FINANCIAL
REVIEW

CORPORATE GOVERNANCE

The University is committed to developing and maintaining high standards of corporate governance and has put in place the appropriate governance structures consistent with such objectives. The University's governance evaluation checklist can be viewed at the charity portal website (www.charities.gov.sg).

GOVERNANCE FRAMEWORK

1. Statutory and Corporate Governance Framework

The governance of the University takes place within a specific statutory framework – the Singapore Management University Act (Cap. 302A) ("SMU Act") – and Section 3 of the SMU Act which provides that "The function of the university company is to pursue, within the limits of the financial resources available to it, the objects provided by its constituent documents and, in particular, the university company may confer and award degrees, diplomas and certificates, including honorary degrees and other distinctions."

Section 9(1) of the SMU Act further states that "Any provision of the constituent documents, or any regulation of the university company made in pursuance thereof, that is inconsistent with provision of this Act shall, to the extent of the inconsistency, be void."

Apart from the SMU Act, the other key document relevant to the University is its constitution ("SMU Constitution") which is regarded as a key constitutive document because it contains important provisions relating to, inter alia, the objects of the University, its powers, the roles, powers and duties of the Board of Trustees, the roles of the Chancellor, President and Provost. The SMU Constitution provides that "The objects of the Company are to establish, operate, maintain and promote the Singapore Management University (hereinafter called the "University") which will provide courses of study or instruction pertaining to management, human resource development and any other fields of knowledge."

The importance of the SMU Constitution in the University's governance framework is clearly stated in Article 1(1) of the SMU Constitution which states:

"These Articles are principles of fundamental and continuing significance to the governance of the Company. The Board of Trustees may from time to time set forth or revise policies and procedures consistent with these Articles and with the law for the furtherance of the Company's objectives and for the good government of the Company. The said policies and procedures shall be filed in the office of the Secretary."

2. Board of Trustees

The University's Board of Trustees ("Board") is the highest governing organ within the University's governance framework and Article 36(1) to (3) of the SMU Constitution defines the role of the Board to be as follows:

"(1) There shall be a Board of Trustees of the Company, which responsibilities are to ensure that the Company acts in furtherance of its objectives in education and research and to ensure that the funds and assets of the Company are properly accounted for and safeguarded.

(2) The Trustees shall be eminent persons of good repute and sound judgement, with considerable experience in public service, the private sector or in academia.

(3) A Trustee shall stand in a fiduciary relation to the Company and shall perform his duties as a trustee in good faith in the best interests of the Company and with care, skill and diligence. A Trustee may, in considering the best interests of the Company, consider the effects of any action upon employees, upon suppliers and students and other constituents of the University and upon the community in which the University is located. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Trustee of the Company or any failure to take any action shall be presumed to be in the best interests of the Company."

The SMU Constitution states that the number of Trustees shall be up to twenty, or such other number as the Minister for Education ("Minister") shall from time to time in his discretion determine, and all of whom shall be appointed by the Minister. The SMU Constitution further provides that the Chairman of the Board shall be appointed by the Minister from amongst the Trustees and in addition, the SMU Constitution states that no person who is an officer, Faculty member or full-time employee of the Company shall be eligible for election as Chairman or Deputy Chairman. On the issue of the President's participation at Board meetings, Article 36(10) expressly states that "The President shall attend Board meeting as ex-officio and shall not be entitled to vote thereat." There are no Board members holding staff appointments in SMU.

The term of appointment, and renewals (if any), of Trustees are determined by the Ministry of Education ("MOE") / Minister in consultation with SMU. A Trustee is appointed by MOE / Minister usually on a 3 or 4-year term, with renewal at the discretion of MOE/Minister as the Minister is empowered under the SMU Act and the SMU Constitution. A university's strategic plans are understandably long term in nature and in SMU, a Trustee would hence usually serve for more than 10 consecutive years as long term strategic plans often require, and also benefit from, having some level of continuity amongst its Board members and also familiarity with the University's long term strategic plans, and its origins.

SMU's Board is chaired by Mr Piyush Gupta. The Board's key roles are in the areas of (i) strategy formulation; (ii) policy making; (iii) external promotion of the University; and (iv) accountability. This essentially means that the Board has a role in setting and approving the University's strategic direction and appointing the strategic leadership by appointing the University's President and Provost. In this regard, the Board is in charge of providing the strategic planning oversight for the University by setting the broad strategic framework within which the President and senior university administrators can operate so as to implement the Board's strategic direction for the University. The Board also ensures that the University has in place appropriate policies, including governance policies, which are in line with best practices, and in addition, the Board also has the role to promote and being an advocate of the University to the wider community. In the area of accountability, the Board's role includes being accountable for the financial well-being of the University, delegating authority appropriately and ensuring that a rigorous governance framework is established for the University.

CORPORATE GOVERNANCE

SMU Board meetings are usually held four times a year, once every quarter. The attendance of the Board members at the Board meetings for the financial year are set out below:

BOARD MEETING – SUMMARY OF ATTENDANCE FOR PERIOD 1 APRIL 2024–31 MARCH 2025

Trustees	17 May 2024	16 Aug 2024	15 Nov 2024	21 Feb 2025
Mr Piyush Gupta	✓	✓	✓	✓
Ms Chong Yiun Lin	✓	✓	✓	✓
Professor Andrew David Hamilton	✓	✓	✓	✓
Ms Ho Nyuk Choo Deborah Joanne	X	✓	✓	✓
Dr Pichet Jaensubhakij	✓	✓	✓	✓
Dato' Kho Hui Meng	✓	X	✓	✓
Professor Maxwell Leslie King	✓	✓	✓	✓
Mr Sherman Kwek Eik Tse	NA	NA	NA	✓
Mr Don Di Lam	✓	✓	✓	✓
Mr Lim Eng Hwee	NA	NA	NA	✓
Ms Lim Ke Xin	✓	✓	✓	✓
Mr Lim U Yang Hugh-Reginald	✓	✓	✓	✓
Professor Lim Swee Lian Ivy	✓	✓	X	X
Mr Edmund Lin Yeng	✓	✓	✓	✓
Ms Png Chin Yee	✓	✓	✓	✓
Mr Arif Rachmat	✓	✓	✓	✓
Ms Juthika Ramanathan	X	X	X	X
Mr Ganendran Sarvananthan	X	✓	✓	✓
Mr Panote Sirivadhanabhakdi	X	✓	✓	X
Sir Nigel John Thrift	✓	✓	✓	✓
Mr Sunny George Verghese	✓	✓	✓	NA

NA – Not a Board Member
X – Absent

Article 42(3) of SMU's Constitution forbids any payment to Trustees for services rendered in their capacity as Trustees and it follows accordingly that no Trustee received any remuneration for services rendered in their capacity as Trustees for the financial year. Article 42(2) of SMU's Constitution does allow a Trustee to act in a professional capacity (except as auditor) by providing professional services, and to be remunerated accordingly for such professional services rendered (if any) to SMU as if he/she were not a Trustee. There is no paid SMU staff, being a close member (as defined under Charity Council's governance evaluation checklist) of the family belonging to a Board member, who has received remuneration exceeding S$50,000 during the financial year.

CORPORATE GOVERNANCE

3. Committees

The Board has the power to delegate its powers and has established various Committees to assist the Board in its duties. The Committees which have been established, include the following:

(a) Academic Affairs Committee,

(b) Audit Committee,

(c) Finance and Remuneration Committee,

(d) Investment Committee,

(e) Nominations Committee,

(f) Committee for Institutional Advancement,

(g) Industry and Entrepreneurship Committee (formerly known as Enterprise Board), and

(h) Campus Development Advisory Committee.

The Committees operate based on the principle of delegated authority from the Board and are required to observe their respective Terms of Reference as set by the Board. The Terms of Reference of each of these Committees sets out the role, powers and rules applicable to these Committees.

4. President

The President of the University is appointed by the Board and Article 35(2) of the SMU Constitution describes the role and powers of the President to be as follows:

“The President shall be the chief executive officer of the Company and the University’s academic and administrative head. He is responsible to the Board of Trustees for the conduct, co-ordination and quality of the University’s programmes and for its future development. The President shall have the authority to perform all acts which are necessary to make effective the policies, procedures and actions of the Board of Trustees. As a liaison between the Board and the Faculty, the President shall inform each of the views and concerns of the other relating to the programmes and administration of the University. The President shall arrange for the Company’s annual budget and forward estimates to be presented annually to the Board of Trustees for approval, or to a committee so appointed by the Board of Trustees for that purpose.”

There is no paid SMU staff, being a close member (as defined under Charity Council’s governance evaluation checklist) of the family belonging to the President, who has received remuneration exceeding S$50,000 during the financial year.

CORPORATE GOVERNANCE

5. Provost

The Provost of the University is appointed by the Board of Trustees pursuant to Article 35(4) of the SMU Constitution and the role of the Provost, as defined by Article 35(5) of the SMU Constitution, is defined as follows:

"The Provost shall be the educational officer normally responsible for the conduct, coordination and quality of the University's academic programmes and for their future development. The Provost shall report to the President with regard to these responsibilities and in the discharge thereof shall consult the Faculty."

6. Policy on Managing Conflicts of Interest

Our Board members and staff are required in their respective capacities to act at all times in the best interest of the University. Policies and procedures are designed to prevent and address potential conflict-of-interest situations while promoting ethical business conduct of faculty and staff.

