



CHARITY DIVISION

Annual Report

1 April 2024 to 31 December 2024

CONTENTS

PAGE

1	About Us	3 - 4
2	Chairman's Message	5 – 6
3	The Year Ahead	7 - 9
4	PCF Charity Management Committee	10 - 11
5	Management	12
	UEN Number and Registered Address	12
	Annual Remuneration of 3 Highest paid Staff (exceed \$100K)	12
	Disclosure / Remuneration of PCF Charity Management Committee Members	12
	Members Serving Beyond The 10-Year Term	12
	Volunteer Management Policy	12
	Financial Management and Internal Controls	13
	Conflict of Interest Policy	13
	Enterprise Risk Management	13
	Personal Data Protection Act (PDPA)	13
	Reserves Policy	14
	Whistle Blowing Policy	14
	Code of Governance	15
	PCF Charity Management Committee Meeting Attendance Record	15
6	Events	16 – 26
7	Financial Report*	27 – 51

* There was a change of financial period end from 31 March to 31 December. This is to align with the Foundation's annual operating plan contract period with the academic year of preschool and to facilitate ease of reporting to the Early Childhood Development Agency (ECDA).

ABOUT US

The People's Action Party Community Foundation - Charity Division (PCF-CD) was set up on 23 July 2002. It was registered as a charity under the Charities Act (Chapter 37) from 25 July 2002 and has been accorded IPC (Institution of a Public Character) status from 24 July 2024 to 23 April 2028.

PCF-CD has a Constitution as its governing instrument.

Objectives

The objects of the PCF-CD are:

- a) To promote the welfare and interests of the citizens of, and residents in Singapore without distinction of sex, race, or religion.
- b) To advance and improve the standard of life and social well-being in Singapore by:
 - i) Fostering, developing and improving education of all kinds, and in any such manner as may, from time to time, be decided upon by the Charity including but without prejudice to the generality of this provision, the founding and maintenance of scholarships, bursaries, study loans and the endowment of chairs at schools, colleges, and universities.
 - ii) Providing playing fields and recreation grounds for the public, and fostering and developing by such means as may from time to time be determined upon, all healthy, sporting and recreational activities in all parts of Singapore; and
- c) To establish and maintain or to secure the establishment and maintenance of centres for community development (hereinafter called "the centres") and to maintain and manage or to co-operate with any governmental or statutory body, association or other local citizen group in the maintenance and management of, such centres for activities promoted by the Charity and its constituent bodies in furtherance of the above objects.
- d) The relief of human suffering, the combating, treatment and prevention of sickness and disease, and in particular the provision of or contribution towards medical and scientific research and teaching of all kinds and providing for the victims of fire, flood, famine, war, pestilence or any other calamities.
- e) The relief of poor and needy persons who by reason of age, ill health, misfortune or infirmity are wholly or in part unable to maintain themselves and their dependents by their own exertions and in particular widows and orphans, by providing and maintaining homes for the aged, the sick and the handicapped.

- f) To aid, assist and give relief in any manner and to any extent to any charitable institution whose object or objects are similar to or comparable with the objects of the Charity, including hospitals, sanatoria, homes or places of refuge or shelter, educational institutions, schools, orphanages, libraries, universities, industrial welfare establishments and other charitable organisations provided always that notwithstanding anything heretofore contained no grant or assistance shall be given which shall be in aid of any political organisation or for any political purpose.
- g) To assist by way of grants, donations or otherwise such charitable, educational or other work, object or endeavour in Singapore as the Charity considers desirable in the interests of or in furtherance of, the objects of the Charity.

CHAIRMAN'S MESSAGE

The PAP Community Foundation (PCF) is committed to empowering the community and ensuring that each individual has the opportunity to thrive, regardless of their background and circumstances.

In 2024, the PCF Charity Division has introduced a series of transformative initiatives that have touched many lives and built stronger, more inclusive communities. With a commitment to uplift children, seniors, and families, we work together to promote meaningful changes, sparking hope and creating opportunities for all.

The inaugural PCF Charity Week

In July, we held our inaugural Charity Week, where 6,000 staff and children volunteers helped 46,800 people through meaningful initiatives. Under the theme “PCF Cares, We Sparkle Lives,” the week saw several key highlights: PCF pledged at least \$7 million to support vulnerable families, committed to create 50,000 volunteering opportunities for staff in the coming years, donated \$60,000 to three Social Service Agencies, and partnered with Food from the Heart to distributed 2,000 food packs to needy families.

