SIAN CHAY MEDICAL INSTITUTION

(Registered in Singapore)
UEN No. S62SS0055D
(Registered under the Charities Act 1994)

FINANCIAL STATEMENTS

31 December 2025

UHY LEE SENG CHAN & CO
Public Accountants and
Chartered Accountants

SIAN CHAY MEDICAL INSTITUTION
UEN No. S62SS0055D

FINANCIAL STATEMENTS

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Sian Chay Medical Institution

List of Management Committee (85th Term)

The Management committee (85th Term) comprised the following:

Chairman	Dato' Seri Toh Soon Huat (JP, BBM (L), PVPA)
Vice Chairman	Dato' Seri Dr. Derek Goh Bak Heng (BBM (L))
Vice Chairman	Mr. Kenny Lim Oon Cheng
Secretary	Ms. Zhou Fan (PBM)
Treasurer	Mr. Clifton Yong Kee Tong
Assistant Treasurer	Ms. Josephine Chia Chin Mien
Social Affairs Director	Dr. Wu Wei
Social Affairs Director (Non-Chinese)	Mr. Malik Bin Maksudi (JP, BBM)
Medical Affairs Director	Ms. Queenie Li LiDan
Public Relation Director	Mr. Darrick Sia Hao Shen

Sian Chay Medical Institution

Statement by Management Committee
For the Financial Year Ended 31 December 2025

The members of Management Committee are pleased to present their statement to the members together with the audited financial statements of Sian Chay Medical Institution (the Institution) for the financial year ended 31 December 2025.

In the opinion of the Management Committee,

(a) the financial statements of the Institution are drawn up in accordance with the provision of the Societies Act 1966 (the Societies Act), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Institution as at 31 December 2025 and the results, changes in funds and cash flows of the Institution for the year ended on that date;

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

(c) the accounting and other records required by the Societies Act, the Charities Act and Regulations to be kept by the Institution have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, and the Charities Act and Regulations;

(d) the use of donation monies is in accordance with the objectives of the Institution as required under Regulation 11 of the Charities (Institutions of Public Character) Regulations; and

(e) the Institution has complied with Regulation 15 (Fund-raising expenses) of the Charities (Institutions of Public Character) Regulations.

On behalf of the Management Committee (85th Term),

Chairman
Toh Soon Huat

Treasurer
Clifton Yong Kee Tong

Singapore

16 APR 2026

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sian Chay Medical Institution (the Institution), which comprise the statement of financial position as at 31 December 2025, and the statement of income and expenditure and other comprehensive income, statement of changes in funds and statement of cash flows for the 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 Societies Act 1966 (the Societies Act), the Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Institution as at 31 December 2025 and the results, changes in funds and cash flows of the Institution for the year ended on that date.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the List of Management Committee (85th Term) and the information in the Statement by Management Committee set out on page 1 and page 2 respectively.

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.

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

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

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

The Management Committee and those charged with governance are responsible for overseeing the Institution'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 Institution's internal control.

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

- Conclude on the appropriateness of the Management Committee'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 Institution'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 Institution to cease to continue as a going concern.

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

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

Report on Other Legal and Regulatory Requirements

In our opinion:

(a) the accounting and other records required to be kept by the Institution have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, and the Charities Act and Regulations; and

(b) the fund-raising appeals held during the financial year have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

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

(a) the use of the donation monies was not in accordance with the objectives of the Institution as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Institution has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

UHY Lee Seng Chan & Co
Public Accountants and
Chartered Accountants

Singapore

16 APR 2026

Sian Chay Medical Institution

Statement of Financial Position
As at 31 December 2025

	Note	2025 $	2024 $
ASSETS			
Current assets			
Cash and bank balances	4	32,340,810	35,295,827
Trade and other receivables	5	411,137	398,115
Investment securities and other investments	6	11,501,610	5,457,448
Inventories	7	869,989	508,646
		45,123,546	41,660,036
Non-current assets			
Investment securities	6	3,602,267	3,250,826
Property, plant and equipment	8	22,978,764	25,059,236
		26,581,031	28,310,062
Total assets		71,704,577	69,970,098
LIABILITIES			
Current liabilities			
Trade and other payables	9	1,408,491	1,011,691
Bank loan	10	260,203	250,324
Lease liabilities	11(b)	282,193	232,717
		1,950,887	1,494,732
Non-current liabilities			
Bank loan	10	1,626,063	1,886,266
Lease liabilities	11(b)	85,283	241,628
		1,711,346	2,127,894
Total liabilities		3,662,233	3,622,626
NET ASSETS		68,042,344	66,347,472
FUNDS			
Capital fund	12	230,000	230,000
Unrestricted fund			
Fair value reserve	13(i)	(2,815,847)	(3,167,288)
General fund	13(ii)	61,028,016	59,882,527
Restricted fund			
Memorial endowment fund	14	9,600,175	9,402,233
Total funds		68,042,344	66,347,472

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Income and Expenditure and Other Comprehensive Income
For the Financial Year Ended 31 December 2025

	Note	2025 Unrestricted fund $	2025 Restricted fund $	2025 Total $	2024 Unrestricted fund $	2024 Restricted fund $	2024 Total $
Income							
Voluntary income[1]	15	19,738,866	-	19,738,866	20,595,064	-	20,595,064
Charitable income	16	2,091,195	-	2,091,195	2,003,296	-	2,003,296
Investment income	17	881,381	197,942	1,079,323	1,126,831	226,749	1,353,580
Other income	18	242,138	-	242,138	224,368	-	224,368
Total income		22,953,580	197,942	23,151,522	23,949,559	226,749	24,176,308
EXPENDITURE							
Cost of generating voluntary income	19	2,494,651	-	2,494,651	2,693,275	-	2,693,275
Cost of charitable activities	20	1,325,873	-	1,325,873	1,245,162	-	1,245,162
Other expenses	21	17,987,567	-	17,987,567	17,058,275	-	17,058,275
Total expenditure		21,808,091	-	21,808,091	20,996,712	-	20,996,712
Surplus for the year		1,145,489	197,942	1,343,431	2,952,847	226,749	3,179,596
Other comprehensive income/(loss)							
Fair value gain/(loss) on investment securities at fair value through other comprehensive income (FVOCI)		351,441	-	351,441	(1,815,777)	-	(1,815,777)
Total comprehensive income for the year		1,496,930	197,942	1,694,872	1,137,070	226,749	1,363,819