In this regard, an extract of Article 42(1) of the SMU Constitution specifically mentions that "no Trustee shall vote as a Trustee in respect of any contract or arrangement in which he is interested".

There are equivalent provisions in the SMU policies and procedures applicable to its staff which effectively state that all staff should avoid any conduct in both their business and personal activities that involve or appear to involve a conflict of interest and the relevant policies further provide that the staff involved in any stages of the procurement process shall declare and disqualify themselves from handling procurement in which conflict of interest situations arise.

7. Accumulated Reserve Policy

Usage from Accumulated Reserve
No spending is allowed directly from the Accumulated Reserve account. Any need to draw from the Accumulated Reserve account must be approved by the Board of Trustees as an allocation of funds to cover the operating budget for the year. The need to draw from the Accumulated Reserve must be justified in the financial plan for the year. Where the need to draw is due to unforeseen circumstances beyond Management's ability to cope by expense reductions or use of other available funds, then proper justifications to the Board must be provided and Board approval obtained.

Usage of Income from Investment of Accumulated Reserve
To further enhance the value of the Accumulated Reserve, management and the Board seeks to invest certain unutilised portions of the Accumulated Reserve to generate income. The income will further add value to the Accumulated Reserve and could be drawn down to support the University's operating budget or development. Any utilisation of income from the investment of the Accumulated Reserve will be subject to the Board's approval. Any utilisation of the capital investment of the Accumulated Reserve will also be subject to the Board's approval.

SMU's Investment Committee has been entrusted by the Board to provide oversight on the investment of the University's Accumulated Reserve in accordance with the Investment Committee's Terms of Reference.

STATEMENT BY TRUSTEES

For the financial year ended 31 March 2025

The Board of Trustees present their statement to the members together with the audited financial statements of Singapore Management University (the “University Company”) and its subsidiaries (collectively, the “Group”) for the financial year ended 31 March 2025 and the balance sheet of the University Company as at 31 March 2025.

In the opinion of the Trustees,

(a) the consolidated financial statements of the Group, and the balance sheet of the University Company are drawn up so as to give a true and fair view of the financial position of the Group and of University Company as at 31 March 2025 and the financial performance, changes in funds and reserves and cash flows of the Group for the financial year ended on that date; and

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

TRUSTEES

The Trustees of the University Company in office at the date of this statement are as follows:

Mr Piyush Gupta - Chairman	
Ms Ho Nyuk Choo Deborah Joanne	
Dato’ Kho Hui Meng	
Professor Maxwell Leslie King	
Ms Lim Ke Xin (Lin Kexin)	
Mr Lim U Yang Hugh-Reginald	
Mr Edmund Lin Yeng	
Professor Lim Swee Lian Ivy	
Mr Arif Rachmat	
Ms Juthika Ramanathan	
Mr Ganendran Sarvananthan	
Mr Panote Sirivadhanabhakdi	
Sir Nigel John Thrift	
Ms Chong Yiun Lin (Zhang Yunling)	
Ms Png Chin Yee (Fang Jingyi)	
Dr Pichet Jaensubhakij	
Dr Professor Andrew David Hamilton	
Mr Don Di Lam	
Mr Lim Eng Hwee	[appointed 12 January 2025]
Mr Sherman Kwek Eik Tse	[appointed 12 January 2025]

STATEMENT BY TRUSTEES

For the financial year ended 31 March 2025

ARRANGEMENTS TO ENABLE TRUSTEES TO ACQUIRE SHARES AND DEBENTURES

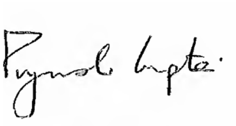
Neither at the end of nor at any time during the financial year was the University Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Trustees of the University Company to acquire benefits by means of the acquisition of shares or debentures of the University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

As the University Company is limited by guarantee, there are no matters to be disclosed under Section 9, Twelfth Schedule of the Companies Act 1967.

TRUSTEES' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no Trustee has received or become entitled to receive a benefit by reason of a contract made by the University Company or a related corporation with the Trustee, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

On behalf of the Trustees



Mr Piyush Gupta
Trustee

Ms Juthika Ramanathan
Trustee

Singapore
15 August 2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 March 2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Singapore Management University (the "University Company") and its subsidiaries (the "Group"), which comprise the balance sheets of the Group and the University Company as at 31 March 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in funds and reserves and consolidated cash flow statement of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Singapore Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Group and the University Company as at 31 March 2025 and of the consolidated financial performance, consolidated changes in funds and reserves and consolidated cash flows of the Group for the financial year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information obtained at the date of this auditor's report comprises the Statement by Trustees set out on pages 1 and 2.

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

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 March 2025

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

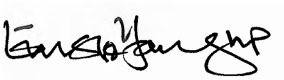
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the University Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

During the course of our audit, nothing has come to our attention that causes us to believe that during the year the University Company has not used the donation monies in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
15 August 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

	Note	Operating funds			
		General fund		Other funds	
		2025	2024	2025	2024
		$'000	$'000	$'000	$'000
Tuition and other fees	4	**134,622**	131,594	**151,648**	145,609
Other income	4	**10,314**	10,519	**722**	692
Government grants	5	**195,810**	197,228	**929**	193
Transfer from term funds to operating funds*		**19,111**	18,915	**842**	1,183
Total operating income		**359,857**	358,256	**154,141**	147,677
Expenses					
– Expenditure on manpower	6	**(317,227)**	(289,332)	**(29,304)**	(27,430)
– Other expenses	7	**(137,386)**	(130,534)	**(49,493)**	(41,055)
– Depreciation and amortisation	14,15,16	**(38,072)**	(38,329)	**(25)**	(20)
– Finance – borrowings		**(6,242)**	(7,351)	**–**	–
Transfer from term funds to operating funds*		**–**	–	**–**	–
Total operating expenditure		**(498,927)**	(465,546)	**(78,822)**	(68,505)
(Deficit)/surplus before investment income		**(139,070)**	(107,290)	**75,319**	79,172
Net investment gains/(losses)	8	**23,661**	51,269	**–**	–
Net (deficit)/surplus		**(115,409)**	(56,021)	**75,319**	79,172
Tax expense	9	**–**	–	**(13)**	–
Total comprehensive income for the financial year		**(115,409)**	(56,021)	**75,306**	79,172

* Operating funds include activities that are funded by term funds. During the year, term funds of $19,953,000 (2024: $20,098,000) were transferred to operating funds to fund its activities.

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

	Total general and other funds		Endowment fund		Term funds		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
	286,270	277,203	**–**	–	**–**	–	**286,270**	277,203
	11,036	11,211	**–**	–	**16,645**	16,173	**27,681**	27,384
	196,739	197,421	**–**	–	**–**	–	**196,739**	197,421
	19,953	20,098	**–**	–	**–**	–	**19,953**	20,098
	513,998	505,933	**–**	–	**16,645**	16,173	**530,643**	522,106
	(346,531)	(316,762)	**–**	–	**–**	–	**(346,531)**	(316,762)
	(186,879)	(171,589)	**–**	–	**–**	–	**(186,879)**	(171,589)
	(38,097)	(38,349)	**–**	–	**–**	–	**(38,097)**	(38,349)
	(6,242)	(7,351)	**–**	–	**–**	–	**(6,242)**	(7,351)
	–	–	**–**	–	**(19,953)**	(20,098)	**(19,953)**	(20,098)
	(577,749)	(534,051)	**–**	–	**(19,953)**	(20,098)	**(597,702)**	(554,149)
	(63,751)	(28,118)	**–**	–	**(3,308)**	(3,925)	**(67,059)**	(32,043)
	23,661	51,269	**72,905**	147,897	**1**	404	**96,567**	199,570
	(40,090)	23,151	**72,905**	147,897	**(3,307)**	(3,521)	**29,508**	167,527
	(13)	–	**–**	–	**–**	–	**(13)**	–
	(40,103)	23,151	**72,905**	147,897	**(3,307)**	(3,521)	**29,495**	167,527

