the tenancy agreement with the landlord in respect of the lease of the said land is for 3 years, with the current lease term expiring in 2028. Similarly, the renovations of the building are depreciated over 5 years.

The Board of Governance believes that the landlord will continue to renew the lease up to the conclusion of the 30 years because the building grants received from the Ministry of Health ("MOH") is conditional upon the Society agreeing to operate MWS BNH for 30 years. Based on the Board of Governance's estimation, depreciation is provided on a straight-line basis to allocate the cost of the building and its renovations over the estimated useful lives of 30 years and 5 years respectively.

As disclosed in Note 2(c), the building and capital grants received for the purpose of construction of the building and purchase of renovations for the nursing home are amortised over the estimated useful lives of the respective assets acquired using the grants.

At 31 March 2026, the net carrying values of the building and its renovations are \$1,753,347 (2025: \$2,102,178) and \$94,213 (2025: \$257,510) respectively and the building grants balances and capital grants balances relating to the building and its renovations are \$1,693,818 (2025: \$1,997,209) and \$255,273 (2025: \$363,995) respectively.

Had the Society depreciated the building and its renovations over its lease period of 3 years commencing from 2001, the financial statements of the Society at 31 March 2026 would have been reported as follows:

- there is no net carrying value of the building and the related building grants balances at 31 March 2026 and 2025; and

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

2 Material accounting policies (Cont'd)

i) Critical accounting judgement in applying significant accounting policies (Cont'd)

Depreciation of building and renovations (Cont'd)

- the net carrying value of the renovations of the building and the related capital grants balance at 31 March 2026 would be \$Nil (2025: \$45,784) and \$Nil (2025: \$Nil) respectively.

The net positive impact on the Society's statement of comprehensive income for the financial year would have been \$100,016 (2025: \$290,885).

3 Donations and fund-raising income

	2026 \$	2025 \$
Donations:		
Tax deductible	1,604,057	3,063,102
Non-tax deductible	2,902,773	2,348,511
	<u>4,506,830</u>	<u>5,411,613</u>
Fund-raising income:		
Tax deductible	8,739,939	6,973,624
Non-tax deductible	2,156,995	1,084,940
	<u>10,896,934</u>	<u>8,058,564</u>
Total	<u>15,403,764</u>	<u>13,470,177</u>

Total tax-deductible receipts issued by the Society amounting to \$10,343,996 (2025: \$9,288,251) as follows:

	2026 \$	2025 \$
Accumulated Funds	10,303,546	9,267,100
Community Outreach Project Fund (Note 27)	40,450	21,151
	<u>10,343,996</u>	<u>9,288,251</u>

Total direct fund-raising expenses incurred by the Society amounting to \$1,361,486 (2025: \$836,790) and charged to accumulated funds. Included in the total direct fund-raising expenses is expenditure of manpower of \$600,665 (2025: \$531,743).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

4 Government/NCSS grants

	2026	2025
	\$	\$
AIC grant	324,855	234,623
AIC Community Care Salary Enhancement	1,326,248	850,481
AIC-InterRAI One-time Transition Funding	32,000	59,000
Community Silver Trust Grant (Note 28)	5,447,791	1,754,541
Government subvention	49,975,226	39,217,290
Government Enhanced Fund-raising support programme	-	145,656
IRAS Progressive Wage Credit Scheme	88,207	389,361
Rental subsidy	2,781,041	2,120,888
Medifund Grant (Note 31)	352,034	284,263
Medifund Silver Grant (Note 31)	219,749	236,473
MOH Financial Assistance Scheme (Note 31)	175,833	73,990
MOH IT and Non IT Grants	382,269	136,224
MOH Pre-Operations funding	2,042,057	1,299,474
NCSS Transformation Sustainability Scheme (TSS)	-	51,194
Senior Mobility Fund	48,957	20,055
Others	407,433	107,240
Total	<u>63,603,700</u>	<u>46,980,753</u>

5 Interest income

	2026	2025
	\$	\$
Interest income from fixed deposits and bank balances	186,799	398,396
Interest income from debt securities and perpetual notes	154,620	177,692
	<u>341,419</u>	<u>576,088</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

6 Other income

	2026 \$	2025 \$
Net fair value gain on financial assets at fair value through profit or loss	195,332	272,674
Gain/(loss) on disposal of financial assets at amortised cost	19,773	(22,558)
Gain on disposal of financial assets at fair value through other comprehensive income	-	15,315
Dividend income	808,231	735,001
Sundry income		
- Clinical supervision	-	146,128
- Sales of items	99,466	87,583
- Others	31,536	24,506
	<u>1,154,338</u>	<u>1,258,649</u>

7 Expenditure on manpower

	2026 \$	2025 \$
Salaries and related costs	46,417,088	41,891,714
Central Provident Fund ("CPF")	4,817,613	4,403,648
Manpower contract services	563,180	530,910
Staff training	1,148,723	549,246
Other staff benefits	508,621	887,521
	<u>53,455,225</u>	<u>48,263,039</u>

Included in expenditure on manpower are remuneration paid to key management personnel as follows:

	2026 \$	2025 \$
Salaries and related costs	2,052,936	1,896,775
CPF	125,780	126,395
	<u>2,178,716</u>	<u>2,023,170</u>

Above key management personnel comprise of Chief Executive Officer, Chief Operating Officer, Group Directors and Directors of Corporate Services. The comparative information has been amended to conform with current year's presentation.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

8 Surplus for the financial year

This is arrived at after (charging/crediting):