[1] Represents total gross receipts from fund raising during the financial year

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Changes in Funds
For the Financial Year Ended 31 December 2025

	← Unrestricted fund →			Restricted fund	
	Capital fund	Fair value reserve	General fund	Memorial endowment fund	Total
	$	$	$	$	$
Balance at 1 January 2024	230,000	(1,351,511)	56,929,680	9,175,484	64,983,653
Surplus for the year	-	-	2,952,847	226,749	3,179,596
Other comprehensive loss					
Fair value loss on investment securities at FVOCI	-	(1,815,777)	-	-	(1,815,777)
Total comprehensive income for the year	-	(1,815,777)	2,952,847	226,749	1,363,819
Balance at 31 December 2024	230,000	(3,167,288)	59,882,527	9,402,233	66,347,472
Balance at 1 January 2025	230,000	(3,167,288)	59,882,527	9,402,233	66,347,472
Surplus for the year	-	-	1,145,489	197,942	1,343,431
Other comprehensive income					
Fair value gain on investment securities at FVOCI	-	351,441	-	-	351,441
Total comprehensive income for the year	-	351,441	1,145,489	197,942	1,694,872
Balance at 31 December 2025	230,000	(2,815,847)	61,028,016	9,600,175	68,042,344

The accompanying notes form an integral part of these financial statements

Sian Chay Medical Institution

Statement of Cash Flows
For the Financial Year Ended 31 December 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Surplus for the year		1,343,431	3,179,596
Adjustments for:			
Depreciation of property, plant and equiment	8	2,347,813	2,182,230
Dividend income	17	(250,200)	(250,200)
Interest expense		101,704	102,826
Interest income	17	(829,123)	(1,103,380)
Operating cash flows before changes in working capital		2,713,625	4,111,072
Changes in working capital:			
Trade and other receivables		(142,283)	679,452
Inventories		(361,343)	(168,962)
Trade and other payables		396,800	(488,443)
Net cash from operating activities		2,606,799	4,133,119
Cash flows from investing activities			
Purchase of property, plant and equipment (Note A)		(129,327)	(1,634,847)
Purchase of debt securities		(8,999,582)	(2,955,420)
Proceeds from disposal of debt securities		2,955,420	-
Interest received		958,384	1,165,814
Dividend received		250,200	250,200
Net cash used in investing activities		(4,964,905)	(3,174,253)
Cash flows from financing activities			
Repayment of bank loans		(250,324)	(1,309,625)
Payment of principal portion of lease liabilities		(244,883)	(196,018)
Interest paid		(101,704)	(104,922)
Net cash used in financing activities		(596,911)	(1,610,565)
Net change in cash and cash equivalents		(2,955,017)	(651,699)
Cash and cash equivalents at beginning of year		35,295,827	35,947,526
Cash and cash equivalents at end of year	4	32,340,810	35,295,827

Note A: During the financial year, the Institution acquired property, plant and equipment with an aggregate cost of $267,341 (2024 : $3,154,108) of which $138,014 (2024 : $284,952) pertains to right-of-use assets, $1,234,309 in 2024 (2025 : Nil) pertains to deposits paid as at 31 December 2023 and capitalised in the previous financial year and the balance of $129,327 (2024 : $1,634,847) was paid in cash.

The accompanying notes form an integral part of these financial statements

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

1. General information

Sian Chay Medical Institution (the Institution) was registered as a charity under the former Charities Act (Chapter 37) (now known as Charities Act 1994) on 19 March 1984 with its registered office located at 208 Geylang Road (Off Lorong 6), Sian Chay Charity Centre, Singapore 389269. It is also approved as an Institution of Public Character (IPC) by the Ministry of Health.

The principal activities of the Institution are to provide free medical consultation or subsidised medication to the lower income and needy patients.

The financial statements of the Institution for the financial year ended 31 December 2025 were authorised for issue by the Management Committee on 16 APR 2026

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Institution have been prepared in accordance with the provisions of the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore (FRSs) on a historical cost basis, except as disclosed in the accounting policies set out below.

The financial statements are presented in Singapore dollar ($), which is the Institution's functional currency.

The financial statements of the Institution have been prepared on the basis that it will continue to operate as a going concern.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Institution has adopted all the new and amended standards which are relevant to the Institution and are effective for annual financial period beginning on 1 January 2025. The adoption of these standards did not have any material effect on the financial statements of the Institution.

2. Material accounting policy information (continued)

2.3 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.
At initial recognition, the Institution measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Institution's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Institution only has debt instruments at 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 profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Institution may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Institution's right to receive payments is established. For investments in equity instruments which the Institution has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

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

2. Material accounting policy information (continued)

2.3 Financial instruments (continued)

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	Useful Lives
Freehold properties	50 years
Leasehold properties	lease period of 3 years
Motor vehicle	5 years
Air-conditioners	3 years
Renovation and fixtures	3 years
Other assets	3 - 5 years

2. Material accounting policy information (continued)

2.4 Property, plant and equipment (continued)

Other assets comprise computers, diagnosis and office equipment, and furniture and fittings.

Freehold properties comprise freehold land and building erected thereon. Freehold land is not depreciated.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

The residual values, useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

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

2.5 Impairment of non-financial assets

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

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

Impairment losses are recognised in profit or loss.

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.

2. Material accounting policy information (continued)

2.6 Impairment of financial assets

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

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

The Institution considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Institution may also consider a financial asset to be in default when internal or external information indicates that the Institution is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Institution. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.7 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks and fixed deposits placed with financial institutions which are subject to an insignificant risk of changes in value.

2.8 Inventories

Inventories comprise medical supplies which are stated at the lower of cost and net realisable value and goods for distribution to public which are stated at cost. Cost of medical supplies is determined primarily on a first-in-first-out basis and includes cost of purchase and all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2. Material accounting policy information (continued)

2.9 Provisions

Provisions are recognised when the Institution 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 each reporting date 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.

2.10 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.11 Employee benefits

(a) Defined contribution plans

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

(b) Short-term employee benefits

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

2.12 Leases

(a) As lessee

The Institution 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.

2. Material accounting policy information (continued)

2.12 Leases (continued)

(a) As lessee (continued)

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

Right-of-use assets

The Institution 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.

If ownership of the leased asset transfers to the Institution at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.5.

The Institution's right-of-use assets are presented within property, plant and equipment (Note 8).