BALANCE SHEETS
As at 31 March 2025

	Note	Group 2025 $'000	Group 2024 $'000	University Company 2025 $'000	University Company 2024 $'000
Current assets					
Cash and cash equivalents	10	**671,037**	611,602	**669,537**	611,340
Grants and other receivables	11	**246,177**	159,152	**246,095**	160,445
Financial assets at fair value through profit or loss	12	**1,675,245**	1,697,055	**1,675,220**	1,697,055
Derivative financial instruments	13	**1,192**	4,079	**1,192**	4,079
		2,593,651	2,471,888	**2,592,044**	2,472,919
Non-current assets					
Grants and other receivables	11	**54,728**	57,492	**54,728**	57,492
Right-of-use assets	14	**39,468**	44,147	**39,468**	44,147
Property, plant and equipment	15	**416,852**	437,816	**416,852**	437,816
Intangible assets	16	**408**	259	**408**	259
Investment in subsidiaries	17	**–**	–	**1,240**	–*
Investment in an associate	18	**–**	–*	**–**	–*
		511,456	539,714	**512,696**	539,714
Total assets		**3,105,107**	3,011,602	**3,104,740**	3,012,633
Current liabilities					
Research and other grants received in advance	19	**17,050**	14,336	**17,050**	14,336
Other payables	20	**143,007**	141,886	**142,859**	141,795
Derivative financial instruments	13	**17,543**	6,826	**17,543**	6,826
Lease liabilities	14	**641**	–	**641**	–
		178,241	163,048	**178,093**	162,957
Net current assets		**2,415,410**	2,308,840	**2,413,951**	2,309,962
Non-current liabilities					
Borrowings	21	**209,883**	209,746	**209,883**	209,746
Advances for MOE student loans	22	**–**	–	**–**	–
Deferred capital grants	23	**231,911**	250,008	**231,911**	250,008
Norm-based infrastructure replacement fund received in advance	24	**140,283**	126,870	**140,283**	126,870
Lease liabilities	14	**218**	–	**218**	–
		582,295	586,624	**582,295**	586,624
Total liabilities		**760,536**	749,672	**760,388**	749,581
Net assets		**2,344,571**	2,261,930	**2,344,352**	2,263,052
Funds and reserves					
Accumulated surplus					
– General fund		**128,843**	191,191	**128,843**	191,191
– Other funds		**621,715**	546,409	**621,496**	547,531
		750,558	737,600	**750,339**	738,722
Endowment fund	25	**1,542,961**	1,469,971	**1,542,961**	1,469,971
Term funds	26	**51,052**	54,359	**51,052**	54,359
Total funds and reserves		**2,344,571**	2,261,930	**2,344,352**	2,263,052

_* Carrying amount is less than $1,000

The Group manages the student loan funds on behalf of the Ministry of Education as described in Note 22.

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

CONSOLIDATED STATEMENT OF CHANGES IN FUNDS AND RESERVES

For the Financial Year Ended 31 March 2025

	Accumulated surplus			Endowment fund	Term funds	Total
	General fund	Other funds	Total			
	$'000	$'000	$'000	$'000	$'000	$'000
2025						
At beginning of the financial year	**191,191**	**546,409**	**737,600**	**1,469,971**	**54,359**	**2,261,930**
Total comprehensive income for the financial year	**(115,409)**	**75,306**	**(40,103)**	**72,905**	**(3,307)**	**29,495**
Government grants	**–**	**–**	**–**	**33,022**	**–**	**33,022**
Donations	**–**	**–**	**–**	**20,124**	**–**	**20,124**
Transfer from endowment fund to general fund*	**53,061**	**–**	**53,061**	**(53,061)**	**–**	**–**
At end of the financial year	**128,843**	**621,715**	**750,558**	**1,542,961**	**51,052**	**2,344,571**
2024						
At beginning of the financial year	210,062	467,237	677,299	1,336,076	57,880	2,071,255
Total comprehensive income for the financial year	(56,021)	79,172	23,151	147,897	(3,521)	167,527
Government grants	–	–	–	17,782	–	17,782
Donations	–	–	–	5,366	–	5,366
Transfer from endowment fund to general fund*	37,150	–	37,150	(37,150)	–	–
At end of the financial year	191,191	546,409	737,600	1,469,971	54,359	2,261,930

* This relates to the transfer of funds from the accumulated net income of the endowment fund to accumulated surplus to fund operating activities.

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

CONSOLIDATED CASH FLOW STATEMENT

For the Financial Year Ended 31 March 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Net surplus		**29,508**	167,527
Adjustments for:			
Depreciation and amortisation	14,15,16	**38,097**	38,349
Dividend income	8	**(20,381)**	(11,383)
Fair value (gains)/losses	8	**(60,766)**	(172,924)
Interest expenses		**6,242**	7,351
Interest income	8	**(15,420)**	(15,263)
Gains on disposal of property, plant and equipment	4	**466**	(18)
Government grant	5	**(196,739)**	(197,421)
Operating cash flows before changes in working capital		**(218,993)**	(183,782)
Changes in operating assets and liabilities:			
Other payables		**1,274**	1,358
Grants and other receivables		**(71,291)**	(15,823)
Student loans		**–**	(3,585)
Cash flows used in operations		**(289,010)**	(201,832)
Interest paid		**(6,258)**	(7,439)
Net cash flows used in operating activities		**(295,268)**	(209,271)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(11,445)**	(11,438)
Purchase of intangible asset		**(354)**	–
Proceeds from disposal of property, plant and equipment		**7**	18
Proceeds from disposal of financial assets at fair value through profit or loss, net		**97,878**	42,518
Interest received		**15,420**	16,308
Dividends received	8	**20,381**	11,383
Net cash flows from investing activities		**121,887**	58,789
Cash flows from financing activities			
Government grants and donations received for endowment fund		**43,346**	20,451
Norm-based infrastructure replacement fund received	25	**11,715**	15,281
Research and other grants received		**37,828**	34,536
Operating grants received	5	**140,345**	142,914
Fixed rate notes issued	21	**–**	60,000
Fixed rate notes redeemed	21	**–**	(100,000)
Repayment on principal portion of lease liabilities		**(418)**	–
Net cash flows from financing activities		**232,816**	173,182
Net increase in cash and cash equivalents		**59,435**	22,700
Cash and cash equivalents at beginning of the financial year		**611,602**	588,902
Cash and cash equivalents at end of the financial year	10	**671,037**	611,602

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

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

1. CORPORATE INFORMATION

Singapore Management University (the "University Company") is incorporated and domiciled in Singapore as a company limited by guarantee under the provisions of the Companies Act 1967. The address of its registered office is 81 Victoria Street, Singapore 188065.

The principal activities of the University Company are to create and disseminate knowledge and generate leading-edge research with global impact.

The principal activities of the subsidiaries are set out in Note 17.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRSs") under the historical cost convention except as disclosed in the accounting policies below.

2.2 Standards issued but not yet effective

The Group and the University Company has not adopted the following standards that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 21: Lack of exchangeability	1 January 2025
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027

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

FRS 118 *Presentation and Disclosures in Financial Statements*

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

FRS 118 *Presentation and Disclosures in Financial Statements (cont'd)*

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

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

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of items in the Group's financial statements. The Group is in the process of analysing the new disclosure requirements and to assess if changes are required to their internal information systems.

2.3 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Tuition and other student related fees, conference fees, and executive development and continuing education

Revenue from tuition and other student related fees, conference fees, and executive development and continuing education are recognised over the period of the academic year or program duration.

(b) Sponsorships and donations

Sponsorships and donations are recognised in the financial year they are received. For donations received with attached conditions, income is not recognised but deferred until certainty exists that the conditions imposed can be met.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Revenue recognition (cont'd)

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Dividend income

Dividend income is recognised when the right to receive payment is established.

(e) Rental income

Rental income from operating leases (net of any incentive, given to lessees) on property, plant and equipment is recognised on a straight-line basis over the lease term.

2.4 Grants from the Government and government agencies

Grants from the Government and government agencies are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Grants from the Government and government agencies received/receivable for the purchase of property, plant and equipment and computer software or to finance capital projects are taken immediately to the grants received in advance account. Upon the utilisation of the grants for the purchase of assets, they are taken to the deferred capital grants account for the assets which are capitalised, or to the statement of comprehensive income for the assets which are written off.

Government grants received by the Group for its discretion to spend on future redevelopment and improvement projects as well as future asset replacements will be taken immediately to sinking fund and will be subsequently transferred to deferred capital grants upon the purchase of assets.

Deferred capital grants are recognised in balance sheet and then the statement of comprehensive income over the periods necessary to match the depreciation or amortisation of the related assets purchased with the grants. Upon the disposal or write off of the assets, the balance of the related deferred capital grants is recognised in the statement of comprehensive income to match the net book value of the assets disposed or written off.

Grants from the Government and government agencies to meet the current year's operating expenses are recognised as income in the same financial year and are recognised on an accrual basis.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs (refer to Note 2.7 on borrowing costs).

(b) Depreciation

Depreciation is calculated using the straight-line method to allocate the depreciable amounts of property, plant and equipment over their estimated useful lives as follows:

	Useful lives
Building and Infrastructure	30 – 50 years or over lease term
Leasehold Improvement and Renovations	5 – 15 years or over lease term
Furniture, Vehicle and Equipment	5 – 10 years
Computer Hardware	3 years
Audio Visual Hardware	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted prospectively as appropriate, at each balance sheet date. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

No depreciation is provided for assets under work-in-progress until construction is completed and the asset is transferred to its appropriate category.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Property, plant and equipment (cont'd)

(c) Subsequent expenditure

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

(d) De-recognition

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected on its use or disposal.

On disposal or de-recognition of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in statement of comprehensive income.

2.6 Intangible assets

Acquired computer software and licences

Acquired computer software and licences are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable costs of preparing the asset for its intended use. Direct expenditures, which enhance or extend the performance of computer software beyond its specifications and which can be reliably measured, are added to the original cost of the software. Costs associated with maintaining the computer software are expensed off when incurred.

Computer software and licences are subsequently carried at cost less accumulated amortisation and any accumulated impairment losses. These costs are amortised to the statement of comprehensive income using the straight-line method over their estimated useful lives of 3 - 10 years.

The amortisation period and amortisation method are reviewed at least at each balance sheet date. The effects of any revision are treated as changes in accounting estimates recognised in the statement of comprehensive income when the changes arise.