	2026 \$	2025 \$
Net impairment losses on receivables:		
- Bad debts recovered	(3,862)	(4,120)
- Bad debts written off	14,116	12,764
	10,254	8,644
Audit fees:		
- Auditor of the Society	78,811	76,561
Audit-related service fees:		
- Auditor of the Society	35,229	33,168
Communication	152,503	136,163
Food and refreshments	2,950,737	1,916,513
General expenses	636,633	298,877
Property, plant and equipment written off	6,221	29,716
Input Goods and Services Tax not recoverable	1,340,011	1,240,161
Insurance	42,902	52,254
Medical supplies	1,804,596	1,502,925
Professional fees	2,400,544	1,913,010
Programme development	110,266	111,007
Public education expenses	5,276	-
Rent of building, equipment and others	165,529	279,703
Specific assistance to clients	3,575,324	2,263,826
Supplies and materials	1,587,046	1,200,552
Stationery and printing	138,641	105,733
Transport and travelling	886,233	625,161
Utilities	1,300,984	1,165,712
Volunteer training and honorarium	27,291	65,493

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

9 Property, plant and equipment

	Building \$	Lease properties \$	Equipment \$	Computers \$	Furniture, fittings and office equipment \$	Motor vehicles \$	Renovations \$	Total \$
2026								
Cost								
At 1.4.2025	10,462,931	7,998,261	5,514,225	1,363,414	2,055,188	603,067	12,744,972	40,742,058
Additions	-	2,213,732	1,340,935	435,411	357,238	-	207,543	4,554,859
Write-offs	-	-	-	(18,287)	(33,391)	-	(58,200)	(109,878)
Lease modification	-	(2,007,100)	-	-	-	-	-	(2,007,100)
At 31.3.2026	10,462,931	8,204,893	6,855,160	1,780,538	2,379,035	603,067	12,894,315	43,179,939
Accumulated depreciation								
At 1.4.2025	8,360,753	3,251,843	3,386,204	1,140,752	1,145,474	526,827	11,646,082	29,457,935
Depreciation charge	348,831	2,896,916	370,238	271,193	635,282	27,729	540,940	5,091,129
Write-offs	-	-	-	(15,518)	(29,939)	-	(58,200)	(103,657)
Lease modification	-	(2,007,100)	-	-	-	-	-	(2,007,100)
At 31.3.2026	8,709,584	4,141,659	3,756,442	1,396,427	1,750,817	554,556	12,128,822	32,438,307
Net carrying value At 31.3.2026	1,753,347	4,063,234	3,098,718	384,111	628,218	48,511	765,493	10,741,632

	Building \$	Lease properties \$	Equipment \$	Computers \$	Furniture, fittings and office equipment \$	Motor vehicles \$	Renovations \$	Total \$
2025								
Cost								
At 1.4.2024	10,462,931	4,559,248	5,062,244	1,115,041	1,405,930	603,067	12,825,794	36,034,255
Additions	-	4,372,984	557,329	263,933	664,357	-	635,304	6,493,907
Write-offs	-	-	(105,348)	(15,560)	(15,099)	-	(716,126)	(852,134)
Lease modification	-	(933,971)	-	-	-	-	-	(933,971)
At 31.3.2025	10,462,931	7,998,261	5,514,225	1,363,414	2,055,188	603,067	12,744,972	40,742,058
Accumulated depreciation								
At 1.4.2024	8,011,922	2,084,458	2,881,389	984,382	992,599	487,697	11,213,810	26,656,257
Depreciation charge	348,831	2,101,356	592,011	169,116	161,218	39,130	1,146,945	4,558,607
Write-offs	-	-	(87,196)	(12,746)	(8,343)	-	(714,673)	(822,958)
Lease modification	-	(933,971)	-	-	-	-	-	(933,971)
At 31.3.2025	8,360,753	3,251,843	3,386,204	1,140,752	1,145,474	526,827	11,646,082	29,457,935
Net carrying value At 31.3.2025	2,102,178	4,746,418	2,128,021	222,662	909,714	76,240	1,098,890	11,284,123

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

9 Property, plant and equipment (Cont'd)

a) Included in property, plant and equipment of the Society are right-of-use assets of \$4,063,234 (2025: \$4,746,418) (Note 34).

b) Non-cash transactions

	2026 \$	2025 \$
Aggregate cost of property, plant and equipment acquired:	4,554,859	6,493,907
Less: Additions to right-of-use assets (Note 34)	(2,213,732)	(4,372,984)
Net cash outflow for purchase of property, plant and equipment	<u>2,341,127</u>	<u>2,120,923</u>

c) Depreciation of property, plant and equipment charged to:

	2026 \$	2025 \$
Accumulated Funds	4,796,454	3,784,093
Asset Capitalisation Reserve (Note 24)	294,675	774,514
	<u>5,091,129</u>	<u>4,558,607</u>

10 Financial assets at fair value through other comprehensive income

	2026 \$	2025 \$
<i>Equity securities</i>		
- Dr LCM Manpower Development Fund (Note 25)	1,246,765	1,064,029
- MWS - CSL Trust Endowment Fund (Note 29)	1,487,110	1,409,851
- Lew Foundation Fund (Note 30)	1,463,098	1,059,534
- Investments of General Accumulated Fund	11,183,319	10,057,888
	<u>15,380,292</u>	<u>13,591,302</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

10 Financial assets at fair value through other comprehensive income (Cont'd)

Included in the investments of General Accumulated Fund are perpetual notes of \$251,125 (2025: \$249,358) which are non-cumulative, non-convertible that bear interest at 3.73% (2025: 3.73%) per annum which will be reset every 5 years ("Reset date") from issue date and may be redeemed at the option of the issuer on or after 2 November 2026 (first Reset date). The issuer may be required or have the discretion to defer or cease payment of interest and additional interest does not accrue on those deferred interest amounts. These perpetual notes are considered as equity instrument and the Society elected to classify as financial assets at FVOCI.