Lease liabilities

At the commencement date of the lease, the Institution 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 Institution and payments of penalties for terminating the lease, if the lease term reflects the Institution exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

2. Material accounting policy information (continued)

2.12 Leases (continued)

(a) As lessee (continued)

Lease liabilities (continued)

In calculating the present value of lease payments, the Institution 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.

Short-term leases and leases of low-value assets

The Institution applies the short-term lease recognition exemption to its short-term leases of office equipment (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 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.

(b) As lessor

Leases in which the Institution does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Institution's freehold property is disclosed in Note 2.13.

2.13 Revenue

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

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

2. Material accounting policy information (continued)

2.13 Revenue (continued)

Rendering of healthcare services

Revenue from rendering of healthcare services, which include acupuncture, tuina therapy treatment and cupping, is recognised when the services are rendered.

Sale of healthcare products

Revenue from sale of healthcare products is recognised at a point in time when the products are delivered to the customer and all criteria for acceptance have been satisfied.

Donations

Donations are recognised when the right to receive is established.

Investment income

Investment income comprises interest income from fixed deposits and dividend income.

Interest income is recognised using the effective interest rate method.

Dividend income is recognised on the date that the right to receive payment is established.

Rental income

Rental income from operating lease (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the term of the lease.

2.14 Memorial endowment fund

This fund aims to support the charity mission of providing free Traditional Chinese Medicine consultation and treatment at the Institution, for hardship cases concerning needy families referred by the weekly Meet-The-People sessions to the Institution.

2.15 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

2. Material accounting policy information (continued)

2.15 Government grants (continued)

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Institution'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 end of each reporting period. 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 in applying accounting policies

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

(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 Institution 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 Institution. Such changes are reflected in the assumptions when they occur.

Depreciation of property, plant and equipment

Management estimates the useful lives of property, plant and equipment to be between 3 years and 5 years, except for freehold properties whose useful life is expected to be 50 years. These are common life expectancies applied in the relevant industry. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets. Hence, future depreciation charges could be revised. The carrying amounts of the Institution's property, plant and equipment are disclosed in Note 8.

4. Cash and bank balances

	2025 $	2024 $
Cash at banks	3,414,143	2,353,154
Cash on hand	95,314	45,115
Fixed deposits	28,831,353	32,897,558
Representing cash and cash equivalents in statement of cash flows	32,340,810	35,295,827

Fixed deposits have maturity period of 3 to 12 (2024 : 3 to 12) months and earn interest at rates ranging from 1.15% to 2.1% (2024 : 2.6% to 4.0%) per annum at the reporting date.

Fixed deposits are considered as cash and cash equivalents because they can be withdrawn at any point in time without restrictions other than forfeiture of interest if withdrawn before maturity date.

5. Trade and other receivables

	2025 $	2024 $
Trade receivable		
- donation receivable	6,595	-
Other receivables		
- dividend receivable	20,850	20,850
- interest receivable	99,081	228,342
- refundable deposits	116,823	118,421
- sundry debtors	139,590	21,560
- prepayments	28,198	8,942
	404,542	398,115
	411,137	398,115

Refundable deposits comprise rental and utilities deposits paid in respect of the Institution's treatment centres.

6. Investment securities and other investments

	2025 $	2024 $
Current		
At fair value through profit or loss (FVPL)		
Investment securities		
- quoted investment funds	2,028	2,028
- fixed income fund[1]	7,500,000	2,500,000
Other investment		
- keyman insurance contracts[2]	3,999,582	-
	11,501,610	2,502,028
At amortised cost		
- debt securities[3]	-	2,955,420
	11,501,610	5,457,448
Non-current		
At fair value through other comprehensive income (FVOCI)		
- quoted equity securities[4]	3,602,267	3,250,826

The fair values of quoted investment funds and quoted equity securities are based on the quoted closing market prices on the last market day of the financial year.

(1) Fixed income fund comprises the investment in Participating Shares of 25,000 units acquired in 2021 and additional 50,000 units acquired in 2025 with the following favourable key attributes:

(i) If the aggregate Net Asset Value of all Participating Shares falls below the total Subscription Price attributable to the Participating Shares, the holding company of the Investment Manager, shall cause the sub-fund to issue new Participating Shares to the holders of the Participating Shares at the issue price, so as to cause the Net Asset Value attributable to all Participating Shares to be equal to the Participating Total Subscription Price. The issue price of the new Participating Shares shall be paid by the holding company of the Investment Manager.

(ii) Dividends declared and accrued shall be guaranteed by the Investment Manager at 0.6% of the Participating Total Subscription Price every month.

Fees and charges of the investment are summarised below:

(a) A one-time sales charge of 1% of the subscription amount, which was subsequently waived by the Investment Manager;

6. Investment securities (continued)

(b) There is currently no subscription fees charged;

(c) There is currently no redemption fees charged;

(d) No management fees will be charged; and

(e) The Investment Manager will be entitled to an incentive fee after payment of dividends.

(2) The keyman insurance contracts relate to two life insurance policies insured for Mr. Toh Soon Huat, the Chairman of the Institution. The fair values of the keyman insurance contracts were estimated by management to be approximated to their carrying amounts without making reference to the cash surrender value set out in the policy statement provided by the insurance company as management has ascertained that the Instituion will not surrender the policies under the current circumstances.

(3) Debt securities in 2024 comprised Singapore Government Treasury Bills that form part of the Institution's investment portfolio and are measured at amortised cost. The carrying amounts approximate their fair values as they will mature within 12 months from the reporting date.

(4) Investments in quoted equity securities are held for long-term strategic purposes. Accordingly, management had elected to designate these investments as at FVOCI as they are of the view that recognising short-term fluctuations in the fair value of these investments in profit or loss would not be consistent with the Institution's strategy of holding these investments for long-term purposes.