The intangible assets are assessed for impairment whenever there is as indication that the intangible asset may be impaired.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Borrowing costs

Borrowing costs are recognised in the statement of comprehensive income using the effective interest method except for those costs that are directly attributable to the acquisition, construction or development of properties and assets under construction. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. This includes those costs on borrowings acquired specifically for the acquisition, construction or development of properties and assets under construction, as well as those in relation to general borrowings used to finance the acquisition, construction or development of properties and assets under construction.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2.8 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income ("OCI"). In this case, the impairment is also recognised in OCI up to the amount of any previous revaluation.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

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

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

Subsequent measurement

Investments in debt instruments

The subsequent measurement of financial assets depends on the Group's model for managing the asset and the contractual cash flow characteristics of the asset. The measurement categories for classification of the Group's debt instruments are as follows:

(i) Amortised cost

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

(ii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or fair value through OCI are measured at fair value through profit or loss. Gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of comprehensive income in the period in which it arises.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group has elected to present subsequent changes in fair value in the statement of comprehensive income. Dividends from such investments are to be recognised in the statement of comprehensive income when the Group's right to receive payments is established. The Group has not elected to present subsequent changes in fair value in OCI.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in OCI for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. On de-recognition, the difference between the carrying amounts and the consideration paid is recognised in the statement of comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

De-recognition (cont'd)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.11 Investment in an associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate is accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost.

The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Investment in an associate (cont'd)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss within 'Share of profit of an associate' in the statement of profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.12 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period.

Current income taxes are recognised in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and establishes provisions where appropriate.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Taxes (cont'd)

(b) Deferred tax

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

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

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value and subsequently carried at amortised cost. Any difference between the proceeds and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

2.14 Other payables

Other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Derivative financial instruments

A derivative financial instrument is initially recognised at fair value on the date the contract is entered into and is subsequently carried at its fair value. The Group does not apply hedge accounting. Changes in the fair value of derivative instruments are recognised in the statement of comprehensive income when the changes arise.

2.16 Leases

When the Group is the lessee

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

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

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Student Hostel	–	2 years

The right-of-use assets are also subjected to impairment as described in Note 2.10.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Leases (cont'd)

When the Group is the lessee (cont'd)

(b) Lease liabilities (cont'd)

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

(c) Short-term leases and low-value assets

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

When the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for as described in Note 2.3(e). Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.17 Employee compensation

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions to separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the University Company and its subsidiaries. The financial information presented in Singapore Dollar has been rounded to the nearest thousand, unless otherwise stated.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the statement of comprehensive income.

2.19 Funds

(a) General fund and other funds

Income and expenditure are accounted for under the General fund in the statement of comprehensive income unless they relate to funds separately accounted under specific self-financing activities.

(b) Endowment fund

Donations and government grants, which are kept intact as capital, are directly taken to the fund in the year in which such donations and government grants are granted.

Income and expenditure arising from the management of the Endowment fund are accounted for under Endowment fund in the statement of comprehensive income.

(c) Term funds

Donations received which can be put to immediate use for specific programmes, capital projects or other purposes as specified by the donors for the advancement of education are taken to Term funds in the statement of comprehensive income.

Income and expenditure arising from the management of the Term funds are accounted for under Term funds in the statement of comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.20 Advances for MOE student loans

Government grants received from the Ministry of Education ("MOE") for the purpose of providing loans to students are taken to advances for student loans. Advances for student loans are initially measured at fair value, and subsequently carried at amortised cost, using the effective interest method.

2.21 Leasehold land

Leasehold land premiums paid are recorded at cost and amortised over the lease tenure using the straight-line method.

2.22 Impairment of financial assets

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

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

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.23 Subsidiary

A subsidiary is an investee that is controlled by the University Company. The University Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

2.24 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.25 Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are:

(a) Useful life of property, plant and equipment.

When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

(b) Impairment of non-financial assets

The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Group's revenue-generating courses and programmes.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

(a) Judgements made in applying accounting policies

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

Useful lives of property, plant and equipment

The cost of property, plant and equipment for the Group is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 50 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at the balance sheet date was $416,852,000 (2024: $437,816,000).

(b) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value estimation on unquoted investments

The Group holds unquoted investments that are not traded in an active market with a carrying amount of $1,231,628,000 (2024: $1,178,127,000) at the balance sheet date.

The fair value of these investments is based on valuations obtained from third party fund managers. The valuations are determined using market-observable data to the extent it is available. Where quoted prices are not available, the fund managers establish the fair value of these investments based on the net asset value which would approximate the fair value of the investments at the balance sheet date. Changes in the key assumptions used in the third-party fund managers' valuation methods would impact the financial assets at fair value through profit or loss and net surplus in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 March 2025

4. TUITION AND OTHER FEES AND OTHER INCOME

	Operating funds			
	General fund		Other funds	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Tuition and other student-related fees	**132,477**	129,315	**74,023**	74,965
Conference fees, and executive development and continuing education fees	**2,145**	2,279	**77,625**	70,644
Total tuition and other fees	**134,622**	131,594	**151,648**	145,609
Donations	**–**	–	**–**	–
Sponsorships	**432**	932	**58**	3
Rental income	**6,502**	5,933	**–**	–
Currency exchange losses	**(147)**	(61)	**–**	(10)
(Losses)/gains on disposal of property, plant and equipment	**(465)**	21	**(1)**	(3)
Others[1]	**3,992**	3,694	**665**	702
Other income	**10,314**	10,519	**722**	692

[1] Others comprises consultancy fees, royalties & licensing income, student club income, parking fees and other miscellaneous fees.

	Total general and other funds		Endowment fund		Term funds		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
	206,500	204,280	**–**	–	**–**	–	**206,500**	204,280
	79,770	72,923	**–**	–	**–**	–	**79,770**	72,923
	286,270	277,203		–		–	**286,270**	277,203
	–	–	**–**	–	**16,645**	16,173	**16,645**	16,173
	490	935	**–**	–	**–**	–	**490**	935
	6,502	5,933	**–**	–	**–**	–	**6,502**	5,933
	(147)	(71)	**–**	–	**–**	–	**(147)**	(71)
	(466)	18	**–**	–	**–**	–	**(466)**	18
	4,657	4,396	**–**	–	**–**	–	**4,657**	4,396
	11,036	11,211	**–**	–	**16,645**	16,173	**27,681**	27,384

5. GOVERNMENT GRANTS

	2025 $'000	2024 $'000
Grants received/receivable	**140,345**	142,914
Less:		
Transfer to deferred capital grants (Note 23)	**(36)**	(600)
Operating grants – net	**140,309**	142,314
Research and other grants utilised (Note 19)	**36,795**	34,901
Deferred capital grants amortised (Note 23)	**19,635**	20,206
	196,739	197,421

6. EXPENDITURE ON MANPOWER

	Operating funds					
	General fund		Other funds		Total	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Wages and salaries	**279,373**	255,057	**25,025**	23,461	**304,398**	278,518
Employer's contribution to Defined Contribution Plans	**20,392**	18,500	**2,944**	2,807	**23,336**	21,307
Allowances and benefits	**17,462**	15,775	**1,335**	1,162	**18,797**	16,937
	317,227	289,332	**29,304**	27,430	**346,531**	316,762

7. OTHER EXPENSES

	Operating funds						Endowment fund		Term funds		Total	
	General fund		Other funds		Total general and other funds							
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Administrative expenses	**66,471**	61,090	**17,383**	11,020	**83,854**	72,110	**–**	–	**–**	–	**83,854**	72,110
Scholarships and awards	**35,933**	35,060	**4,237**	4,514	**40,170**	39,574	**–**	–	**–**	–	**40,170**	39,574
Library books, periodicals and database	**7,903**	7,081	**111**	112	**8,014**	7,193	**–**	–	**–**	–	**8,014**	7,193
Professional and instructor fees	**7,722**	8,203	**27,749**	25,397	**35,471**	33,600	**–**	–	**–**	–	**35,471**	33,600
Utilities and facility management	**19,357**	19,100	**13**	12	**19,370**	19,112	**–**	–	**–**	–	**19,370**	19,112
	137,386	130,534	**49,493**	41,055	**186,879**	171,589	**–**	–	**–**	–	**186,879**	171,589

Lease expenses of $1,269,000 (2024: $1,335,000) and $141,000 (2024: $129,000) relating to short-term leases that are not capitalised as lease liabilities are included in administrative expenses and utilities and facility management respectively.

8. NET INVESTMENT GAINS/(LOSSES)

	Operating funds						Endowment fund		Term funds		Total	
	General fund		Other funds		Total general and other funds							
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Interest income	**5,474**	8,211	**–**	–	**5,474**	8,211	**9,945**	6,783	**1**	269	**15,420**	15,263
Dividend income	**5,514**	2,638	**–**	–	**5,514**	2,638	**14,867**	8,736	**–**	9	**20,381**	11,383
Fair value gains/(losses) on financial assets at fair value through profit or loss (net of investment management expenses)	**16,340**	47,382	**–**	–	**16,340**	47,382	**56,929**	149,955	**–**	126	**73,269**	197,463
Fair value losses on derivatives	**(3,667)**	(6,962)	**–**	–	**(3,667)**	(6,962)	**(8,836)**	(17,577)	**–**	–	**(12,503)**	(24,539)
Net investment gains/(losses)	**23,661**	51,269	**–**	–	**23,661**	51,269	**72,905**	147,897	**1**	404	**96,567**	199,570

9. INCOME TAX

The University Company is a charity registered under the Charities Act 1994, its income is not subject to tax under Section 13 of the Singapore Income Tax Act 1947.