Empowering our Community through the Enhanced Headstart Fund Programme (eHSF)

Our PCF Enhanced Headstart Fund (eHSF) empowered over 11,000 young beneficiaries with \$1.65 million in educational support. Beyond the classroom, 28 PCF Sparkletots preschools offered enriching workshops and lessons to spark new passions and 67 preschools hosted destination outings to locations such as S.E.A. Aquarium and the ArtScience Museum's Future World exhibit to promote social mixing. Notably, 3,520 K2 children benefitted through these experiences to prepare them for Primary school. For the first time, we included parent-child bonding activities that benefitted over 3,200 children and their families through branch-led events, such as PCF Yio Chu Kang Family Day at the Singapore Zoo.

Lighting the Way: Driving Positive Change through Programmes and Initiatives

We continue with initiatives to help shape a brighter future for our communities.

Sparkle Gift of Love programme provided 1,775 children across 23 PCF Sparkletots branches a unique, free shopping experience for educational supplies.

Spark Dreams programme expanded its reach by over 40% from the previous year, with \$618,000 in top-ups to the Child Development Accounts of over 4,800 children, supporting access to opportunities.

School Readiness Packs provided 2,200 graduating K2 children with essential school supplies, helping them transition smoothly and confidently into the next stage of their education.

Mission I'mPossible 2 (MIP2) programme promoted healthy habits and improved nutrition knowledge for nearly 350 families across 16 of our preschools through parent workshops and bi-monthly fruit distributions for the children.

CSR initiatives across the year provided our community the platform to give back. To promote environmental awareness, 200 PCF staff removed litter during our annual Beach Clean-up at East Coast Park, complemented by a separate session involving 50 Sparkletots staff, parents, and children. Throughout 2024, HQ staff also engaged Sparkle Care seniors through curated activities like games and workshops. Our Charity Division expanded these CSR efforts,

partnering with over 15 Social Service Agencies to deliver over 30 initiatives that benefitted more than 5,800 individuals.

PCF Family Day 2024 welcomed 3,700 participants in a vibrant celebration of family bonds and social cohesion. Graced by Prime Minister and Minister for Finance, Mr Lawrence Wong, the event embraced the theme “Learning Through Play,” encouraging communication, social interaction, and relationship-building among children and families.

Generosity in Action: Raising Hope to Uplift Communities

The Lee Hsien Loong Cup Charity Golf Tournament has long been a flagship in PCF’s fundraising calendar. In 2024, the PCF Kebun Bahru branch hosted the event to support students-in-need, youth development programmes, senior citizen activities, and community welfare initiatives for families. Chaired by Mr Raymond Chua, PBM, the event culminated in a dinner hosted by Senior Minister Mr Lee Hsien Loong, raising a net total of \$609,500 to support PCF’s charitable initiatives.

South West District Fundraising 2024 was this year’s fundraising campaign. Conducted through the South West District, and led by Mayor Ms Low Yen Ling, a sum of \$609,000 was raised for 30 beneficiary organisations. The funds were presented at PCF Family Day 2024, a celebration of collective giving and community spirit.

United in Purpose: Building a Brighter Tomorrow, Today

I am deeply grateful to our sponsors and donors who walk the journey with us. Your strong support of our mission breathes life into the programmes and initiatives that continue to spark hope, and transform lives.

To our Charity Management Committee, PCF Branch Chairmen, committee members, volunteers, and all of PCF’s management and staff—thank you so much for your unwavering commitment. Your effort makes all the difference. Together, let us continue to do our best to build a better future for all.



Mrs Josephine Teo
Chairman
PCF Charity Management Committee

THE YEAR AHEAD

Our Future Plans

Shaping Futures, Strengthening Communities:

As Singapore celebrates its 60th year of independence, we also reflect on the shared journey of the PAP Community Foundation (PCF), which has been a steadfast pillar of community development for nearly four decades. With a network of around 350 Sparkletots preschools and nine Sparkle Care centres, PCF continues to grow its holistic support system—touching lives across every stage and walk of life.

Likewise, our Charity Division has grown from strength to strength, in purpose and reach. We are investing at least \$7 million over the next few years to implement meaningful support programmes for families. We hope to inspire our entire PCF workforce to build a more compassionate society together. Therefore, our goal is to create 50,000 staff volunteer opportunities during this period to drive robust Corporate Social Responsibility (CSR) initiatives.

As we look ahead, we are not merely keeping pace—we are poised to expand our reach, deepen intergenerational bonds, and spark lasting change. Together, we will continue to shape a more compassionate and hopeful tomorrow; bridging generations and inspiring the future.

1. Our Key Initiatives and Beyond: Expanding Community Support

In FY2024, we launched our Inaugural Charity Week to encourage staff and community partners to come together and support those in need.

To continue the good work, Charity Week will be organised every year and we will gather resources to Do Good and spread love through various events, donations and volunteering efforts. This initiative aims to foster a culture of empathy and care within PCF, empowering our staff to actively participate in various volunteering efforts and reach out to the less advantaged in the community.