7. Inventories

	2025 $	2024 $
Medical supplies	237,554	237,176
Goods for distribution to the public	632,435	271,470
	869,989	508,646
Cost of inventories recognised in statement of income and expenditure and included in cost of charitable activities	1,325,873	1,245,162

8. Property, plant and equipment

2025

	Freehold properties $	Leasehold properties $	Motor vehicles $	Air conditioners $	Renovation and fixtures $	Other assets $	Total $
Cost							
Balance at beginning	21,747,717	699,054	617,900	95,402	6,668,929	1,891,629	31,720,631
Additions		138,014	-	1,300	86,187	41,840	267,341
Written off	-	-	-	-	(243,314)	(74,544)	(317,858)
Balance at end	21,747,717	837,068	617,900	96,702	6,511,802	1,858,925	31,670,114
Accumulated depreciation							
Balance at beginning	1,027,219	240,779	146,398	72,730	4,057,644	1,116,625	6,661,395
Charge for the year	324,954	244,519	123,997	14,177	1,257,062	383,104	2,347,813
Written off	-	-	-	-	(243,314)	(74,544)	(317,858)
Balance at end	1,352,173	485,298	270,395	86,907	5,071,392	1,425,185	8,691,350
Carrying amount							
Balance at 31 December 2025	20,395,544	351,770	347,505	9,795	1,440,410	433,740	22,978,764

8. Property, plant and equipment (continued)

2024

	Freehold properties $	Leasehold properties $	Motor vehicles $	Air conditioners $	Renovation and fixtures $	Other assets $	Total $
Cost							
Balance at beginning	21,747,717	414,102	476,566	83,782	4,640,370	1,297,652	28,660,189
Additions	-	284,952	235,000	11,620	2,028,559	593,977	3,154,108
Disposal	-	-	(93,666)	-	-	-	(93,666)
Balance at end	21,747,717	699,054	617,900	95,402	6,668,929	1,891,629	31,720,631
Accumulated depreciation							
Balance at beginning	702,265	31,954	155,898	60,722	2,876,307	745,685	4,572,831
Charge for the year	324,954	208,825	84,166	12,008	1,181,337	370,940	2,182,230
Disposal	-	-	(93,666)	-	-	-	(93,666)
Balance at end	1,027,219	240,779	146,398	72,730	4,057,644	1,116,625	6,661,395
Carrying amount							
Balance at 31 December 2024	20,720,498	458,275	471,502	22,672	2,611,285	775,004	25,059,236

8. Property, plant and equipment (continued)

Other assets include computers, diagnosis and office equipment, furniture and fittings and light and audio system.

Freehold properties comprise a property (Property 1) located at 610 Geylang Road, Singapore 389549 and another property (Property 2) at 208 Geylang Road, Singapore 389269 with carrying amounts of $149,617 (2024 : $157,929) and $20,245,927 (2024 : $20,562,569) respectively. Property 2 is mortgaged to a bank as security for bank loan (Note 10).

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 11.

9. Trade and other payables

	2025 $	2024 $
Trade payables		
- third parties	498,126	536,983
- GST payable	51,487	72,498
	549,613	609,481
Other payables		
- third parties	761,844	283,413
- rental deposits	20,000	20,000
- accrued operating expenses	77,034	98,797
	858,878	402,210
	1,408,491	1,011,691

Trade payables are non-interest bearing and are generally settled within 30 (2024 : 30) days.

10. Bank loan

	2025 $	2024 $
Current		
Bank loan		
- repayable within one year	260,203	250,324
Non-current		
Bank loan		
- repayable between one to five years	1,147,715	1,104,107
- repayable after five years	478,348	782,159
	1,626,063	1,886,266
	1,886,266	2,136,590

Bank loan is repayable by 120 monthly instalments commencing from July 2022 and interest-bearing at the rate of 3.88% (2024 : 3.88%) per annum at the reporting date. It is secured by a first legal mortgage over one of the Institution's freehold properties (Note 8) and assignment of rental proceeds, if any, in respect of the property.

11. Leases - as lessee

The Institution has lease contracts for leasehold properties. The Institution's obligations under these leases are secured by lessors' title to the leased assets.

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

Leasehold properties

	2025 $	2024 $
At 1 January	458,275	382,148
Addition	138,014	284,952
Depreciation	(244,519)	(208,825)
At 31 December	351,770	458,275

11. Leases - as lessee (continued)

(b) Lease liabilities

	2025 $	2024 $
Current	282,193	232,717
Non-current	85,283	241,628
	367,476	474,345

The movements of lease liabilities during the financial year are disclosed in Note 11(e) below and the maturity analysis is disclosed in Note 26(c).

(c) Amounts recognised in profit or loss

	2025 $	2024 $
Depreciation of right-of-use assets	244,519	208,825
Interest expense on lease liabilities (Note 21)	23,240	30,931
Expense relating to short-term leases (Note 21)	110,421	69,737
Total amount recognised in profit or loss	378,180	309,493

(d) Total cash outflow

The Institution had total cash outflows for leases of $378,544 (2024 : $296,686) comprising payments of principal portion of lease liabilities of $244,883 (2024 : $196,018), lease expense of short-term leases of $110,421 (2024 : $69,737) and interest expense of $23,240 (2024 : $30,931).

11. Leases - as lessee (continued)

(e) A reconciliation of liabilities arising from financing activities is as follows:

		Cash flows	Non-cash changes			
	1 January	Repayments	Addition	Accretion of interests	Others	31 December
	$	$	$	$	$	$
2025						
Bank loan	2,136,590	(328,788)	-	78,464	-	1,886,266
Lease liabilities						
- current	232,717	(268,123)	138,014	23,240	156,345	282,193
- non-current	241,628				(156,345)	85,283
	2,610,935	(596,911)	138,014	101,704	-	2,253,742
2024						
Bank loans	3,446,215	(1,381,520)	-	71,895	-	2,136,590
Lease liabilities						
- current	129,814	(226,949)	284,952	30,931	13,969	232,717
- non-current	255,597	-	-	-	(13,969)	241,628
	3,831,626	(1,608,469)	284,952	102,826	-	2,610,935

12. Capital fund

The capital fund represents compensation received from the government in relation to the compulsory acquisition of the Institution's previous premises located at 124A Bencoolen Street in 1978. This fund is unrestricted.

13. Unrestricted fund

(i) Fair value reserve

Fair value reserve represents the cumulative fair value changes, net of tax, of equity securities at fair value through other comprehensive income until they are disposed of or impaired.

(ii) General fund

The income and expenditure relating to the main activities of the Institution are accounted for in this fund.

14. Restricted fund

Memorial endowment fund

This fund comprises the To' Puan Dr. Tsao Sui Lan Memorial Endowment Fund which was established on 21 May 2018 with an initial donation of $2,000,000 and an additional of $1,000,000 received from Dato' Dr. Tan Hian-Tsin as well as subsequent donations from public for the purpose of providing assistance to the hardship and welfare cases referred by the Grassroots Advisers during their weekly Meet-The-People Sessions as well as individuals requiring support and assistance from the community.