11 Financial assets at amortised cost

	2026 \$	2025 \$
<i>Debt securities</i>		
Current	–	1,504,315
Non-current	3,039,595	2,220,329
	<u>3,039,595</u>	<u>3,724,644</u>

The debt securities represent bonds with fixed interest rates ranging from 2.7% to 4.75% (2025: 2.1% to 4.11%) per annum and maturity dates ranging from 27 April 2027 to 01 February 2046 (2025: 9 Jun 2025 to 21 May 2031). During the financial year, the Society redeemed bonds amounted to \$1,988,540 (2025: \$1,002,000).

The fair values of the debt securities at the balance sheet date totalled \$3,068,430 (2025: \$3,769,825). The fair values are determined based on market prices provided by securities broker at the balance sheet date.

12 Financial assets at fair value through profit or loss

	2026 \$	2025 \$
<i>Exchange-traded funds</i>		
– MWS – CSL Trust Endowment Fund (Note 29)	6,015	–
– Lew Foundation Fund (Note 30)	242,291	–
– Investments of General Accumulated Fund	2,007,922	1,393,803
	<u>2,256,228</u>	<u>1,393,803</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

13 Financial assets under fund management

	2026 \$	2025 \$
<i>Equity securities</i>	2,713,073	-
<i>Debt securities</i>	3,306,627	-
Financial assets at fair value through profit or loss	6,019,700	-
Cash at bank held by fund manager	511,682	-
	<u>6,531,382</u>	<u>-</u>

The financial assets under fund management and cash at bank amounting to \$6,019,700 (2025: \$Nil) and \$511,682 (2025: \$Nil) respectively are managed by and placed with external fund manager under a discretionary portfolio management ("DPM") arrangement. Under DPM, fund manager has discretion to make investment decisions in accordance with the agreed mandate.

14 Other receivables

	2026 \$	2025 \$
Grant receivables	6,456,650	3,208,701
Sundry receivables	621,667	1,009,652
Interest receivables	27,092	93,889
Sundry deposits	806,683	759,630
Prepayments	569,450	546,005
	<u>8,481,542</u>	<u>5,617,877</u>

15 Fixed deposits

All fixed deposits are placed with banks and mature within 3 months from the balance sheet date. At balance sheet date, the interest rates of these fixed deposits range from 0.98% to 1.1% (2025: 2.18% to 2.80%) per annum.

16 Cash and bank balances

	2026 \$	2025 \$
Cash on hand	2,068	69,801
Cash at banks	29,889,995	17,510,820
	<u>29,892,063</u>	<u>17,580,621</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

17 Capital grants

	2026 \$	2025 \$
Cost		
At beginning of the financial year	7,634,609	7,457,395
Grant received/receivable	2,623,303	177,214
At end of the financial year	<u>10,257,912</u>	<u>7,634,609</u>
Accumulated amortisation		
At beginning of the financial year	6,450,509	5,598,551
Amortisation	978,708	851,958
At end of the financial year	<u>7,429,217</u>	<u>6,450,509</u>
Net carrying value		
At end of the financial year	<u>2,828,695</u>	<u>1,184,100</u>

These are capital grants received for the purpose of renovation, which are amortised over the useful life of 5 years.

18 Building grants

	2026 \$	2025 \$
Cost		
At beginning and end of the financial year	<u>10,141,625</u>	<u>10,141,625</u>
Accumulated amortisation		
At beginning of the financial year	8,144,416	7,841,025
Amortisation	303,391	303,391
At end of the financial year	<u>8,447,807</u>	<u>8,144,416</u>
Net carrying value		
At end of the financial year	<u>1,693,818</u>	<u>1,997,209</u>

These are grants received from Ministry of Health ("MOH") for the construction and furnishing of the MWS BNH undertaken by the Society. Under the agreement with MOH, the Society is required to operate MWS BNH for the duration of the land lease or for 30 years from 1 September 2001, whichever is longer and to apply the grants received for the purposes as stipulated in the letter of undertaking to MOH dated 1 September 2001.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

19 Lease liabilities

	2026	2025
	\$	\$
Current	2,140,649	2,618,255
Non-current	2,003,629	2,203,665
	<u>4,144,278</u>	<u>4,821,920</u>

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

	Lease liabilities	
	2026	2025
	\$	\$
Balance at 1 April	4,821,920	2,532,741
Changes from financing cash flows:		
– Repayments	(2,891,374)	(2,083,805)
– Interest paid	(165,278)	(141,533)
Non-cash changes:		
– Interest expense	165,278	141,533
– Additions (Note 34)	2,213,732	4,372,984
Balance at 31 March	<u>4,144,278</u>	<u>4,821,920</u>

20 Sundry payables and accruals and deferred income

	2026	2025
	\$	\$
Sundry payables and accruals		
Sundry payables	2,639,522	2,516,761
Accrued operating expenses	998,505	679,860
Accruals for unutilised leave and bonus	8,607,625	6,535,638
Residents' deposits and monies held for safekeeping	513,506	526,739
	<u>12,759,158</u>	<u>10,258,998</u>
Deferred income		
Deferred donations (net) ^(a)	30,287	129,126
Donation received from Chen Su Lan Trust ^(b)	681,550	710,560
Donation received from Chen Su Lan Trust ^(c)		
– Allied Health Capacity and Capability Development Program	–	600,000
Pre-operations funding (Eunos Nursing Home)	–	2,167,127
Other deferred grant income	346,842	161,338
	<u>1,058,679</u>	<u>3,768,151</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

20 Sundry payables and accruals and deferred income (Cont'd)

- (a) Deferred donations include donations received for fund raising events and projects to be held in the next financial year.
- (b) At the reporting date, the donation of \$681,550 (2025: \$710,560) from Chen Su Lan Trust was to fund the Debt Reduction and Savings Matching programmes over a 3-year period from 2022 to 2025. The programmes has subsequently been extended to July 2039.
- (c) At previous reporting date, the donation of \$600,000 from Chen Su Lan Trust was to fund the Allied Health Capacity and Capability Development program for year 2025/2026.