Apart from that, our commitment to serving the community extends beyond the Charity Week with ongoing CSR initiatives throughout the year. We will focus our efforts on four key areas, namely Children, Seniors, Families and Environment. These initiatives will provide continuous opportunities for our staff to volunteer their time, skills, and resources, to make a difference and create a ripple effect of positive change within the community.

2. Our Commitment: Supporting Early Childhood Development

Alleviating Financial Burden: Our PCF Enhanced Headstart Fund (eHSF) will continue to provide vital financial assistance to vulnerable families. The PCF Spark Dreams Program provides additional support for families in the bottom 20% income bracket. The Sparkle Gift of Love program provides a special touch by enabling children to choose their own school-related items with their parents.

Providing Strong Foundation: We believe every child deserves an equal opportunity to succeed. The School Readiness Programme will serve to provide and ensure all children are well-prepared for their educational needs in the transition journey from preschool to primary school.

Strengthening Parent-Child Bonding: We are broadening our eHSF to support children from less privileged backgrounds and expanding our focus with more parent-child bonding activities. We aim to strengthen family connections and create a more nurturing environment for children's growth.

3. Fundraising Plans for FY2025

We have set a target to raise \$1,000,000 in FY2025 to support our beneficiaries and strengthen our community.

Lee Hsien Loong Cup Charity Golf Tournament: The annual event will bring together golfing enthusiasts and philanthropists, with proceeds allocated to support programmes for underprivileged children, youth development, senior citizen and low-income families in the community.

4. Expenditure Plans for FY2025

Financial Assistance, Activities, Programmes & Donations:

We will continue to support children from lower-income households enrolled in our Sparkletots preschools. We anticipate disbursing approximately \$2.42 million in financial assistance, benefiting some 12,000 children.

Another budget of around \$2.35 million to be spent on activities and other programmes to assist some 10,000 low-income children and families.

Additionally, we will allocate \$120,000 in donations to charitable organisations that align with our mission and need support. These funds will help to extend our community impact and support initiatives that resonate with our values.

5. SG60 Celebrations and PCF SG60 Family Day 2025

2025 is an important year and milestone for our nation and PCF to mark Singapore's 60 years of Independence.

To commemorate the special year, PCF will be organising a big-scale PCF SG60 Family Day 2025 to bring together children, seniors, families, PCF Branch Chairmen, and staff to celebrate our achievements and reflect on our shared history.

A SG60 mass walk involving HQ staff is being planned for 2025 to symbolise the unity and strength of the PCF Family, as we stride forward together towards a brighter future.

For Charity Division, events and activities will be organised for the seniors and children, including heritage tours and learning journeys, to foster intergenerational understanding and bring people of all ages and backgrounds together in building a brighter future.

The various initiatives we have in PCF reflect our commitment to building stronger communities and brighter futures.

Your dedication, passion and commitment are what make PCF a catalyst for positive change in our community. Together as **ONE PCF Family**, we can create a long-lasting positive impact on the lives we touch.

Thank you for your continued support and dedication to our shared vision.

Let's work together to shape a brighter future for all.



Mr Victor Bay
Chief Executive Officer
Date of Appointment: 24/06/2015

PCF CHARITY MANAGEMENT COMMITTEE



Chairman

Mrs Josephine Teo

Minister¹

Ministry of Digital Development and Information

Date of Appointment: 13/06/2022



Treasurer

Ms Yeo Wan Ling

Member of Parliament

Date of Appointment: 01/04/2024



Member

Ms Indranee Rajah

Minister in the Prime Minister's Office

Second Minister for Finance and National Development

Leader of the House

Date of Appointment: 01/03/2016



Member

Mr Heng Chee How

Senior Minister of State²

Ministry of Defence

Date of Appointment: 01/06/2011



Member

Ms Sim Ann

Senior Minister of State³

Ministry of Foreign Affairs

Ministry of Home Affairs

Deputy Government Whip

Date of Appointment: 01/06/2011

Photos Credit: People's Action Party

¹ Mrs Teo relinquished her role as Second Minister of Home Affairs on 23 May 2025.

² Mr Heng relinquished his parliamentary roles on 15 April 2025.

³ Ms Sim remains as SMS for Foreign Affairs and was appointed as SMS for Home Affairs on 23 May 2025.



Member

Dr Amy Khor

Senior Minister of State⁴

Ministry of Sustainability and the Environment

Ministry of Transport

Date of Appointment: 01/03/2016



Member

Ms Low Yen Ling

Senior Minister of State

Ministry of Culture, Community and Youth

Ministry of Trade and Industry

Chairperson of Mayors' Committee

& Mayor, South West District

Date of Appointment: 01/03/2016



Member

Ms Rahayu Mahzam

Minister of State

Ministry of Digital Development and Information

Ministry of Health

Date of Appointment: 01/10/2020



Member

Ms Ng Ling Ling

Member of Parliament⁵

Date of Appointment: 21/03/2022

Photos Credits: People's Action Party

⁴ Dr Khor relinquished her parliamentary roles on 15 April 2025.