	2025 $	2024 $
Balance at beginning	9,402,233	9,175,484
Transferred from investment income (Note 17)	197,942	226,749
Balance at end	9,600,175	9,402,233

15. Voluntary income

	2025 $	2024 $
Unrestricted		
Tax deductible donations	17,439,501	18,890,735
Government grants	955,457	-
Other donations	1,343,908	1,704,329
	19,738,866	20,595,064

The Institution enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the Institution.

16. Charitable income

	2025 $	2024 $
Acupuncture treatment fees	413,248	406,980
Cupping treatment fees	42,664	47,134
Tuina therapy fees	434,032	482,220
Prescription fees	807,410	784,028
Sale of healthcare products	304,777	206,049
Others	89,064	76,885
	2,091,195	2,003,296

17. Investment income

	2025 $	2024 $
Dividend income		
- Unrestricted	125,100	125,100
- Restricted	125,100	125,100
Interest income		
- Unrestricted	756,281	1,001,731
- Restricted	72,842	101,649
	1,079,323	1,353,580

Restricted dividend income and restricted interest income amounting to $197,942 (2024 : $226,749) in aggregate are transferred to and accumulated in Memorial endowment fund (Note 14).

18. Other income

	2025 $	2024 $
CPF transition offset	4,172	5,573
Enabling employment credit	1,480	-
Rental income		
- unrestricted	130,794	29,250
Senior Employment Credit	42,636	40,985
Wage credit scheme	62,613	134,258
Others	443	14,302
	242,138	224,368

19. Cost of generating voluntary income

	2025 $	2024 $
Fund raising expenses	2,494,651	2,693,275

Pursuant to Regulation 15 of the Charities (Institution of Public Character) Regulations, total fund-raising expenses for the financial year shall not exceed 30% of total gross receipts from donations. The institution's total fundraising expenses represent approximately 12.63% (2024 : 13.08%) of the total gross receipts from fundraising for the financial year.

20. Cost of charitable activities

	2025 $	2024 $
Medicine and medical supplies - Unrestricted	1,325,873	1,245,162

21. Other expenses

	2025 $	2024 $
Unrestricted		
Bank charges	282,936	271,585
Community events	448,388	595,928
Community relation	463,858	818,380
Community welfare and services	3,459,274	358,316
Depreciation of property, plant and equipment (Note 8)	2,347,813	2,182,230
Food cost	353,007	142,002
General expenses	1,192,099	1,293,542
Goods and Services Tax (GST) not claimable[1]	556,078	704,117
Information technology maintenance	1,900	3,309
Insurance	130,729	129,734
Interest expense on bank loans (Note 11)	78,464	71,895
Interest expense on lease liabilities (Note 11)	23,240	30,931
Lease expense (Note 11)	110,421	69,737
Legal and professional fee	114,883	108,580
License fee	5,390	8,823
Light and sound system	32,167	69,204
Maintenance charges	150,877	331,100
Marketing communication expenses	1,142,280	1,000,908
Medical records, receipts, stationery	2,287	2,421
Momentoes for donors	18,103	105,253
Office supplies	359,457	414,166
Photo frames for photo gallery	31,274	82,881
Photography/Video services	18,389	27,026
Printing charges	225,722	229,218
Project expenses	125,318	153,553
Property tax	67,648	54,432
Property, plant and equipment expensed off	-	23,679
Recruitment costs	17,503	52,176
Signages for outlets	194,648	252,942
Staff training	46,917	69,670
Start-up costs of new outlets	-	63,816
Telephone and internet charges	59,397	75,882
Transport charges	454,771	435,012
Utilities expense	210,334	214,642
Website hosting and social media	583,568	414,056
	13,309,140	10,861,146

21. Other expenses (continued)

	2025 $	2024 $
Employee benefits expense		
- salaries, bonuses and related costs [2]	4,283,409	4,332,541
- employer's contribution to Central Provident Fund	395,018	438,746
	4,678,427	4,771,287
	17,987,567	15,632,433

[1] Under the Goods and Services Tax Act (the Act), the Institution is eligible to claim input tax incurred on expenses relating to its business activities. Input taxes incurred on non-business activities as defined in the Act are expensed directly in the statement of income and expenditure and other comprehensive income.

[2] None of the staff individually receives more than $100,000 in annual remuneration.

22. Income tax

As a registered charity under the Charities Act 1994, the Institution is exempted from income tax under Section 13 of the Income Tax Act 1947.

23. Compensation of key management personnel

Members of the Management Committee are volunteers who do not receive any compensation from the Institution.

24. Commitments

Maturity analysis of lease payments - as lessor

The Institution leases out part of its freehold building comprised in freehold properties classified under property, plant and equipment (Note 8) to tenants under operating leases. At the reporting date, the total future minimum rental payments receivable under non-cancellable operating leases contracted for but not recognised as receivables are as follows:

	2025 $	2024 $
Less than one year	76,500	108,000
One to two years	-	76,500
Total undiscounted lease payments	76,500	184,500

25. Fair value of assets and liabilities

(a) Fair value hierarchy

The Institution categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,
- Level 2 – Inputs other that quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

25. Fair value of assets and liabilities (continued)

(b) Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the reporting date:

	2025	2024
	$	$
	Quoted prices in active markets for identical instruments	
	Level 1	Level 1
Financial assets		
Investment securities and other investments		
At fair value through profit or loss		
- quoted investment funds (Note 6)	2,028	2,028
- fixed income fund (Note 6)	7,500,000	2,500,000
- keyman insurance contract (Note 6)	3,999,582	-
At fair value through other comprehensive income		
- quoted equity securities (Note 6)	3,602,267	3,250,826
Balance as at 31 December	15,103,877	5,752,854

(c) Assets and liabilities not measured at fair value

Cash and bank balances and other receivables and payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Bank loan and leases liabilities

The carrying amounts of these balances approximate their fair values as they are subject to interest rates close to market rates of interest for similar arrangements with financial institutions.

26. Financial risk management

The Institution's overall risk management strategy seeks to minimise potential adverse effects of these risks on the financial performance of the Institution. These risks include credit risk, market risk (including interest rate risk and equity price risk) and liquidity risk.

Risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the Institution's activities.

(a) Credit risk

Credit risk is the potential financial loss resulting from the failure of a counterparty to settle its financial and contractual obligations to the Institution, as and when they fall due.

At the reporting date, the Institution's maximum exposure to credit risk is represented by the carrying amount of each financial asset recognised in the statement of financial position.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Cash and bank balances are held with reputable financial institutions and are subject to immaterial credit loss.