The subsidiaries of the Group have unutilised tax losses of approximately $Nil (2024: $1,089,000) which are available for offset against future taxable income. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefit.

The unabsorbed tax losses of the subsidiaries are subject to agreement by the tax authorities and compliance with the tax regulations in the respective countries in which certain subsidiaries operate. These temporary differences do not expire under current tax legislation.

A reconciliation between the tax expense and the product of surplus before tax multiplied by the applicable corporate tax rate for the Group for the financial years ended 31 March 2025 and 2024 is as follows:

	Group	
	2025	**2024**
	$'000	**$'000**
Surplus before income tax	**14,062**	167,527
Tax at statutory tax rate of 17% (2024: 17%)	**2,391**	28,480
Adjustments:		
– Income not subject to tax	**(2,160)**	(28,480)
– Non-deductible expenses	**–**	–
– Utilisation of tax effect of previously unrecognised tax losses	**(185)**	–
– Income tax rebate	**(33)**	–
Tax expense	**13**	–

10. CASH AND CASH EQUIVALENTS

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Cash at bank and on hand	**221,236**	128,238	**219,736**	127,976
Amounts under fund management (Note 12)	**449,801**	483,364	**449,801**	483,364
	671,037	611,602	**669,537**	611,340

11. GRANTS AND OTHER RECEIVABLES

(a) *Grants and other receivables*

	Group		University Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Current				
Other receivables	**194,860**	70,555	**194,778**	71,848
Grants receivables	**51,317**	88,597	**51,317**	88,597
	246,177	159,152	**246,095**	160,445
Non-current				
Other receivables	**1,968**	2,156	**1,968**	2,156
Grants receivables	**52,760**	55,336	**52,760**	55,336
	54,728	57,492	**54,728**	57,492
Total grants and other receivables	**300,905**	216,644	**300,823**	217,937

(b) *Other receivables*

	Group		University Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Fees, rental and other receivables	**19,469**	32,557	**19,409**	33,858
Prepayments	**12,344**	14,896	**12,326**	14,891
Deposits	**42**	39	**38**	36
In-house student loans	**1,043**	999	**1,043**	999
Interest receivables	**–**	–	**–**	–
Receivables from brokers (Note 12)	**30,290**	24,220	**30,290**	24,220
Advance payment for investment (Note 12)	**133,640**	–	**133,640**	–
Total other receivables	**196,828**	72,711	**196,746**	74,004
Analysed as:				
Current	**194,860**	70,555	**194,778**	71,848
Non-current	**1,968**	2,156	**1,968**	2,156
Total other receivables	**196,828**	72,711	**196,746**	74,004

11. GRANTS AND OTHER RECEIVABLES (CONT'D)

(b) Other receivables (cont'd)

Details of impaired fees, rental and other receivables and in-house student loans are as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Fees, rental and other receivables	**20,009**	32,983	**19,949**	34,284
In-house student loans	**1,258**	1,007	**1,258**	1,007
Less: allowance for impairment	**(755)**	(434)	**(755)**	(434)
	20,512	33,556	**20,452**	34,857

Movements in allowance for impairment during the year are as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of the financial year	**434**	312	**434**	312
Allowance for impairment	**321**	122	**321**	122
	755	434	**755**	434

(c) Grants receivables

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Current	**51,317**	88,597	**51,317**	88,597
Non-current	**52,760**	55,336	**52,760**	55,336
Total grants receivables	**104,077**	143,933	**104,077**	143,933

Included in grants receivables is an amount of $55,336,000 (2024: $57,912,000) relating to funding from MOE for development projects under the debt-grant framework which earns additional grants to match the interest charges incurred on bank borrowings.

The fair value of non-current grants receivables approximates their carrying amounts.

11. GRANTS AND OTHER RECEIVABLES (CONT'D)

(c) Grants receivables (cont'd)

Details of impaired fees on the grants receivables are as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Grants receivables	**107,170**	143,933	**107,170**	143,933
Less: allowance for impairment	**(3,093)**	–	**(3,093)**	–
	104,077	143,933	**104,077**	143,933

Movements in allowance for impairment during the year are as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
At beginning of the financial year	**–**	–	**–**	–
Allowance for impairment	**3,093**	–	**3,093**	–
	3,093	–	**3,093**	–

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss are analysed as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Quoted:				
– Equities	**255,330**	352,714	**255,305**	352,714
– Fixed income securities	**171,901**	166,214	**171,901**	166,214
	427,231	518,928	**427,206**	518,928
Unquoted:				
– Investments	**1,248,014**	1,178,127	**1,248,014**	1,178,127
Total financial assets at fair value through profit or loss	**1,675,245**	1,697,055	**1,675,220**	1,697,055

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D)

The Group's financial assets are managed by professional managers. The unquoted investments include investments in private equity funds and hedge funds.

Under the terms of certain limited partnership agreements, the Group is obligated to make capital contributions upon receiving capital call notices from the fund managers. As at 31 March 2025, the Group has unfunded commitments of $539,364,000 (2024: $425,997,000).

The carrying amounts of funds managed by professional managers and held in trust by a custodian are analysed as follows:

	Group		University Company	
	2025	**2024**	**2025**	**2024**
	$'000	**$'000**	**$'000**	**$'000**
Financial assets at fair value through profit or loss (as above)	**1,675,245**	1,697,055	**1,675,220**	1,697,055
Cash and cash equivalents (Note 10)	**449,801**	483,364	**449,801**	483,364
Receivables from brokers (Note 11)	**30,290**	24,220	**30,290**	24,220
Advance payment for investment (Note 11)	**133,640**	–	**133,640**	–
Derivative financial assets (Note 13)	**1,192**	4,079	**1,192**	4,079
Derivative financial liabilities (Note 13)	**(17,543)**	(6,826)	**(17,543)**	(6,826)
Payables to brokers (Note 20)	**(135)**	(2,423)	**(135)**	(2,423)
	2,272,490	2,199,469	**2,272,465**	2,199,469

Included in receivables from brokers is an amount of $2,145,000 (2024: $1,986,000) related to trades pending receipt as at the balance sheet date.

Included in advance payment to brokers is an amount of $133,640,000 (2024: Nil) related to payments for trades pending confirmation as at the balance sheet date.

Included in payables to brokers is an amount of $135,000 (2024: $2,282,000) related to trades pending settlement as at the balance sheet date.

13. DERIVATIVE FINANCIAL INSTRUMENTS

The currency derivatives are used in the currency hedging program which aims to reduce the foreign currency risks of the investment portfolio. The contractual or notional amount and their corresponding fair values are analysed as follows:

	Contract/ notional amount $'000	Fair value Assets $'000	Liabilities $'000
Group and University Company			
2025			
Currency forwards	**645,248**	**1,192**	**(8,573)**
Equity futures	**423,069**	**–**	**(8,970)**
	1,068,317	**1,192**	**(17,543)**
2024			
Currency forwards	468,709	195	(6,826)
Equity futures	397,716	3,884	–
	866,425	4,079	(6,826)

14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Right-of-use assets

As a lessee

Leasehold land

Leasehold land relates to land leased from the Singapore Land Authority for the housing of the campus buildings. The existing lease expires in the year 2032.

Student hostel

The Group has lease contracts for student hostel. The obligation under the lease is secured by the lessor's title to the leased assets.

The Group also has certain leases with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2025

14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

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

As a lessee (cont'd)

	Leasehold Land $'000	Student Hostel $'000	Total $'000
Group and University Company			
Cost:			
As at 1 April 2023, 31 March 2024 and 1 April 2024	134,577	–	134,577
Addition	–	1,277	1,277
As at 31 March 2025	**134,577**	**1,277**	**135,854**
Accumulated depreciation:			
As at 1 April 2023	84,901	–	84,901
Charge for the year	5,529	–	5,529
As at 31 March 2024 and 1 April 2024	90,430	–	90,430
Charge for the year	5,530	426	5,956
As at 31 March 2025	**95,960**	**426**	**96,386**
Carrying amount:			
As at 31 March 2024	44,147	–	44,147
As at 31 March 2025	**38,617**	**851**	**39,468**

14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(b) Lease liabilities

As a lessee

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
At beginning of financial year		
Additions	**1,277**	–
Interest expense	**20**	–
Payments	**(438)**	–
At end of financial year	**859**	
Non-current	**218**	–
Current	**641**	–
	859	–

The maturity analysis of lease liabilities is disclosed in Note 30 (c)

The following are the amounts recognised in profit or loss:

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
Depreciation of right-of-use assets	**5,956**	5,529
Interest expense on lease liabilities	**20**	–
Total amount recognised in profit or loss	**5,976**	5,529

The Group and University Company had total cash outflows for leases of $438,000 in 2025 (2024: $Nil). The Group and University Company have not entered into any lease contracts which have not yet commenced as at 31 March 2025.