21 General Accumulated Fund

	2026 \$	2025 \$
At beginning of the financial year	31,742,998	39,160,964
Deficit for the financial year	(6,482,621)	(7,340,984)
Balance before transfers	25,260,377	31,819,980
Transfers from/(to):		
– Service Centres' Accumulated Funds	–	23,018
– Other Funds – General Maintenance Fund (Note 31)	(100,000)	(100,000)
– Transfer from fair value upon disposal of financial assets at fair value through other comprehensive income	141,953	–
At end of the financial year	25,302,330	31,742,998

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

22 Service Centres' Accumulated Funds

2026

	At 1.4.2025 \$	Surplus/ (deficit) \$	Transfer of funds \$	At 31.3.2026 \$
Funds held by service centres:				
MWS Home Hospice*	2,358,826	1,031,179	-	3,390,005
MWS Bethany Nursing Home - Choa Chu Kang*	2,996,812	4,802,812	20,000	7,819,624
MWS Charis ACE Active Ageing Centre - Geylang East*	60,277	349,154	-	409,431
MWS Christalite Student Care Centre	59,117	(65,711)	-	(6,594)
MWS Home Care*	(1,768,754)	(70,260)	-	(1,839,014)
MWS Girls' Residence*	(116,993)	(203,412)	-	(320,405)
MWS Active Ageing Centre - Fernvale Rivergrove*	(230,540)	443,507	-	212,967
MWS Active Ageing Centre - GreenTops@Sims Place*	86,907	403,653	-	490,560
MWS Active Ageing Centre - Golden Lily@Pasir Ris*	87,149	425,216	-	512,365
MWS Active Ageing Centre - Kebun Baru*	1,104	543,216	-	544,320
MWS Active Ageing Centre - Teck Ghee Vista*	48,471	389,538	-	438,009
MWS Family Development Programme	(1,410,240)	(339,418)	-	(1,749,658)
MWS Nursing Home - Yew Tee*	(3,695,279)	3,487,663	-	(207,616)
MWS Family Service Centre - Hougang and Buangkok*	657,836	(73,122)	-	584,714
MWS Family Service Centre - Yishun*	2,007,270	12,293	-	2,019,563
MWS Family Service Centre - Tampines*	2,271,363	(256,591)	-	2,014,772
MWS Wesley Active Ageing Centre - Jalan Berseh*	137,713	416,797	-	554,510
MWS Christalite Methodist Home ("MWS CMH")*	(211,554)	154,457	-	(57,097)
MWS Family For Life@Community*	1,232,855	(10,267)	-	1,222,588
MWS Senior Care Centre - Eunos*	(460,640)	506,756	-	46,116
MWS Strengthening Families Programme (FAM)*	738,027	55,022	-	793,049
MWS Research, Innovation and Training Academy	(584,039)	(333,304)	-	(917,343)
MWS Nursing Home - Eunos*	2,248,969	4,391,374	-	6,640,343
ACS Academy (New)	417,000	(417,000)	-	-
MWS Family Service Centre - Sengkang West*	-	358,799	-	358,799
Total	6,931,657	16,002,351	20,000	22,954,008

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

22 Service Centres' Accumulated Funds (Cont'd)

2025

	At 1.4.2024 \$	Surplus/ (deficit) \$	Transfer of funds \$	At 31.3.2025 \$
Funds held by service centres:				
MWS Home Hospice*	1,155,456	1,203,370	-	2,358,826
MWS Bethany Nursing Home - Choa Chu Kang*	1,052,217	1,924,595	20,000	2,996,812
MWS Charis ACE Active Ageing Centre - Geylang East*	(56,938)	117,215	-	60,277
MWS Christalite Student Care Centre	(85,067)	144,184	-	59,117
MWS Home Care*	(2,953,423)	1,184,669	-	(1,768,754)
MWS Girls' Residence*	(140,671)	23,678	-	(116,993)
MWS Active Ageing Centre - Fernvale Rivergrove*	(421,286)	190,746	-	(230,540)
MWS Active Ageing Centre - GreenTops@Sims Place*	(113,624)	200,531	-	86,907
MWS Active Ageing Centre - Golden Lily@Pasir Ris*	(80,698)	167,847	-	87,149
MWS Active Ageing Centre - Kebun Baru*	(236,659)	237,763	-	1,104
MWS Active Ageing Centre - Teck Ghee Vista*	(154,122)	202,593	-	48,471
MWS Family Development Programme	(1,097,065)	(313,175)	-	(1,410,240)
MWS Nursing Home - Yew Tee*	(3,799,771)	104,492	-	(3,695,279)
MWS Family Service Centre - Hougang and Buangkok*	447,965	209,871	-	657,836
MWS Family Service Centre - Yishun*	1,901,420	105,850	-	2,007,270
MWS Family Service Centre - Tampines*	2,909,979	(638,616)	-	2,271,363
MWS Wesley Active Ageing Centre - Jalan Berseh*	8,291	129,422	-	137,713
MWS Christalite Methodist Home ("MWS CMH")*	(72,544)	(139,010)	-	(211,554)
MWS Family For Life@Community* (fka from Family Support Programme - North*)	551,237	147,722	533,896	1,232,855
MWS Family Support Programme - East* (ceased on 1 April 2025)	566,558	-	(566,558)	-
MWS Senior Care Centre - Eunos*	(468,267)	(2,017)	9,644	(460,640)

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

22 Service Centres' Accumulated Funds (Cont'd)

2025 (Cont'd)