⁵ Ms Ng relinquished her parliamentary role on 15 April 2025.

MANAGEMENT

PCF-CD employed 5 staff to run its operations. All the administrative services for the PCF-CD for FY2024 were provided by employees of the PAP Community Foundation.

UEN NUMBER AND REGISTERED ADDRESS

UEN Number	:	T02CC1585L
Charity Status	:	Registered
Date of Charity Registration	:	25/07/2002
IPC Status	:	Live
IPC Period	:	From 24/07/2024 to 23/04/2028
Registered Address	:	57B New Upper Changi Road #01-1402 PCF Building Singapore 463057
Website	:	https://www.pcf.org.sg
Primary Sector	:	Social and Welfare
Banker	:	DBS Bank Ltd
Auditor	:	Deloitte & Touche LLP

ANNUAL REMUNERATION OF 3 HIGHEST PAID STAFF (exceeding \$100K)

Salary Band	Head Count
Between \$100,001 to \$200,000	1

There were no paid staff who are close members of the family of the Executive Head or Board Member, who received more than \$50,000 in annual remuneration during the year.

Staff are not involved in setting their own remuneration.

DISCLOSURE / REMUNERATION OF PCF CHARITY MANAGEMENT COMMITTEE MEMBERS

The Board's Self-Evaluation Exercise was conducted on 16 September 2022 and the next will be in 2025.

There was no claim by any PCF Charity Management Committee members (CMC) for services provided to the PCF-CD, either by reimbursement to them or by providing them with an allowance or by direct payment to a third party.

MEMBERS SERVING BEYOND THE 10-YEAR TERM

Mr Heng Chee How and Ms Sim Ann have served the organisation since 1 June 2011. The organisation is retaining their services due to their vast experiences in the Social Service Sector.

VOLUNTEER MANAGEMENT POLICY

PCF-CD has in place a Volunteer Management Policy to provide overall guidance and direction to staff and volunteers engaging in volunteer involvement and management efforts. The Policy includes but is not limited to the Roles and Responsibilities of the CMC Members and Code of Conduct for the Volunteers.

FINANCIAL MANAGEMENT AND INTERNAL CONTROLS

PCF-CD is committed to maintaining strong financial management and internal control systems. Our practices adhere to established accounting principles and regulatory requirements, providing a solid foundation for accurate financial operations.

The CMC reviews and approves the annual budget prepared by Management. We have established written procedures for financial matters, including procurement procedures and controls, receipting, payment procedures and controls, and systems for delegation of authority and limits. Comprehensive internal controls are in place to safeguard assets, prevent fraud, and ensure compliance with financial policies. The CMC oversees the effectiveness of these controls, which are regularly reviewed and updated as needed.

CONFLICT OF INTEREST POLICY

PCF-CD is committed to upholding the highest standards of integrity and transparency. Our Conflict of Interest Policy addresses potential and actual conflicts by providing a framework for their identification and management. All CMC Members and employees are required to abide by this policy and make full disclosure of any interests, relationships, or holdings that could potentially result in a conflict of interest.

When a conflict of interest situation arises, the concerned Member or employee must abstain from participating in discussions, decision-making, and voting on the matter. These procedures are designed to prevent conflicts from influencing our operations and to uphold the trust and confidence of our stakeholders.

ENTERPRISE RISK MANAGEMENT

PCF-CD is committed to a robust Enterprise Risk Management (ERM) framework that supports our strategic objectives and operational continuity. Our ERM process includes regular assessments and reviews of risks by the risk management team, with updates provided to Management and the CMC. Process owners are responsible for evaluating workflows, assessing control effectiveness, and implementing necessary risk mitigation measures.

Key risks are systematically identified and monitored to ensure timely responses. We track mitigating initiatives and key risk indicators, with reports provided to the Audit and Risk Committee. This enables us to manage risks effectively for long-term operational resilience. Through the ERM process, we aim to sustain operational resilience and achieve our strategic goals.

PERSONAL DATA PROTECTION ACT (PDPA)

PCF-CD is committed to protecting personal data in accordance with the Personal Data Protection Act (PDPA). We recognise the importance of safeguarding individual rights related to personal data, including but not limited to access, correction, and protection. We have established comprehensive policies and procedures to ensure compliance with the PDPA.

To reinforce our commitment, all employees are required to undergo PDPA training to understand and adhere to data protection principles. Additionally, we have policies and

procedures to safeguard personal data against unauthorised access, collection, use, disclosure, copying, modification, or disposal. PCF-CD is dedicated to protecting the privacy and personal information of all individuals in our possession.