The Institution does not have any significant credit risk exposure to any single counter party.

(b) Market risk

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

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the Institution's financial instruments will fluctuate because of changes in market interest rate.

The Institution is exposed to interest rate risk through the impact of changes on interest rate of its fixed deposits placed with financial institutions.

Sensitivity analysis

At the reporting date, an increase/decrease of 25 basis points in interest rates of fixed deposits would increase/decrease surplus for the financial year by $72,078 (2024 : $82,244).

26. Financial risk management (continued)

(b) Market risk (continued)

(ii) Equity price risk

The Institution is exposed to equity price risk arising from quoted equity securities held by the Institution which are classified as financial assets at FVPL and financial assets at FVOCI.

Sensitivity analysis

At the reporting date, if prices of quoted equity securities increase/decrease by 10% with all other variables being held constant, the increase/decrease in surplus for the year and other comprehensive income would be $203 (2024 : $203) and $360,227 (2024 : $325,083) respectively.

(iii) Foreign currency risk

The Institution transacts mainly in Singapore dollars and is therefore not exposed to any significant foreign currency risk.

(c) Liquidity risk

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

The Institution monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance its operations and to mitigate the effects of fluctuations in cash flows.

26. Financial risk management (continued)

(c) Liquidity risk (continued)

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

	Carrying amount	Contractual cash flows	One year or less	One to five years	After 5 years
	$	$	$	$	$
2025					
Financial assets					
Cash and bank balances	32,340,810	32,340,810	32,340,810	-	-
Trade and other receivables	382,939	382,939	382,939	-	-
Total undiscounted financial assets	32,723,749	32,723,749	32,723,749	-	-
Financial liabilities					
Trade and other payables	2,714,008	1,357,004	1,357,004	-	-
Bank loan	1,886,266	2,137,122	328,788	1,315,152	493,182
Lease liabilities	367,476	381,954	294,908	87,046	-
Total undiscounted financial liabilities	4,967,750	3,876,080	1,980,700	1,402,198	493,182
Total net undiscounted financial assets/(liabilities)	27,755,999	28,847,669	30,743,049	(1,402,198)	(493,182)

26. Financial risk management (continued)

(c) Liquidity risk (continued)

	Carrying amount $	Contractual cash flows $	One year or less $	One to five years $	After 5 years $
2024					
Financial assets					
Cash and bank balances	35,295,827	35,295,827	35,295,827	-	-
Trade and other receivables	389,173	389,173	389,173	-	-
Total undiscounted financial assets	35,685,000	35,685,000	35,685,000	-	-
Financial liabilities					
Trade and other payables	939,193	939,193	939,193	-	-
Bank loan	2,136,590	2,465,910	328,788	1,315,152	821,970
Lease liabilities	474,345	504,759	256,011	248,748	-
Total undiscounted financial liabilities	3,550,128	3,909,862	1,523,992	1,563,900	821,970
Total net undiscounted financial assets/(liabilities)	32,134,872	31,775,138	34,161,008	(1,563,900)	(821,970)

27. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities of amortised cost were as follows:

	2025 $	2024 $
Financial assets measured at amortised cost		
Cash and bank balances (Note 4)	32,340,810	35,295,827
Trade and other receivables excluding prepayments (Note 5)	382,939	389,173
Debt securities	-	2,955,420
Total financial assets measured at amortised cost	32,723,749	38,640,420
Financial liabilities measured at amortised cost		
Trade and other payables excluding GST payable (Note 9)	1,357,004	939,193
Bank loan (Note 10)	1,886,266	2,136,590
Lease liabilities (Note 11)	367,476	474,345
Total financial liabilities measured at amortised cost	3,610,746	3,550,128

28. Fund management

The fund structure of the Institution comprises restricted and unrestricted fund as at the reporting date. The Institution regards its unrestricted fund as its reserves. The Institution's fund management policies require it to maintain sufficient reserves to ensure long term financial sustainability and continuity for the purpose of providing free consultation and subsidised traditional Chinese medication to the community.

The Institution aims to achieve its reserves at a level equal to about 3 times of its total annual expenditure so that its operational activities can continue in times of unforeseen difficulty. The Institution is not subject to any externally imposed reserve requirements.

The institution reviews its fund structure at least annually to ensure that the Institution will be able to continue as a going concern. The institutions overall strategy remains unchanged during the financial years ended 31 December 2025 and 2024.

The institution is in compliance with externally imposed capital requirements for the financial years ended 31 December 2025 and 2024.

29. Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

Description	Effective for annual periods beginning on or after
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027

Management Committee expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

Sian Chay Medical Institution

Notes to the Financial Statements
For the Financial Year Ended 31 December 2025

The Accompanying Supplementary Statement of Financial Position, Statement of Income and Expenditure and Other Comprehensive Income, Statement of Changes in Funds, Statement of Cash Flows and Notes to the Financial Statements Have Been Prepared For Management Purposes Only And Does Not Form Part of the Audited Financial Statements.

善济医社
Sian Chay Medical Institution

资产负债表
二零二四财政年度
Statement of Financial Position
As at 31 December 2025

		Note	二零二五 2025 $	二零二四 2024 $
ASSETS	**资产**			
Current assets	**流动资产**			
Cash and bank balances	现金及银行存款余额	4	32,340,810	35,295,827
Trade and other receivables	其他应收款	5	411,137	398,115
Investment securities	投资证卷	6	11,501,610	5,457,448
Inventories	存货	7	869,989	508,646
			45,123,546	41,660,036
Non-current assets	**非流动资产**			
Investment securities and other secuities	投资证卷	6	3,602,267	3,250,826
Property, plant and equipment	产业及设备	8	22,978,764	25,059,236
			26,581,031	28,310,062
Total assets	**总资产**		71,704,577	69,970,098
LIABILITIES	**负债**			
Current liabilities	**流动负债**			
Trade and other payables	应付账款及其他应付款项	9	1,408,491	1,011,691
Bank loan	银行贷款	10	260,203	250,324
Lease liabilities	租赁负债	11(b)	282,193	232,717
			1,950,887	1,494,732
Non-current liabilities	**非流动负债**			
Bank loan	银行贷款	10	1,626,063	1,886,266
Lease liabilities	租赁负债	11(b)	85,283	241,628
			1,711,346	2,127,894
Total liabilities	**总负债**		3,662,233	3,622,626
NET ASSETS	**净资产**		68,042,344	66,347,472
FUNDS	**资金**			
Capital fund	资本基金	12	230,000	230,000
Unrestricted fund	不受限制的基金			
Fair value reserve	公允价值储备	13(i)	(2,815,847)	(3,167,288)
General fund	累积基金	13(ii)	61,028,016	59,882,527
Restricted fund	受限制的基金			
Endowment fund	捐赠基金	14	9,600,175	9,402,233
Total funds	**总资金**		68,042,344	66,347,472