	At 1.4.2024 \$	Surplus/ (deficit) \$	Transfer of funds \$	At 31.3.2025 \$
MWS Strengthening Families Programme (FAM)*	480,486	257,541	-	738,027
MWS Research, Innovation and Training Academy	(344,711)	(239,328)	-	(584,039)
MWS Nursing Home – Eunós*	48,495	2,200,474	-	2,248,969
ACS Academy (New)	-	417,000	-	417,000
Total	(902,742)	7,837,417	(3,018)	6,931,657

* Funds received from MOH, MSF and NCSS are expendable for any activities within the respective Service Centres' programmes at the discretion of the Board of Governance of the Society. These funds are strictly classified and retained within the respective Service Centres and are not available for use by any of the other Service Centres of the Society. If, however, in rare instances where a transfer of funds between Service Centres is required, a request will be put up for approval to the relevant funding government agencies or organisations and the transfer effected only after receipt of such approval.

23 Fair Value Reserve

The reserve represents changes in the fair value of financial assets at fair value through other comprehensive income arising from investments of General Accumulated Fund.

24 Asset Capitalisation Reserve

	2026 \$	2025 \$
At beginning of the financial year	718,182	1,263,181
Depreciation of property, plant and equipment (Note 9)	(294,675)	(774,514)
Deficit for the financial year	(294,675)	(774,514)
Balance before transfer	423,507	488,667
Transfer from Community Silver Trust (Note 28)	680,138	229,515
At end of the financial year	1,103,645	718,182

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

25 Dr LCM Manpower Development Fund (“LCM Fund”)

	2026	2025
	\$	\$
At beginning of the financial year	1,072,116	873,554
Dividends received	57,853	47,642
Expenditure (see below)	(18,157)	(6,233)
Surplus for the financial year	39,696	41,409
Fair value gain on financial assets at fair value through other comprehensive income	182,580	157,153
At end of the financial year	1,294,392	1,072,116

The LCM Fund was set up from donations in memory of the late Dr Ling Chaw Ming in accordance with the wishes of the donors. The donations received from the donors of \$1,000,000 shall be used for general educational purposes, including without limitation for the funding of scholarships, upgrading of skills, study trips and attachments, priority given but not restricted to staff in healthcare sector. The balance of the fund is to be invested at the sole discretion of the Board of Governance of the Society in line with its investment policies.

The LCM Fund is represented by equity securities at fair value of \$1,246,765 (2025: \$1,064,029) (Note 10) and the remainder in cash.

26 Building Maintenance Fund

	2026	2025
	\$	\$
At beginning of the financial year	869,387	819,387
Transfer from Service Centres' Accumulated Funds	50,000	50,000
At end of the financial year	919,387	869,387

This fund is for the future major repairs and maintenance of MWS BNH.

27 Community Outreach Project Fund

	2026	2025
	\$	\$
At beginning of the financial year	35,525	40,192
Receipts	59,201	54,635
Expenditure	(25,000)	(59,302)
Deficit for the financial year	34,201	(4,667)
At end of the financial year	69,726	35,525

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

27 Community Outreach Project Fund (Cont'd)

The purpose of this fund is to raise awareness of chronically poor in Singapore and for community outreach projects.

Included in receipts are tax deductible receipts of \$40,450 (2025: \$21,151) for the community outreach projects (Note 3).

28 Community Silver Trust

	2026 \$	2025 \$
At beginning of the financial year	2,775,994	2,107,295
Grants received	5,447,791	1,754,541
Expenditure	(4,105,745)	(856,327)
Surplus for the financial year	1,342,046	898,214
Balance before transfer	4,119,812	3,005,509
Transfer to Asset Capitalisation Reserve (Note 24)	(680,138)	(229,515)
At end of the financial year	3,437,902	2,775,994

Community Silver Trust ("CST") is a trust managed by AIC. The objective of CST is to encourage donations and provide additional resources for service providers receiving funding support from MOH and/or MSF for the provision of intermediate and long-term care services to enhance capabilities and provide value-added services to achieve higher quality care and affordable step-down care.

29 MWS – CSL Trust Endowment Fund

	2026 \$	2025 \$
At beginning of the financial year	1,438,895	1,416,176
Dividends received	80,681	77,830
Gain on disposal of financial assets at fair value through other comprehensive income	-	7,455
Surplus for the financial year	80,681	85,285
Fair value gain on financial assets at fair value through other comprehensive income	77,259	7,434
Transfer to Service Centres' Accumulated Funds	(70,000)	(70,000)
At end of the financial year	1,526,835	1,438,895

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

29 MWS – CSL Trust Endowment Fund (Cont'd)

This is an endowment fund where in accordance with the wishes of Chen Su Lan Trust (the donor), the donation received from the donor of \$1,000,000 should not be expended but should be invested at the full discretion of the Board of Governance of the Society. The surplus of income from the investment less fees and any other payables in relation to the investment shall be used to pay for medical services at MWS BNH.

The endowment fund is represented by equity securities at fair value of \$1,487,110 (2025: \$1,409,851) (Note 10), exchange-traded funds at fair value of \$6,015 (2025: \$Nil) (Note 12) and the remainder in cash.

30 Low Foundation Fund ("LF Fund")

	2026 \$	2025 \$
At beginning of the financial year	1,372,823	1,037,599
Dividends received	68,603	43,791
Interest income	-	10,303
Donations received	80,000	50,000
Loss on disposal of financial asset at amortised cost	(5,796)	-
Surplus for the financial year	142,807	104,094
Fair value gain on quoted equity investment at fair value through other comprehensive income	203,100	231,130
At end of the financial year	<u>1,718,730</u>	<u>1,372,823</u>

The Low Foundation (LF) Fund is set up from unutilised LF donation of \$1,000,000 received from the Low Foundation.