RESERVES POLICY

PCF-CD is committed to maintaining a prudent reserve policy to ensure the financial stability and long-term sustainability of the Foundation. Our reserves are designated to provide a financial buffer for unforeseen circumstances and to support our ongoing operations and strategic initiatives. We aim to maintain reserves equivalent to six (6) to twelve (12) months of our annual operating budget, which is reviewed from time to time to ensure adequacy and alignment with our financial goals.

WHISTLE BLOWING POLICY

PCF-CD is committed to maintaining a transparent and accountable environment where concerns about misconduct, illegal activities, or unethical behaviour can be reported without fear of retaliation.

Our Whistleblowing Policy provides a clear and confidential channel for raising such concerns. An appointed team independently investigates whistleblowing complaints, with oversight from the Audit and Risk Committee, to ensure thorough and impartial management. We encourage stakeholders to use this channel for reporting serious concerns that fall within the scope of the policy.

CODE OF GOVERNANCE

PCF-CD is committed to upholding the highest standards of corporate governance in line with Singapore's regulatory framework. Our Code of Governance establishes a framework for ethical conduct, accountability and transparency.

Our governance practices are aligned with the principles outlined in the Code of Governance for Charities and Institutions of a Public Character (IPCs) issued by the Commissioner of Charities. This includes maintaining a robust framework for managing risks, ensuring the independence and effectiveness of the CMC and upholding transparency in financial reporting and operations.

The CMC provides strategic direction, oversight, support effective governance by reviewing financial statements, risk management processes, and compliance with regulatory requirements. We are committed to continuous improvement and regularly review our governance practices to ensure they meet evolving standards and best practices.

PCF's Governance Evaluation Checklist for the period 1 April to 31 December 2024 can be viewed at the Charity Portal: www.charities.gov.sg

PCF CHARITY MANAGEMENT COMMITTEE MEETING ATTENDANCE RECORD

Name of Board Members	Position	Attendance Records
Mrs Josephine Teo	Chairman	0 of 1
Ms Yeo Wan Ling	Treasurer	1 of 1
Ms Indranee Rajah	Member	0 of 1
Mr Heng Chee How	Member	1 of 1
Ms Sim Ann	Member	0 of 1
Dr Amy Khor	Member	0 of 1
Ms Low Yen Ling	Member	0 of 1
Ms Rahayu Mahzam	Member	1 of 1
Ms Ng Ling Ling	Member	1 of 1

EVENTS

PCF Charity Week 2024 “PCF Cares, We Sparkle Lives”

Held from 22 to 26 July 2024, PCF's inaugural Charity Week 2024 saw an encouraging turnout of 6,000 staff, children, and volunteers coming together to impact 46,800 lives through a series of meaningful initiatives.

Themed “PCF Cares, We Sparkle Lives”, the event underscored three key goals:

- To reaffirm PCF's commitment to its charitable mission
- To rally staff across all divisions to give back to the community; and
- To showcase PCF's ongoing contributions supporting seniors, children and families in Singapore.

Highlights from the Charity Week 2024 include:

1. Chairman Mrs Josephine Teo officially announcing PCF's pledge of at least \$7 million in support of vulnerable families, along with a target of 50,000 volunteer opportunities for staff over the next few years.
2. A total of \$60,000 was donated to 3 Social Service Agencies (SSAs) – Food from the Heart, KidSTART Singapore Limited, and Lions Home for the Elders, supporting causes aligned with PCF's mission.
3. PCF Management and HQ volunteers visited 8 Sparkle Care Centres and 4 Active Aging Centres, spending quality time engaging and interacting with seniors.
4. PCF Branch Chairmen led storytelling sessions on the theme of “Doing Good” for Sparkletots children in their respective divisions. These sessions resulted in a range of ground-up charity initiatives initiated by the children themselves.
5. 200 staff volunteers participated in 3 food packing sessions and 1 food delivery session in collaboration with Food from the Heart. In total, we packed and delivered 2,000 food packs to 150 families across Singapore.
6. 120 Sparkletots children and their parents from Tampines Changkat, Tampines North, and Tampines East were treated to a movie screening at Golden Village Tampines. The event was organised to benefit children from low-income families and to promote more parent-child bonding engagements. Mayor Desmond Choo graced the event.
7. Charity Week 2024 concluded with a breakfast event at Hort Park, where Active Ageing Seniors from Sparkle Care mingled with preschoolers from PCF Kreta Ayer Kim Seng. The event was attended by Guest-of-Honour, Minister Mrs Josephine Teo, along with CMC members, including SMS Mr Heng Chee How, SMS Ms Sim Ann, Ms Yeo Wan Ling and Ms Ng Ling Ling. Seniors were treated to a heartfelt

performance and hand-written cards by the preschoolers, bringing smiles and warm connections across generations.