15. PROPERTY, PLANT AND EQUIPMENT

	Building and Infrastructure $'000	Leasehold Improvement and Renovations $'000
Group		
2025		
Cost		
At beginning of the financial year	**708,374**	**24,573**
Additions	**–**	**354**
Disposals	**–**	**–**
Write-off	**–**	**(16,306)**
Transfer to Leasehold buildings	**686**	**–**
At end of the financial year	**709,060**	**8,621**
Accumulated depreciation		
At beginning of the financial year	**291,415**	**22,157**
Depreciation charge	**23,066**	**1,155**
Disposals	**–**	**–**
Write-off	**–**	**(16,134)**
At end of the financial year	**314,481**	**7,178**
Net carrying amount		
At end of the financial year	**394,579**	**1,443**
2024		
Cost		
At beginning of the financial year	706,000	23,942
Additions	–	631
Disposals	(1,937)	–
Reclassifications	4,311	–
Transfer to intangible assets (Note 16)	–	–
At end of the financial year	708,374	24,573
Accumulated depreciation		
At beginning of the financial year	270,411	20,372
Depreciation charge	22,941	1,785
Disposals	(1,937)	–
At end of the financial year	291,415	22,157
Net carrying amount		
At end of the financial year	416,959	2,416

Computer Hardware $'000	Furniture, Vehicle and Equipment $'000	Audio Visual Hardware $'000	Work-in-progress $'000	Total $'000
31,188	**110,609**	**10,533**	**–**	**885,277**
3,695	**3,141**	**1,944**	**2,311**	**11,445**
(2,566)	**(58)**	**(11)**	**–**	**(2,635)**
(6,415)	**(80,613)**	**(1,194)**	**–**	**(104,528)**
–	**–**	**–**	**(686)**	**–**
25,902	**33,079**	**11,272**	**1,625**	**789,559**
28,356	**98,259**	**7,274**	**–**	**447,461**
2,280	**4,359**	**1,076**	**–**	**31,936**
(2,566)	**(58)**	**(11)**	**–**	**(2,635)**
(6,415)	**(80,312)**	**(1,194)**	**–**	**(104,055)**
21,655	**22,248**	**7,145**	**–**	**372,707**
4,247	**10,831**	**4,127**	**1,625**	**416,852**
29,840	109,655	8,852	–	878,289
1,776	2,511	1,701	4,819	11,438
(428)	(1,970)	(20)	–	(4,355)
–	413	–	(4,724)	–
–	–	–	(95)	(95)
31,188	110,609	10,533	–	885,277
26,804	95,124	6,468	–	419,179
1,980	5,105	826	–	32,637
(428)	(1,970)	(20)	–	(4,355)
28,356	98,259	7,274	–	447,461
2,832	12,350	3,259	–	437,816

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Building and Infrastructure $'000	Leasehold Improvement and Renovations $'000
Company		
2025		
Cost		
At beginning of the financial year	**708,374**	**24,573**
Additions	**–**	**354**
Disposals	**–**	**–**
Write-off	**–**	**(16,306)**
Transfer to leasehold buildings	**686**	**–**
At end of the financial year	**709,060**	**8,621**
Accumulated depreciation		
At beginning of the financial year	**291,415**	**22,157**
Depreciation charge	**23,066**	**1,155**
Disposals	**–**	**–**
Write-off	**–**	**(16,134)**
At end of the financial year	**314,481**	**7,178**
Net carrying amount		
At end of the financial year	**394,579**	**1,443**
2024		
Cost		
At beginning of the financial year	706,000	23,942
Additions	–	631
Disposals	(1,937)	–
Reclassifications	4,311	–
Transfer to intangible assets (Note 16)	–	–
At end of the financial year	708,374	24,573
Accumulated depreciation		
At beginning of the financial year	270,411	20,372
Depreciation charge	22,941	1,785
Disposals	(1,937)	–
At end of the financial year	291,415	22,157
Net carrying amount		
At end of the financial year	416,959	2,416

Computer Hardware $'000	Furniture, Vehicle and Equipment $'000	Audio Visual Hardware $'000	Work-in-progress $'000	Total $'000
31,185	**110,610**	**10,532**	**–**	**885,274**
3,695	**3,141**	**1,944**	**2,311**	**11,445**
(2,566)	**(58)**	**(11)**	**–**	**(2,635)**
(6,415)	**(80,613)**	**(1,194)**	**–**	**(104,528)**
–	**–**	**–**	**(686)**	**–**
25,899	**33,080**	**11,271**	**1,625**	**789,556**
28,353	**98,259**	**7,274**	**–**	**447,458**
2,280	**4,359**	**1,076**	**–**	**31,936**
(2,566)	**(58)**	**(11)**	**–**	**(2,635)**
(6,415)	**(80,312)**	**(1,194)**	**–**	**(104,055)**
21,652	**22,248**	**7,145**	**–**	**372,704**
4,247	**10,832**	**4,126**	**1,625**	**416,852**
29,837	109,656	8,851	–	878,286
1,776	2,511	1,701	4,819	11,438
(428)	(1,970)	(20)	–	(4,355)
–	413	–	(4,724)	–
–	–	–	(95)	(95)
31,185	110,610	10,532	–	885,274
26,804	95,124	6,468	–	419,179
1,977	5,105	826	–	32,634
(428)	(1,970)	(20)	–	(4,355)
28,353	98,259	7,274	–	447,458
2,832	12,351	3,258	–	437,816

16. INTANGIBLE ASSETS

	Group and University Company	
	2025	2024
	$'000	$'000
Computer software and licences		
Cost		
At beginning of the financial year	**16,306**	16,211
Additions	**354**	–
Disposal	**(2,556)**	–
Write-off	**(6,470)**	–
Transfer from property, plant and equipment (Note 15)	**–**	95
At end of the financial year	**7,634**	16,306
Accumulated amortisation		
At beginning of the financial year	**16,047**	15,864
Disposals	**–**	–
Write-off	**(9,026)**	
Amortisation charge	**205**	183
At end of the financial year	**7,226**	16,047
Net carrying amount at end of the financial year	**408**	259

17. INVESTMENT IN SUBSIDIARIES

	University Company	
	2025	2024
	$	$
Unquoted equity shares, at cost	**1,240,002**	2

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

Name of subsidiary	Country of incorporation	Principal activities	Proportion of ownership interest	
			2025	2024
			%	%
SMU Ventures Pte. Ltd.	Singapore	Investment holding	**100**	100
SMU Overseas Pte. Ltd.	Singapore	Outreach & business development	**100**	100

During the financial year ended 31 March 2025, the University Company injected additional share capital amounting to $284,000 and $956,000 respectively into its wholly-owned subsidiaries, SMU Ventures Pte. Ltd. And SMU Overseas Pte. Ltd. This capital injection was made to support the subsidiary's operational capabilities.

18. INVESTMENT IN AN ASSOCIATE

	2025 $'000	2024 $'000
Unquoted shares		
– Class A Ordinary Share	**–**	–*
– Class B Ordinary Share	**–**	122
Less: Impairment	**–**	(122)
	–	–*

–* Less than $1,000

The investment in associate pertains to Protégé Ventures I Pte. Ltd. ("PV1"), an entity incorporated in Singapore, which is involved in venture capital and entrepreneurship training to university students.

As of 31 March 2024, although the Group has a 50% ownership interest in the associate, it does not have control over the associate.

The Group has not recognised losses relating to the associate as its share of losses exceeds the Company's interest in the associate. In 2024, the Group cumulative share of unrecognized losses was $68,983.

In March 2025, the Group disposed of its entire 50% interest in the associate as part of the associate's wind-down process, with no cash consideration received.

19. RESEARCH AND OTHER GRANTS RECEIVED IN ADVANCE

	Group and University Company	
	2025	2024
	$'000	$'000
At beginning of the financial year	**14,336**	12,729
Grants received/receivable	**41,011**	37,175
Transfer to deferred capital grants (Note 23)	**(1,502)**	(667)
Research and other grants utilised (Note 5)	**(36,795)**	(34,901)
At end of the financial year	**17,050**	14,336

These are grants received from the Government, government agencies and external grantors. The balance in this account represents grants received or receivable but not utilised at the end of the financial year.

20. OTHER PAYABLES

	Group		University Company	
	2025	2024	2025	2024
	$'000	$'000	$'000	$'000
Current				
Tuition fees received in advance	**68,697**	61,450	**68,697**	61,450
Payables to vendors	**22,535**	21,763	**22,535**	21,763
Refundable deposits	**1,570**	1,485	**1,570**	1,485
Payables to brokers (Note 12)	**135**	2,423	**135**	2,423
Other accruals for operating and capital expenditure	**41,834**	30,104	**41,834**	30,104
Other payables	**8,843**	10,075	**8,708**	9,984
Goods and services tax (credit)/payables	**(620)**	14,586	**(620)**	14,586
Income tax payable	**13**	–	**–**	–
	143,007	141,886	**142,859**	141,795

21. BORROWINGS

	Group and University Company 2025 $'000	Group and University Company 2024 $'000
Current		
Fixed rate notes	**–**	–
Non-current		
Fixed rate notes	**209,883**	209,746

(a) *Effective interest rate*

Borrowings are unsecured and bear interest at 2.96% (2024: 2.96%) per annum.

(b) *Fixed rate notes*

On 7 March 2014, the University Company issued $100,000,000 of 3.16% Singapore Dollar non-secured fixed rate notes under the multicurrency Medium Term Note ("MTN") programme to finance capital expenditure and general working capital requirements. On 7 March 2024, this was fully redeemed.