According to LF's wishes, annual investment income and their matching amount in the first 3 years shall not be utilised. The Society shall have the flexibility to utilise the accumulated investment income and the matched amount for the operational needs of MWS BNH and MWS Nursing Home – Yew Tee after that. The Society has full discretion and autonomy to invest the monies in the LF Fund.

The LF Fund is represented by equity securities at fair value of \$1,463,098 (2025: \$1,059,534) (Note 10), exchange-traded funds at fair value of \$242,291 (2025: \$Nil) (Note 12), debt security (bond) at fair value of \$Nil (2025: \$251,458) and the remainder in cash.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

31 Other Funds

2026

	At 1.4.2025 \$	Receipts \$	Expenditure \$	Surplus/ (deficit) \$	Transfer of funds, net \$	At 31.3.2026 \$
General						
Maintenance						
Fund (Note 21)	1,390,186	-	-	-	100,000	1,490,186
Medifund	215,797	352,034	(292,011)	60,023	-	275,820
Medifund Silver	187,045	219,749	(246,299)	(26,550)	-	160,495
Financial Assistance						
Fund	12,677	-	-	-	-	12,677
FSC Comcare Fund	12,650	34,730	(13,680)	21,050	-	33,700
School Pocket						
Money Fund	26,970	71,255	(14,300)	56,955	-	83,925
PLMC Immediate						
Fund	30,000	-	(4,000)	(4,000)	-	26,000
MOH Financial						
Assistance						
Scheme Fund	58,167	175,833	(201,057)	(25,224)	-	32,943
	<u>1,933,492</u>	<u>853,601</u>	<u>(771,347)</u>	<u>82,254</u>	<u>100,000</u>	<u>2,115,746</u>

2025

	At 1.4.2024 \$	Receipts \$	Expenditure \$	Surplus/ (deficit) \$	Transfer of funds, net \$	At 31.3.2025 \$
General						
Maintenance						
Fund (Note 21)	1,290,186	-	-	-	100,000	1,390,186
Medifund	277,194	284,263	(345,660)	(61,397)	-	215,797
Medifund Silver	133,479	236,473	(182,907)	53,566	-	187,045
Financial Assistance						
Fund	12,677	-	-	-	-	12,677
FSC Comcare Fund	17,930	12,070	(17,350)	(5,280)	-	12,650
School Pocket						
Money Fund	33,620	10,360	(17,010)	(6,650)	-	26,970
PLMC Immediate						
Fund	38,000	-	(8,000)	(8,000)	-	30,000
MOH Financial						
Assistance						
Scheme Fund	30,418	73,990	(46,241)	27,749	-	58,167
	<u>1,833,504</u>	<u>617,156</u>	<u>(617,168)</u>	<u>(12)</u>	<u>100,000</u>	<u>1,933,492</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

31 Other Funds (Cont'd)

General Maintenance Fund

This fund is set up for repairs and maintenance requirement of the Society.

Medifund

These are monies from the government to support any resident who has difficulties in paying their medical fees.

Medifund Silver

These are monies from the government to support any resident above 65 years old who has difficulties in paying their medical fees.

Financial Assistance Fund

This fund is set up to provide financial assistance to needy, families and children.

FSC Comcare Fund

These are funds received from Ministry of Social and Family Development ("MSF") to provide immediate assistance to needy clients who require urgent and temporary financial relief to tide over their current situations.

School Pocket Money Fund

These are funds received from The Straits Times to finance needy students. It is disbursed to students as school pocket money.

PLMC Immediate Fund

These are donations received from Paya Lebar Methodist Church to finance needy walk-in and urgent cases.

MOH Financial Assistance Scheme Fund

The Financial Assistance Scheme ("FAS") was introduced in March 2011 to support a small group of needy Permanent Residents ("PRs") who are on the Medical Fee Exemption Card ("MFEC") or ComCare Long-Term Assistance ("LTA") for their subsidised LTC bills incurred at some MediFund-accredited nursing homes, community hospitals, chronic sick hospitals, and inpatient hospices.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

31 Other Funds (Cont'd)

MOH Financial Assistance Scheme Fund (Cont'd)

MOH extended the FAS to support the healthcare bills of needy PRs in the Public Healthcare Institution ("PHI") and Intermediate and Long-Term Care ("ILTC") settings in September 2025.

FAS is centrally administered by Agency of Integrated Care ("AIC") FAS Committee.

32 Management of reserves

Reserves are maintained so as to provide working capital, and to enable the Society and its service centres to develop over the longer term. No changes are made in the objectives, policies or processes during the financial years ended 31 March 2026 and 31 March 2025. The Society's ratio of reserves is as shown below:

	2026	2025
	\$	\$
General Accumulated Fund	25,302,330	31,742,998
Service Centres' Accumulated Fund	22,954,008	6,931,657
Total Reserves	48,256,338	38,674,655
Annual Operating Expenditure	79,596,889	69,227,288
Ratio of Reserves to Annual Operating Expenditure	0.61	0.56

Reserves are income funds of the Society that are freely available for its operating purposes and are not subject to commitments, planned expenditure and spending limits. Reserves do not include endowment funds, designated funds and other restricted funds.

33 Capital commitments

	2026	2025
	\$	\$
Property, plant and equipment contracted for but not provided for in the financial statements relating to		
- Equipment	-	99,118
- Renovation	111,880	-

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

34 Leases

Nature of the Society's leasing activities

The Society leases land, properties and office equipment from non-related parties under non-cancellable operating lease agreements. These leases have an average tenure of between one to three years, varying terms, escalation clauses and renewal options.

The maturity analysis of the lease liabilities is disclosed in Note 35(b).