The intergenerational fiesta marked a meaningful close to a purposeful and impactful week.



Enhanced Headstart Fund Programme

More than just financial assistance, the Enhanced Headstart Fund Programme (eHSF) is about nurturing potential, and creating opportunities for children from low-income families.

From 1 April to 31 Dec 2024, we disbursed \$1.65 million for 11,142 young beneficiaries, providing them with financial support for their school fees and educational-related expenses.

Believing in holistic development, we introduced a series of experiences to spark curiosity and build confidence.

In 28 of our preschools with a higher concentration of low-income families, children participated in curated workshops, including a hydro-dipping shoe workshop, clay art classes, cajon music lessons, and a chocolate beans to bar workshop. These activities not only inspire creativity but also introduced children to new interests and potential future pathways.

To further broaden horizons and encourage social integration, we organised social mixing activities for 67 centres at destinations like S.E.A. Aquarium, Snow City and ArtScience Museum Future World exhibit.

A key focus was placed on 3,520 K2 children as they are at a pivotal stage preparing to transition to primary school. Through these experiences, we aim to instil confidence, spark lifelong interests, and create positive, lasting memories.

At its heart, the eHSF Programme is a commitment to ensuring that every child's dream is valued, regardless of their financial background.



Enhanced Headstart Fund Programme – Parent-Child Bonding

In addition to supporting children's educational and development needs, PCF recognises the importance of strengthening parent-child relationships during a child's formative years.

Between 1 April to 31 Dec 2024, we expanded the reach of our programme to include parent-child bonding activities for families from low-income backgrounds.

The initiative supported 3,259 children and their families across 8 PCF branches organised events. Highlights included PCF Jalan Besar Branch Family Day event at Jewel Changi Airport, PCF Yio Chu Kang Family Day at The Singapore Zoo, and Cheng San Seletar Sports Carnival.

These events created shared experiences that foster deeper family connections, which are essential foundations for a child's growth and emotional wellbeing.



Sparkle Gift of Love

The Sparkle Gift of Love programme was designed to support the schooling needs of children from lower-income households, while offering them a unique shopping experience alongside their parents.

This initiative reached 1,775 Sparkletots children from families with a monthly household income of \$4,500 and below, spanning 23 PCF branches.

More than just material needs, the programme aimed to cultivate decision-making skills, independence, and confidence in young children.

Together with parents, the children were encouraged to make their own choices, selecting from a range of educational, sports, and health-related items such as school bags, story books, stationeries, water bottles, pencil cases, educational activity kits, hygiene essentials and sporting equipment.

Sparkle Gift of Love proved to be a meaningful initiative that not only met immediate needs but also supported children's personal growth and self-confidence.



PCF Spark Dreams CDA Top-Up Programme

The PCF Spark Dreams CDA Top-Up Programme is designed to empower children from low-income families by providing additional financial support to help them pursue their dreams.

In 2024, the programme expanded to include children from families with monthly household income between \$4,500 to \$6,000. In total, 4,826 children aged 0 to 4 years received the top-up, with \$618,000 disbursed under this initiative.

School Readiness Pack

To support the transition to primary school, 2,265 graduating children in K2 from low-income families received School Readiness Packs consisting of Popular and BATA vouchers. These packs provided practical support for essential school items, helped reduce financial strain, and ensured the children were better prepared for the next stage of life.

Mission I'mPossible 2 (MIP2) Programme

The MIP2 (Health & Social) programme was introduced to support parents from low-income households strengthen their knowledge on Health & Nutrition. In 2024, 348 families across 16 of our preschools participated in the programme. Parents attended dedicated workshops while their children received bi-monthly distribution of fruits, reinforcing healthy habits at home.

CSR Activity towards Sustainability- Beach Clean-up with Parents and Children

As part of our efforts to promote environmental awareness, PCF organised a Beach Clean-up activity to instil a sense of responsibility towards sustainability among children in Sparkletots.

Held on 21 November 2024, the event brought together 50 PCF teaching staff, parents, and children from K1 and K2 for a meaningful clean-up experience.

The hands-on initiative served as an impactful learning opportunity. It helped children understand their role in caring for the environment, while allowing them to bond with their families through purposeful action.



CSR Activity towards Sustainability- HQ Annual Beach Clean-up 2024

On 28 November 2024, PCF held its Annual Beach Clean-up at East Coast Park as part of its ongoing CSR efforts to promote environmental sustainability. A total of 200 HQ and centre staff from six districts collectively removed 45kg of litter over a two-hour clean-up session. The initiative reaffirmed PCF's commitment to preserving our green spaces and fostering environmental responsibility.



CSR Initiatives with PCF Sparkle Care Active Ageing Seniors

In collaboration with Sparkle Care Centres, 3 CSR events were organised in 2024 to encourage volunteerism among HQ staff and create meaningful interactions with seniors.