On 23 June 2022, the Group issued $150,000,000 of 2.85% Singapore Dollar non-secured fixed rate notes under the MTN programme to finance capital expenditure and general working capital requirements. Unless previously redeemed, purchased or cancelled, the notes will be redeemed at its redemption amount on its maturity date, 23 June 2027. The fair value of the notes as at 31 March 2025 is $148,901,000 (2024: $146,087,000) and are included under level 2 of the fair value hierarchy.

On 08 March 2024, the Group issued $60,000,000 of 3.25% Singapore Dollar non-secured fixed rate notes under the MTN programme to finance capital expenditure and general working capital requirements. Unless previously redeemed, purchased or cancelled, the notes will be redeemed at its redemption amount on its maturity date, 08 March 2029. The fair value of the notes as at 31 March 2025 is $60,080,000 (2024: $58,931,000) and are included under level 2 of the fair value hierarchy.

22. ADVANCES FOR MOE STUDENT LOANS

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
At beginning of the financial year	**104,130**	103,206
Advances received/receivable	**26,692**	28,507
Interest income received on behalf of MOE	**1,329**	1,443
Student loans and interest on student loans refunded to the Government	**(34,821)**	(28,795)
Student loans written off	**–**	(231)
At end of the financial year	**97,330**	104,130
Represented by:		
Cash and cash equivalents	**573**	7,812
Student loans	**96,757**	96,318
	97,330	104,130

The advances for MOE student loans are from the Government for purpose of providing loans to students to assist them in paying their tuition fees, with the Group as the principal.

The fair value of non-current advances for student loans approximates their carrying amounts.

During the year ended 31 March 2024, administration of the MOE student loans was outsourced to a bank. Pursuant to the Tuition Fee Loan (TFL), Study Loan (SL) and Overseas Student Program Loan – 50% funded by MOE (OSP) schemes, the Group acts as the agent for these loan schemes and the MOE as the financier providing the funds.

As at 31 March 2025 and 2024, advances for MOE student loans, student loans receivables, and its related cash at bank being presented off the Group's balance sheet.

23. DEFERRED CAPITAL GRANTS

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
At beginning of the financial year	**250,008**	268,947
Transfer from research and other grants received in advance (Note 19)	**1,502**	667
Transfer from operating grants (Note 5)	**36**	600
Amortisation of deferred capital grants (Note 5)	**(19,635)**	(20,206)
At end of the financial year	**231,911**	250,008

24. NORM-BASED INFRASTRUCTURE REPLACEMENT (NBIR) FUND RECEIVED IN ADVANCE

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
At beginning of the financial year	**126,870**	107,083
Grant received/receivable	**11,715**	15,281
Net investment gains	**1,698**	4,506
At end of the financial year	**140,283**	126,870
Represented by:		
Cash and cash equivalents	**35,159**	31,476
Other receivables	**9,540**	1,345
Financial assets at fair value through profit or loss	**96,544**	94,335
Derivative financial instruments	**(952)**	(153)
Other payables	**(8)**	(133)
Total NBIR fund received in advance	**140,283**	126,870

NBIR fund (2024: Sinking Fund) is an outright government grant received or receivable by the Group for spending at its discretion on future redevelopment, improvement projects and asset replacement.

The portion of the NBIR fund that is not required for immediate asset replacement is invested to ensure that the real value of the fund is preserved in the long run. The net investment gains include interest and dividends earned on investments and investment gains in net asset value of the investment portfolio less relevant expenses and transaction costs arising from the management of the investment portfolio.

25. ENDOWMENT FUND

	Group and University Company	
	2025	2024
	$'000	$'000
Endowment fund		
– Capital	**1,017,320**	964,174
– Accumulated net income	**525,641**	505,797
Total endowment fund	**1,542,961**	1,469,971
Represented by:		
Cash and cash equivalents	**349,425**	345,394
Grants receivable	**9,800**	2,697
Other receivables	**106,460**	15,816
Financial assets at fair value through profit or loss	**1,087,982**	1,109,431
Derivative financial instruments	**(10,619)**	(1,795)
Other payables	**(87)**	(1,572)
Total endowment fund	**1,542,961**	1,469,971

Endowment fund comprises donations, grants, gifts, testamentary disposition and proceeds from gifts of movable or immovable property and accumulated net income generated thereon. The objectives of this fund include the provision of facilities for teaching, training and research, the advancement and dissemination of knowledge and the promotion of research.

Accumulated net income includes interest and dividends earned on investments and investment gains in net asset value of the investment portfolio less relevant expenses and transaction costs arising from the management of the investment portfolio.

26. TERM FUNDS

	Group and University Company 2025 $'000	Group and University Company 2024 $'000
At beginning of the financial year	**54,359**	57,880
Donations received (Note 4)	**16,645**	16,173
Donations utilised	**(19,953)**	(20,098)
Net investment gains/(losses)	**1**	404
At end of the financial year	**51,052**	54,359
Represented by:		
Cash and cash equivalents	**10,928**	15,379
Other receivables	**3,607**	553
Other student loans	**20**	26
Financial assets at fair value through profit or loss	**36,860**	38,519
Derivative financial instruments	**(360)**	(63)
Other payables	**(3)**	(55)
Total term funds	**51,052**	54,359

Term funds comprise donations for the purpose of awarding scholarships, academic awards for students, research and other programmes for the advancement of education.

Net investment gains include interest and dividends earned on investments and investment gains in net asset value of the investment portfolio less relevant expenses and transaction costs arising from the management of the investment portfolio.

27. COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	Group and University Company 2025 $'000	Group and University Company 2024 $'000
Property, plant and equipment	**21,051**	6,729

27. COMMITMENTS (CONT'D)

(b) *Operating lease commitments*

Where the Group is a lessor

The future minimum lease payments receivable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are analysed as follows:

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
Not later than one year	**2,126**	3,066
Later than one year but not later than five years	**545**	2,467
	2,671	5,533

28. RELATED PARTY TRANSACTIONS

(a) *Grants from the Government and government agencies*

The Group receives grants from MOE and other government agencies to fund its operations and is subject to certain controls set by MOE and other government agencies. Hence, the Government and government agencies are considered related parties of the Group.

Other than the information disclosed in elsewhere in the financial statements, there were no transactions, either individually or collectively significant, that took place between the Group and related parties during the year.

(b) *Key management personnel compensation*

Key management personnel compensation is analysed as follows:

	2025	**2024**
	$'000	**$'000**
Salaries and bonus	**11,864**	10,830
Central Provident Fund contributions	**260**	272
Allowances and benefits	**3,017**	3,006
Total	**15,141**	14,108

The key management personnel includes the President, Provost, Deans and key Administrative Heads.

28. RELATED PARTY TRANSACTIONS (CONT'D)

(c) Sales and purchase of goods and services

In addition to those related party information disclosed elsewhere in the financial statement, the following significant transactions between the Company and related parties took place during the tear at terms agreed between the parties:

	2025 $'000	2024 $'000
University Company		
Management fees expense		
SMU Overseas Pte. Ltd.	**2,470**	–
SMU Ventures Pte. Ltd.	**64**	–
Total	**2,534**	–

29. CHARITIES ACT AND REGULATIONS

In accordance with the disclosure requirement under Section 17(1) of the Charities (Institutions of a Public Character) Regulations, the University Company has received total tax-deductible donations of $29,174,000 (2024: $16,954,000) during the financial year. The expenses relating to fund raising activities are funded by operating grants.

30. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Trustees has an Investment Committee to assist the Board in the oversight of the Group's investments. The Investment Committee approved the strategic asset allocation of a globally diversified portfolio. Fund managers are selected to manage the individual mandates within the prescribed investment guidelines.

The following sections provide details regarding the Group's exposure to the above-mentioned market risks and management of these risks.

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk

(i) Currency risk

The Group's operations are not exposed to significant currency risk as most of its transactions are transacted in Singapore Dollar. The Group's exposure to currency risk arises principally from its investments denominated in foreign currencies including United States Dollar ("USD") and Euro. Its main exposure to foreign currency risk for these investments is the USD.

To manage the foreign currency exposure, the Group implemented a currency hedging program to reduce the foreign currency risks (Note 14).

Apart from its investments, the Group is not exposed to significant foreign currency risk on other financial assets or financial liabilities.

The Group's foreign currency exposures are as follows:

	USD $'000	Others $'000
2025		
Financial assets		
Financial assets at fair value through profit or loss	**1,298,348**	**143,596**
Derivatives	**(370,030)**	**146,518**
Cash and cash equivalents	**442,562**	**4,563**
Other assets	**162,673**	**–**
Currency exposure of financial assets	**1,533,553**	**294,677**
2024		
Financial assets		
Financial assets at fair value through profit or loss	1,171,207	186,833
Derivatives	(213,629)	141,513
Cash and cash equivalents	467,953	8,760
Other assets	21,079	39
Currency exposure of financial assets	1,446,610	337,145

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

With all other variables being held constant, a 5% (2024: 5%) change of the USD against the SGD will result in the following changes to the net deficit/surplus:

	Increase/ (decrease) in net surplus 2025 $'000	Increase/ (decrease) in net surplus 2024 $'000
USD against SGD		
– Strengthened	**76,678**	72,331
– Weakened	**(76,678)**	(72,331)

(ii) Price risk

The Group's investments are exposed to price risk on its equity securities. To manage this risk, the Group diversifies its investments across different markets and industries whenever appropriate. At 31 March 2025, with all other variables held constant, a 10% (2024: 10%) increase/decrease of market values of both quoted and unquoted equity securities will result in an increase/decrease in net deficit/surplus by $165,736,000 (2024: $165,717,000).