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution
收益及支出报表
二零二四财政年度

Statement of Income and Expenditure and Other Comprehensive Income
For the financial year ended 31 December 2025

		Note	二零二五 2025 不受限制的基金 Unrestricted fund $	捐赠基金 Restricted fund $	总基金 Total $	二零二四 2024 不受限制的基金 Unrestricted fund $	捐赠基金 Restricted fund $	总基金 Total $
INCOME	**收入**							
Voluntary income	自愿收入	15	19,738,866	-	19,738,866	20,595,064	-	20,595,064
Charitable income	慈善收入	16	2,091,195	-	2,091,195	2,003,296	-	2,003,296
Investment income	投资收入	17	881,381	197,942	1,079,323	1,126,831	226,749	1,353,580
Other income	其他收入	18	242,138	-	242,138	224,368	-	224,368
Total income	**总收入**		22,953,580	197,942	23,151,522	23,949,559	226,749	24,176,308
EXPENDITURE	**费用**							
Cost of generating voluntary income	产生自愿收入成本	19	2,494,651	-	2,494,651	2,693,275	-	2,693,275
Cost of charitable activties	慈善活动成本	20	1,325,873	-	1,325,873	1,245,162	-	1,245,162
Other expenses	其他费用	21	17,987,567	-	17,987,567	17,058,275	-	17,058,275
Total expenditures	**总费用**		21,808,091	-	21,808,091	20,996,712	-	20,996,712
Surplus for the year	**本财政年度盈余**		1,145,489	197,942	1,343,431	2,952,847	226,749	3,179,596
Other comprehensive income/(loss)	**其他综合亏损**							
Fair value gain/(loss) on equity instruments at fair value through other comprehensive income	以公允价值计入其他综合亏损之投资证卷之公允价值亏损		351,441	-	351,441	(1,815,777)	-	(1,815,777)
Total comprehensive income for the year	**本年度综合收益总额**		1,496,930	197,942	1,694,872	1,137,070	226,749	1,363,819

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution
储备变动状况表
二零二四财政年度

Statement of Changes in Funds
For the financial year ended 31 December 2025

		不受限制的基金 累积基金 Unrestricted fund			受限制的基金 Restricted fund	
		资本基金 Capital fund $	公允价值储备 Fair value reserve $	累积基金 General fund $	纪念性捐赠基金 Memorial endowment $	总基金 Total $
Balance at 1 January 2024	二零二四年年初结存	230,000	(1,351,511)	56,929,680	9,175,484	64,983,653
Surplus for the year	二零二四年财政年度盈余	-	-	2,952,847	226,749	3,179,596
Other comprehensive loss	其他综合亏损					
Fair value loss on investment securities, at FVOCI	以公允价值计入其他综合收益之投资证卷之公允价值亏损	-	(1,815,777)	-	-	(1,815,777)
Total comprehensive income for the year	本年度综合(亏损)/收益总额	-	(1,815,777)	2,952,847	226,749	1,363,819
Balance at 31 December 2024	二零二四年年末结存	230,000	(3,167,288)	59,882,527	9,402,233	66,347,472
Balance at 1 January 2025	二零二五年年初结存	230,000	(3,167,288)	59,882,527	9,402,233	66,347,472
Surplus for the year	二零二五年财政年度盈余	-	-	881,381	197,942	1,343,431
Other comprehensive income	其他综合亏损					
Fair value gain on investment securities, at FVOCI	以公允价值计入其他综合收益之投资证卷之公允价值亏损	-	351,441	-	-	351,441
						-
Total comprehensive income for the year	本年度综合(亏损)/收益总额	-	351,441	881,381	197,942	1,694,872
Balance at 31 December 2025	二零二五年年末结存	230,000	(2,815,847)	60,763,908	9,600,175	68,042,344

Not Part of Audited Financial Statements
以上报表不构成经审计财务报表的组成部分

善济医社 Sian Chay Medical Institution

二零二四财政年度现金流量表
Statement of Cash Flows
For the financial year ended 31 December 2025

		Note	二零二五 2025 $	二零二四 2024 $
Cash flows from operating activities	**运作活动的现金流量**			
Surplus for the year	本财政年度盈余		1,343,431	3,179,596
Adjustments for:	非现金项目的调整			
Depreciation of property, plant and equiment	产业及设备折旧	8	2,347,813	2,182,230
Dividend income	股息收入	17	(250,200)	(250,200)
Interest expense	利息费用		101,704	102,826
Interest income	利息收入	17	(829,123)	(1,103,380)
Operating cash flows before changes in working capital	运作资金变动前的现金流		2,713,625	4,111,072
Changes in working capital:	**营运资金的变动**			
Trade and other receivables	应收账款及其他应收款		(142,283)	679,452
Inventories	存货		(361,343)	(168,962)
Trade and other payables	应付账款及其他应付款项		396,800	(488,443)
Cash generated from operations	运作活动的现金流量		2,606,799	4,133,119
Net cash flows from operating activities	来自运作活动之净现金		2,606,799	4,133,119
Cash flows from investing activities	**投资活动的现金流量**			
Purchase of property, plant and equipment (Note A)	购买产业及设备		(129,327)	(1,634,847)
Proceeds from disposal of investment securities, at FVOCI	出售以公允价值计入其他综合收益之投资证卷(股票)所得			
Purchase of debt securities	购买债务证券		(9,000,000)	(2,955,420)
Proceeds from disposal of debts securities	债务证券处置所得款项		2,955,838	-
Interest received	利息收入		958,384	1,165,814
Dividend received	股息收入		250,200	250,200
Net cash used in investing activities	用于投资活动的净现金		(4,964,905)	(3,174,253)
Cash flows from financing activities	**金融活动的现金流量**			
Repayment of bank loan	偿还银行贷款		(250,324)	(1,309,625)
Payment of principle portion of lease liabilities	偿还租赁负债本金		(244,883)	(196,018)
Interest paid	支付利息		(101,704)	(104,922)
Net cash used in financing activities	用于金融活动的净现金		(596,911)	(1,610,565)
Net change in cash and cash equivalents	现金与现金等值物之净变动		(2,955,017)	(651,699)
Cash and cash equivalents at beginning of year	年初现金与现金等价物		35,295,827	35,947,526
Cash and cash equivalents at end of year	年末现金与现金等价物	4	32,340,810	35,295,827

Note A: During the financial year, the Institution acquired property, plant and equipment with an aggregate cost of $267,341 (2024 : $3,154,108) of which $138,014 (2024 : $284,952) pertains to right-of-use assets, $1,234,309 in 2024 (2025 : Nil) pertains to deposits paid as at 31 December 2023 and capitalised in the previous financial year and the balance of $129,327 (2024 : $1,634,847) was paid in cash.