Held on 20 June 2024, 22 July 2024, and 25 November 2024, the events featured a variety of curated activities, including a Teochew Png Kueh Workshop, Handicraft Session and a Games & Engagement session.



CSR Activities with external Social Service Agencies (SSA)

Throughout 2024, PCF Charity Division expanded its CSR through partnerships with over 15 SSAs. Together, more than 30 CSR activities and events were delivered, benefiting approximately 5,800 individuals in the community.



The Lee Hsien Loong Cup Charity Golf Tournament

The Lee Hsien Loong Cup Charity Golf Tournament has been a highlight in the annual PCF fundraising activities calendar, organised on a rotational basis by different divisions within the Ang Mo Kio GRC and Kebun Bahru SMC.

Funds raised through the tournament support:

- Students-in-need in PCF Sparkletots preschools;
- Youth development programmes;
- Senior citizen activities; and
- Community welfare initiatives for low-income families.

The 2024 tournament, hosted by PCF Kebun Bahru branch, was held on 4 December 2024 at Tanah Merah Golf Club, and concluded with a dinner hosted by Senior Minister Mr Lee Hsien Loong.

Chaired by Mr Raymond Chua, PBM, of PCF Kebun Bahru branch, the event raised a net amount of \$609,500 to support PCF's charitable efforts.



South West District Fundraising 2024

This year's Mayor-led Fundraising Campaign was conducted through the South West District, under the leadership of Senior Minister of State Ms Low Yen Ling, Mayor of South West District. A sum of \$609,000 was raised in support of 30 nominated beneficiary organisations in the community.

The fundraising efforts culminated in a ceremonial presentation during PCF Family Day 2024 on 6 October 2024, symbolising the generosity of donors and a collective commitment to supporting those in need.



PCF Family Day 2024

PAP Community Foundation (PCF) held its annual Family Day on 6 October 2024 at the NTUC Club @ Downtown East, bringing together 3,700 participants to celebrate family bonds and foster social cohesion.

Gracing the event as Guest-of-Honour was Prime Minister and Minister for Finance, Mr Lawrence Wong, together with Minister of State, Ms Sun Xue Ling (Organising Chairperson for PCF Family 2024), Minister Mrs Josephine Teo, and Senior Minister of State Ms Low Yen Ling. The event was also attended by several PCF Branch Chairmen, including former Chairmen, who joined in the celebration.



Centred around the theme “Learning Through Play”, the event focused on the value of play in nurturing communication, social interaction and relationship building among children and families.

The day was filled with engaging activities, including:

- Purposeful play stations
- Healthy food carnival
- Family bonding games
- Children’s art exhibition
- Story-telling corner
- Live performances by young children and an intergenerational music group.

The presentation of donations to 30 nominated beneficiary organisations also served as a reminder of the community’s shared responsibility in building a more inclusive and compassionate society, embodying the spirit of Forward Singapore.



**PAP COMMUNITY FOUNDATION
CHARITY DIVISION
(Registration No. T02CC1585L)**

**DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS**

**FINANCIAL PERIOD ENDED
DECEMBER 31, 2024**

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

C O N T E N T S

	<u>PAGE</u>
Directors' statement	29
Independent auditor's report	30 - 32
Statement of financial position	33
Statement of comprehensive income	34
Statement of changes in endowment fund and revenue reserve	35
Statement of cash flows	36
Notes to financial statements	37 - 51

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

DIRECTORS' STATEMENT

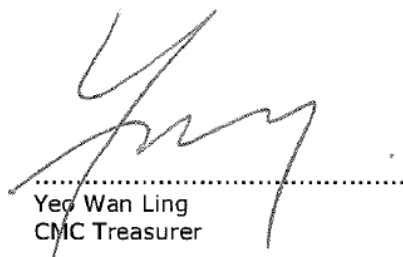
In the opinion of the directors,

- (a) the financial statements of PAP Community Foundation - Charity Division (the "Charity Division") set out on pages 33 to 51 are drawn up in accordance with the provisions of the Charities Act 1994 (the "Charities Act") and Financial Reporting Standards in Singapore so as to give a true and fair view of the financial position of the Charity Division as at December 31, 2024 and the financial performance, changes in endowment fund and revenue reserve and cash flows of the Charity Division for the financial period ended December 31, 2024;
- (b) the use of donation moneys is in accordance with the objectives of the Charity Division as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations;
- (c) the Charity Division has complied with Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations;
- (d) the accounting and other records required by the Charities Act have been properly kept in accordance with the provisions of the Charities Act; and
- (e) as at the date of this statement, there are reasonable grounds to believe that the Charity Division will be able to pay its debts when they fall due.