(iii) Interest rate risk

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

The Group's interest-bearing assets relate mainly to its cash and cash equivalents. These financial assets are short-term in nature, and hence any future variations in interest rates will not have a material impact on the results of the Group.

Interest based on the average prevailing prime rates of three local banks is levied on the student loans after the borrowers' graduation. However, these interests will be returned to the Government as such loans are funded by the Government.

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Market risk (cont'd)

(iii) Interest rate risk (cont'd)

The Group's investments include fixed income securities which are exposed to interest rate risk. Changes in interest rates will have an impact on the fair values of the instruments. To mitigate this risk, the Group diversifies these investments across different fixed income securities with varying maturity and interest rate terms. At 31 March 2025, with all other variables held constant, 1% (2024: 1%) increase/decrease in interest rates will result in an increase/decrease in net surplus by $14,293,000 (2024: $13,529,000).

The Group has no material exposure to interest rate risks relating to borrowings as there are no variable rate borrowings. The Group maintains its borrowings in fixed rate instruments.

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposures to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and cash equivalents and derivatives), the Group adopts the policy of dealing exclusively with high credit rating counterparties to minimise credit risk.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investment with credit rating.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group considers a financial asset in default when the Group is unlikely to receive the outstanding contractual amounts in full.

To assess whether there is a significant increase in credit risk, the risk of a default occurring on the asset as at reporting date is compared with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 60 days due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant financial difficulty of the debtor; or
- A breach of contract, such as a default or past due event; or
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- There is disappearance of an active market for that financial asset because of financial difficulty.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to meet a repayment plan with the Group. Where financial assets have been written off, the Group continues to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The following sections disclose the credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

<u>Fees, rental and other receivables</u>

The Group provides for lifetime expected credit losses for all fees, rental and other receivables. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due and calibrated to adjust the historical credit loss experience with forward-looking information such as forecast of economic conditions.

Management has assessed that the loss allowance as at balance sheet date is not significant as the Group has no significant default in fees, rental and other receivables based on historical experience.

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

Financial assets that are neither past due nor impaired

Grants and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment records with the Group. Cash and cash equivalents, investment securities and derivatives that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Except for fees, rental and other receivables, there is no other class of financial assets that is past due or impaired.

The ageing analysis of fees, rental and other receivables and in-house student loans past due but not impaired is as follows:

	Group and University Company	
	2025	**2024**
	$'000	**$'000**
Past due:		
Less than 2 months	**10,473**	5,720
Between 2 and 3 months	**4,009**	2,193
Over 3 months	**727**	584
	15,209	8,497

The carrying amount of fees, rental and other receivables individually determined to be impaired and the movement in related allowance for impairment are set out in Note 11(b).

Concentration and exposure to credit risk

At the end of the reporting period, there is no significant concentration of credit risk. The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet.

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

	2025				2024			
	One year or less $'000	One to five years $'000	Over five years $'000	Total $'000	One year or less $'000	One to five years $'000	Over five years $'000	Total $'000
Financial assets:								
Financial assets at fair value through profit or loss	**1,675,220**	**–**	**–**	**1,675,220**	1,697,055	–	–	1,697,055
Other receivables (excluding prepayments)	**183,031**	**833**	**620**	**184,484**	56,191	916	708	57,815
Student loans	**–**	**–**	**–**	**–**	–	–	–	–
Cash and cash equivalents	**671,037**	**–**	**–**	**671,037**	611,602	–	–	611,602
Derivative financial instruments								
– gross payments	**(105,968)**	**–**	**–**	**(105,968)**	(433,963)	–	–	(433,963)
– gross receipts	**107,160**	**–**	**–**	**107,160**	438,042	–	–	438,042
Total undiscounted financial assets	**2,530,480**	**833**	**620**	**2,531,933**	2,368,927	916	708	2,370,551
Financial liabilities:								
Borrowings	**6,226**	**220,995**	**–**	**227,221**	6,226	227,221	–	233,447
Advances for student loans	**–**	**–**	**–**	**–**	–	–	–	–
Other payables (excluding tuition fees received in advance and income tax payables)	**74,297**	**–**	**–**	**74,297**	80,436	–	–	80,436
Derivative financial instruments								
– gross payments	**978,700**	**–**	**–**	**978,700**	435,209	–	–	435,209
– gross receipts	**(961,157)**	**–**	**–**	**(961,157)**	(428,383)	–	–	(428,383)
Lease liabilities	**658**	**219**	**–**	**877**	–	–	–	–
Total undiscounted financial liabilities	**98,724**	**221,214**	**–**	**319,938**	93,488	227,221	–	320,709
Total net undiscounted financial assets/(liabilities)	**2,431,756**	**(220,381)**	**620**	**2,211,995**	2,275,439	(226,305)	708	2,049,842

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair value measurement

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used 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 liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

(c) Level 3 – Unobservable inputs.

Financial assets and liabilities carried at fair value

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2025				
Assets				
Financial assets at fair value through profit or loss				
– Equities	255,305	–	–	255,305
– Fixed income	171,901	–	–	171,901
– Other investments	–	473,410	774,604	1,248,014
Derivative financial instruments				
– Currency forwards	–	1,192	–	1,192
– Futures				
	427,206	474,602	774,604	1,676,412
Liabilities				
Derivative financial instruments				
– Currency forwards	–	(8,573)	–	(8,573)
– Futures	–	(8,970)	–	(8,970)
	–	(17,543)	–	(17,543)

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair value measurement (cont'd)

Financial assets and liabilities carried at fair value (cont'd)

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2024				
Assets				
Financial assets at fair value through profit or loss				
– Equities	352,714	–	–	352,714
– Fixed income	166,214	–	–	166,214
– Other investments	–	496,995	681,132	1,178,127
Derivative financial instruments				
– Currency forwards	–	195	–	195
– Futures	3,884	–	–	3,884
	522,812	497,190	681,132	1,701,134
Liabilities				
Derivative financial instruments				
– Currency forwards	–	(6,826)	–	(6,826)
	–	(6,826)	–	(6,826)

Level 1

The fair value of financial assets classified under Level 1 is based on quoted market prices (unadjusted) from active markets at the balance sheet date.

Level 2

The fair value of financial instruments that are not traded in an active market is based on valuations provided by independent sources such as market participants, dealers and brokers. Derivative financial instruments are valued using widely accepted pricing models with market observable inputs including volatilities, yield curves, foreign exchange spot and forward rates. These instruments are classified as Level 2.

Level 3

Financial assets classified under Level 3 are valued using valuation techniques based on unobservable inputs that are supported by little or no market activity and which are significant inputs to the valuation. The fair value is determined by the fund managers as described in Note 3(b).

30. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Fair value measurement (cont'd)

Financial assets and liabilities carried at fair value (cont'd)

The following table presents the changes in Level 3 instruments:

	2025 $'000	2024 $'000
Other investments		
At beginning of the financial year	**681,132**	643,151
Purchases	**193,412**	93,036
Sales	**(112,647)**	(94,229)
Realised fair value gains recognised in profit or loss	**50,145**	55,177
Unrealised fair value losses recognised in profit or loss	**(37,438)**	(16,003)
At end of the financial year	**774,604**	681,132
Total gains/(losses) for the period included in profit or loss for investments held at the end of the financial year	**12,707**	39,174

(e) Categorisation of financial instruments

The carrying amount of the different categories of financial instruments carried at amortised cost is as follows:

	2025 $'000	2024 $'000
Financial assets carried at amortised cost		
Cash and cash equivalents (Note 10)	**671,037**	611,602
Other receivables (Note 11)	**196,828**	72,711
Less: prepayments (Note 11)	**(12,344)**	(14,896)
	855,521	669,417
Financial liabilities carried at amortised cost		
Other payables (Note 20)	**143,007**	141,886
Less: tuition fees received in advance (Note 20)	**(68,697)**	(61,450)
Borrowings (Note 21)	**209,883**	209,746
Lease liabilities (Note 14)	**859**	–
	285,052	290,182

31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure it maintains a strong credit rating and healthy capital ratios in order to support its business and fulfil its financing commitments.

The Group is partially funded by the grants received from MOE and the balance from its accumulated surplus. In addition, a portion of the accumulated surplus is invested so as to further enhance its value. This investment income could be drawn down to support the Group's operating budget or development.

No changes were made to the objectives, policies or processes during the years ended 31 March 2025 and 2024.

32. EVENTS AFTER THE REPORTING PERIOD

Issuance of new fixed rate sustainability notes

On 28 July 2025, the University Company issued $150,000,000 of 2.022% Singapore Dollar non-secured fixed rate sustainability notes under the Multicurrency Medium Term Note ("MTN") programme. Unless previously redeemed, purchased or cancelled, the notes will be redeemed at its redemption amount on its maturity date, 28 July 2032.

Issuance of new fixed rate notes

On 28 July 2025, the University Company also issued $100,000,000 of 2.027% Singapore Dollar non-secured fixed rate notes under the MTN programme. Unless previously redeemed, purchased or cancelled, the notes will be redeemed at its redemption amount on its maturity date, 28 July 2032.

33. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the trustees on 15 August 2025.