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

Carrying amount of right-of-use assets

The carrying amount of right-of-use assets are as follows:

	2026 \$	2025 \$
<u>Classified within property, plant and equipment</u>		
Leasehold properties	4,063,234	4,746,418
Additions to leased properties (Note 9)	2,213,732	4,372,984

Amounts recognised in income or expenditure

	2026 \$	2025 \$
<u>Depreciation charge for the financial year</u>		
Leasehold properties	2,896,916	2,101,356
Interest expense on lease liabilities	165,278	141,533
<u>Lease expense not included in the measurement of lease liabilities</u>		
Lease expense – short term leases	129,862	184,460
Lease expense – low value leases	35,667	95,243
Total (Note 8)	165,529	279,703

Total cash outflow for leases during the financial year amounted to \$3,222,181 (2025: \$2,505,041).

As at 31 March 2026, the Society is committed to \$9,900 (2025: \$28,805) for short-term leases.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the balance sheet date are as follows:

	2026 \$	2025 \$
<i>Financial assets</i>		
Financial assets at amortised cost	44,448,782	42,218,436
Financial assets at fair value through other comprehensive income	15,380,292	13,591,302
Financial assets at fair value through profit or loss	<u>8,275,928</u>	<u>1,393,803</u>
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	<u>15,890,864</u>	<u>14,159,879</u>

b) Financial risk management

Overall risk management is determined and carried out by the Board of Governance. Due to the nature of the Society's activities, it has minimal financial risk exposure.

Foreign exchange risk

The Society's exposure to foreign exchange risk is minimal as nearly all of its transactions are in Singapore dollar.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. For financial assets at amortised cost (including fixed deposits and cash and bank balances), the Society minimises credit risk by dealing with high credit quality counterparties. The Society has no significant concentration of credit risk exposure except for the cash and cash equivalents maintained with Singapore banks.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Credit risk (Cont'd)

The following sets out the Society'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 90 days past due or there is evidence of credit impairment	Lifetime ECL – credit-impaired
There is evidence indicating that the Society has no reasonable expectation of recovery of payments	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Society compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Society 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, when assessing whether credit risk has increased significantly since initial recognition, the Society considers 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 and actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Credit risk (Cont'd)

Significant increase in credit risk (Cont'd)

The Society 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 Society 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 Society has reasonable and supportable information that demonstrates otherwise.

The Society also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition of the financial asset is determined to have low credit risk at the balance sheet 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 Society has determined the default events on a financial asset to be when there is evidence that the borrower is experiencing liquidity issues or when there is a breach of contract, such as a default of payment.

The Society considers the above 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.

Irrespective of the above analysis, the Society considers that default has occurred when a financial asset is more than 90 days past due unless the Society has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Credit risk (Cont'd)

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.

Financial assets at amortised cost

Financial assets at amortised cost include debt securities, cash at bank held by fund manager, other receivables, fixed deposits and cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Credit risk (Cont'd)

Financial assets at amortised cost (Cont'd)

The table below details the credit quality of the Society's financial assets (other than financial assets through profit or loss and financial assets through other comprehensive income):

Society 2026	12-month or lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
Other receivables	12-month (Exposure limited)	1,455,442	-	1,455,442
Cash at bank held by fund manager	Not applicable (Exposure limited)	511,682	-	511,682
Other financial assets at amortised cost	12-month (Exposure limited)	3,039,595	-	3,039,595
Fixed deposits	Not applicable (Exposure limited)	9,550,000	-	9,550,000
Cash and bank balances	Not applicable (Exposure limited)	29,892,063	-	29,892,063
Other receivables	12-month (Exposure limited)	1,863,171	-	1,863,171
	Lifetime	3,862	(3,862)	-
Other financial assets at amortised cost	12-month (Exposure limited)	3,724,644	-	3,724,642
Fixed deposits	Not applicable (Exposure limited)	19,050,000	-	19,050,000
Cash and bank balances	Not applicable (Exposure limited)	17,580,621	-	17,580,621

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Credit risk (Cont'd)

Financial assets at amortised cost (Cont'd)

Movements in credit loss allowance are as follows:

	Other financial assets at amortised cost \$	Other receivables \$	Total \$
Society			
Balance at 1 April 2024	–	7,982	7,982
Loss allowance measured:			
Write-off	–	3,862	3,862
Write-back of allowance	–	(7,982)	(7,982)
Balance at 31 March 2025	–	3,862	3,862
Loss allowance measured:			
Write-off	–	–	–
Write-back of allowance	–	(3,862)	(3,862)
Balance at 31 March 2026	–	–	–

Interest rate risk

The Society's income and operating cash flows are substantially independent of changes in market interest rates as it has no significant interest-bearing assets and liabilities except for debt securities and fixed deposits.

Fixed deposits and debt securities are at fixed rates of interest which expose the Society to fair value interest rate risk (i.e. the risk that the value of a financial instrument will fluctuate due to changes in market rates).

For interest income from fixed deposits and debt securities, the Society manages interest rate risks by placing fixed deposits and debt securities with reputable financial institutions and reputable and good credit rating corporations respectively on varying maturities and interest rate terms.

At the balance sheet date, the Society has no significant interest-bearing assets and liabilities at variable rates of interest, therefore the Society's financial performance is substantially independent of changes in market interest rates. Accordingly, the sensitivity analysis for interest rate risk is not disclosed.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Liquidity risk

The Board of Governance exercises prudent liquidity and cash flow risk management policies and aims to maintain sufficient level of liquidity and cash flows at all times.