备注：在本年度期间，本医社共购买总成本为 $267,341 (2024 : $3,154,108)之产业及设备，其中包括 $138,014 (2024 : $284,952) 属于有使用权之租赁资产，2024 年的$1,234,309（2025 年：无）为截至 2023 年 12 月 31 日已支付并在上一个财政年度资本化的预付款,其余$129,327 (2024 : $2,869,156) 则以现金购买。

Not Part of Audited Financial Statements
以上报表不构成经审计财务报表的组成部分

15. Voluntary income 自愿收入

		二零二五 2025 $	二零二四 2024 $
Unrestricted	不受限制的		
Tax deductible donations	可扣税的捐款	17,439,501	18,890,735
Government grants	政府补助	955,457	-
Other donations	其他捐款	1,343,908	1,704,329
		19,738,866	20,595,064

16. Charitable income 慈善收入

		二零二五 2025 $	二零二四 2024 $
Acupuncture treatment fees	针灸治疗收入	413,248	406,980
Cupping treatment fees	拔罐治疗收入	42,664	47,134
Tuina therapy treatment fees	推拿治疗收入	434,032	482,220
Prescription fees	病人登记费	807,410	784,028
Sale of healthcare products	保健产品销售	304,777	206,049
Others	其他	89,064	76,885
		2,091,195	2,003,296

Not Part of Audited Financial Statements

以上报表不构成经审计财务报表的组成部分

17. Investment income 投资收入

		二零二五 2025 $	二零二四 2024 $
Dividend income	股息收入		
- Unrestricted	不受限制的	125,100	125,100
- Restricted	受限制的	125,100	125,100
Interest income	利息收入		
- Unrestricted	不受限制的	756,281	1,001,731
- Restricted	受限制的	72,842	101,649
		1,079,323	1,353,580

18. Other income 其他收入

		二零二五 2025 $	二零二四 2024 $
CPF transition offset	公积金过渡援助计划	4,172	5,573
Enabling employment credit	残障人士雇用补贴所得	1,480	-
Rental income	租金收入		
- unrestricted	- 不受限制的	130,794	29,250
Senior employment credit	乐龄人士雇用补贴所得	42,636	40,985
Wage credit scheme	薪金补贴所得	62,613	134,258
Others	其他	443	14,302
		242,138	224,368

19. Cost of generating voluntary income 产生自愿收入成本

		二零二五 2025 $	二零二四 2024 $
Fund raising expenses	筹款成本	2,494,651	2,693,275

20. Cost of charitable activities 慈善活动成本

		二零二五 2025 $	二零二四 2024 $
Medicine and medical supplies - Unrestricted	药物和医疗用品为不受限制的费用	1,325,873	1,245,162

21. Other expenses 其他费用

		二零二五 2025 $	二零二四 2024 $
Unrestricted	不受限制的费用		
Bank charges	银行手续费	282,936	271,585
Community events	社区活动	448,388	595,928
Community relation	社区关系	463,858	818,380
Community welfare and services	社区福利	3,459,274	358,316
Depreciation of property, plant and equipment (Note 8)	产业及设备折旧	2,347,813	2,182,230
Food cost	伙食费用	353,007	142,003
General expenses	杂费	1,192,099	1,293,542
Goods and services tax(GST) input tax not claimable	无抵扣消费税	556,078	704,117
Insurance	保险费	130,729	129,734
Interest expense on bank loans (Note 11)	银行贷款利息费用	78,464	71,895
Interest expense on lease liabilities (Note 11)	租赁利息费用	23,240	30,931
Information technology maintenance	信息技术维护费用	1,900	3,309
Lease expense (Note 11)	租赁费用	110,421	69,737
Legal and professional fee	法律及专业费用	114,883	108,580
License fee	牌照费	5,390	8,823
Light and sound system	灯光和音响系统费用	32,167	69,205
Maintenance charges	维修费	150,877	331,100
Marketing communication expenses	宣传费	1,142,280	1,000,908
Medical records, receipts, stationery	医药记录，单据及其他文具	2,287	2,421
Momentoes for donors	纪念品	18,103	105,253
Office supplies	办公室费用	359,457	414,166
Photo frames for photo gallery	相集相框费	31,274	82,881
Photography/Video services	摄影/视频服务费	18,389	27,026
Printing charges	印刷费	225,722	229,218
Project expenses	客户关系管理项目	125,318	153,553
Property tax	产业税	67,648	54,432
Property, plant and equipment expensed off	产业及设备注销	-	23,679
Recruitment costs	招募费	17,503	52,176
Carried forward	结转	11,759,505	9,335,128

21. Other expenses (continued) 其他费用 (延續)

		二零二五 2025 $	二零二四 2024 $
Unrestricted (continued)	**不受限制的费用 (延續)**		
Brought forward	余额承前	11,759,505	9,335,126
Signages for outlets	医社招牌	194,648	252,942
Staff bonding/interaction	员工交流会	-	-
Staff training	员工培训	46,917	69,670
Start-up costs of new outlets	新分社开办费	-	63,816
Telephone and internet charges	电话和网络费用	59,397	75,882
Transport charges	交通费	454,771	435,012
Utilities expense	水电费	210,334	214,642
Website hosting and social media	网页寄存及社交传媒费用	583,568	414,056
		13,309,140	10,861,146
Employee benefits expense	雇员福利费用		
- salaries, bonuses and related costs	员工薪金，花红及相关成本	4,283,409	4,332,541
- employer's contribution to Central Provident Fund	雇主缴付之公积金额	395,018	438,746
		4,678,427	4,771,287
		17,987,567	15,632,433