The financial liabilities of the Society as presented in the balance sheet are due within twelve months from the balance sheet date and approximate the contractual undiscounted repayment obligations. The table below summarises the maturity profile of the Society's non-derivative financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

	Within 1 year \$	1 to 5 years \$	Total \$
Society			
2026			
Sundry payables and accruals	11,746,586	-	11,746,586
Lease liabilities	2,259,438	2,071,725	4,331,163
	<u>14,006,024</u>	<u>2,071,725</u>	<u>16,077,749</u>
2025			
Sundry payables and accruals	9,337,959	-	9,337,956
Lease liabilities	2,786,603	2,243,838	5,030,441
	<u>12,124,559</u>	<u>2,243,838</u>	<u>14,368,397</u>

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). At 31 March 2026, the Society is exposed to changes in market price arising from its investment in equity instruments and investment funds classified as financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss respectively. The Society does not have exposure to commodity price risk.

Sensitivity analysis

At 31 March 2026, the Society's investment in equity securities, exchange-traded fund ("ETFs") and financial assets under fund management are \$15,380,292 (2025: 13,591,302), \$2,256,228 (2025: \$1,393,809) and \$6,019,700 (2025: \$Nil) respectively (Note 10, 12 and 13).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

35 Financial instruments (Cont'd)

b) Financial risk management (Cont'd)

Market price risk (Cont'd)

Sensitivity analysis (Cont'd)

At 31 March 2026, if prices of the Society's investments increase/decrease by 10% (2025: 10%) with all other variables held constant, the Society's fair value reserve in equity would have been \$1,538,029 (2025: \$1,359,130) higher/lower, arising as a result of an increase/decrease in fair value of equity securities, and the Society's income or expenditure would have been \$827,593 (2025: \$139,380) higher/lower, arising as a result of higher/lower fair value gain on ETFs and financial assets under fund management.

36 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).

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

36 Fair values of assets and liabilities (Cont'd)

b) Fair value measurements of assets that are measured at fair value

The following table presents the level of fair value hierarchy for each class of financial instruments at fair value on the balance sheet date:

	Level 1 \$	Level 2 \$	Total \$
2026			
Financial assets			
Fair value through other comprehensive income:			
- Perpetual notes			
- Investments of General Accumulated Fund	-	251,125	251,125
- Other equity securities			
- MWS - CSL Trust Endowment Fund	1,487,110	-	1,487,110
- Dr LCM Manpower Development Fund	1,246,765	-	1,246,765
- Low Foundation Fund	1,463,098	-	1,463,098
- Investments of General Accumulated Fund	10,932,194	-	10,932,194
	<u>15,129,167</u>	<u>251,125</u>	<u>15,380,292</u>
Fair value through profit or loss:			
- Exchange-traded funds			
- MWS - CSL Trust Endowment Fund	6,015	-	6,015
- Low Foundation Fund	242,291	-	242,291
- Investments of General Accumulated Fund	2,007,922	-	2,007,922
	<u>2,256,228</u>	<u>-</u>	<u>2,256,228</u>
Under fund management			
- Equity securities	2,713,073	-	2,713,073
- Debt securities	-	3,306,627	3,306,627
	<u>2,713,073</u>	<u>3,306,627</u>	<u>6,019,700</u>
	<u>4,969,301</u>	<u>3,306,627</u>	<u>8,275,928</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

36 Fair values of assets and liabilities (Cont'd)

b) Fair value measurements of assets that are measured at fair value (Cont'd)

	Level 1 \$	Level 2 \$	Total \$
2025			
Financial assets			
Fair value through other comprehensive income:			
- Perpetual notes			
- Investments of General Accumulated Fund		249,358	249,358
- Other equity securities			
- MWS - CSL Trust Endowment Fund	1,409,851	-	1,409,851
- Dr LCM Manpower Development Fund	1,064,029	-	1,064,029
- Low Foundation Fund	1,059,534	-	1,059,534
- Investments of General Accumulated Fund	9,808,530	-	9,808,530
	<u>13,341,944</u>	<u>249,358</u>	<u>13,591,302</u>
Fair value through profit or loss:			
- Exchange-traded funds			
- Investments of General Accumulated Fund	1,393,803	-	1,393,803
	<u>1,393,803</u>	<u>-</u>	<u>1,393,803</u>

c) Assets not carried at fair value but which fair values are disclosed

	Carrying amount \$	Fair value measurement at balance sheet date Level 2 \$
2026		
Financial assets		
Financial assets at amortised cost		
- Debt securities	<u>3,039,595</u>	<u>3,068,430</u>
2025		
Financial assets		
Financial assets at amortised cost		
- Debt securities	<u>3,724,644</u>	<u>3,769,825</u>

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

36 Fair values of assets and liabilities (Cont'd)

d) Determination of fair values

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

Equity securities and exchange-traded funds

The fair values of equity securities and exchange-traded funds are based on quoted market prices or dealer quotes for similar investments at the balance sheet date. These instruments are included in Level 1.

Perpetual notes and debt securities

The fair values of perpetual notes and debt securities are determined based on market prices provided by financial institutions at the balance sheet date. These instruments are included in Level 2.

e) 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 are reasonable approximation of their fair values due to their short-term nature and where the effect of discounting is immaterial.

37 Related party transactions

- a) In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Society and related parties during the financial year on terms agreed by the parties concerned:

	2026	2025
	\$	\$
Donations paid to a related party	420,110	-

The above related party comprises an entity in which certain key management personnel of the Society have significant influence.

b) Key management personnel compensation

The Society's key management personnel and their remuneration are disclosed in Note 7.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2026

38 Authorisation of financial statements

The financial statements of the Society for the financial year ended 31 March 2026 were authorised for issue in accordance with a resolution of the Board of Governance dated 30 July 2026.



70 Barker Road #05-01
Singapore 309936
Tel: 6478 4700 Fax: 6478 4701
Email: admin@mws.sg
Website: www.mws.sg