ON BEHALF OF THE DIRECTORS



.....
Josephine Teo-Yong Li Min
Chairman



.....
Yeo Wan Ling
CMC Treasurer

June 20, 2025

INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF

PAP COMMUNITY FOUNDATION CHARITY DIVISION

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PAP Community Foundation - Charity Division (the "Charity Division"), which comprise the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in endowment fund and revenue reserve and statement of cash flows for the period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 33 to 51.

The Charity Division is a segment of PAP Community Foundation ("the Foundation") and is not a separately incorporated legal entity. The attached financial statements have been prepared solely from the records of the Charity Division and reflect only the transactions recorded therein.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Charities Act 1994 (the "Charities Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Charity Division as at December 31, 2024 and of the financial performance, changes in endowment fund and revenue reserve and cash flows of the Charity Division for the period 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 Charity Division in accordance with the Accounting and Corporate Regulatory Authority *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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement, the Supplementary Statement of Comprehensive Income and the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF
PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

Responsibilities of Management and Directors 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 Charities Act 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 Charity Division'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 Charity Division or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Charity Division'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:

- (a) 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.
- (b) 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 Charity Division's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITOR'S REPORT TO THE MANAGEMENT COMMITTEE OF
PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

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

- (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 Charity Division'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 Charity Division to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 Charities Act to be kept by the Charity Division have been properly kept in accordance with the provisions of the Charities Act.

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

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



Public Accountants and
Chartered Accountants
Singapore

June 20, 2025

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**STATEMENT OF FINANCIAL POSITION
December 31, 2024**

	<u>Note</u>	December 31, 2024 \$	March 31, 2024 \$
<u>ASSETS</u>			
Current assets			
Cash at bank	5	16,581,163	15,178,048
Fixed deposits	6	16,580,543	16,071,626
Other receivables	7	159,292	308,937
Total current assets		33,320,998	31,558,611
Non-current asset			
Property, plant and equipment	8	155,689	168,305
Total assets		33,476,687	31,726,916
<u>LIABILITIES, ENDOWMENT FUND AND REVENUE RESERVE</u>			
Current liabilities			
Other payables	9	442,217	355,586
Other payables to Service Division		2,147,555	745,023
Total current liabilities		2,589,772	1,100,609
Endowment fund and revenue reserve			
Endowment fund	10	4,000,000	4,000,000
Headstart fund	11	5,733,952	5,748,253
Revenue reserve		21,152,963	20,878,054
Total endowment fund and revenue reserve		30,886,915	30,626,307
Total liabilities, endowment fund and revenue reserve		33,476,687	31,726,916

See accompanying notes to financial statements.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

STATEMENT OF COMPREHENSIVE INCOME
Financial period from April 1, 2024 to December 31, 2024

		From April 1, 2024 to December 31, 2024	From April 1, 2023 to March 31, 2024
	<u>Note</u>	\$	\$
Income	12	3,413,574	6,286,949
Donation and direct charitable expenses		(2,283,310)	(2,199,767)
Fund raising expenses		(250,235)	(133,766)
Employee benefits expense	13	(162,455)	(120,347)
Depreciation expense	8	(12,616)	(17,308)
Other operating expenses	14	<u>(418,787)</u>	<u>(230,408)</u>
Surplus before tax	15	286,171	3,585,353
Income tax	16	<u>-</u>	<u>-</u>
Surplus for the financial period/year, representing total comprehensive income for the financial period/year		<u>286,171</u>	<u>3,585,353</u>

See accompanying notes to financial statements.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

STATEMENT OF CHANGES IN ENDOWMENT FUND AND REVENUE RESERVE
Financial period from April 1, 2024 to December 31, 2024

	Endowment fund	Headstart fund	Revenue reserve	Total
	\$	\$	\$	\$
Balance at April 1, 2023	4,000,000	5,614,428	17,638,066	27,252,494
Movement between revenue reserve and Headstart fund	-	85,980	(85,980)	-
Surplus for the financial year, representing total comprehensive income for the financial year	-	-	3,585,353	3,585,353
<i>Transactions with owner recognised directly in equity:</i>				
Transfer to the Foundation	-	-	(259,385)	(259,385)
Contribution from the Foundation	-	47,845	-	47,845
Total	-	47,845	(259,385)	(211,540)
Balance at March 31, 2024	4,000,000	5,748,253	20,878,054	30,626,307
Movement between revenue reserve and Headstart Fund	-	(33,413)	33,413	-
Surplus for the financial period, representing total comprehensive income for the financial period	-	-	286,171	286,171
<i>Transactions with owner recognised directly in equity:</i>				
Transfer to the Foundation	-	-	(44,675)	(44,675)
Contribution from the Foundation	-	19,112	-	19,112
Total	-	19,112	(44,675)	(25,563)
Balance at December 31, 2024	4,000,000	5,733,952	21,152,963	30,886,915

See accompanying notes to financial statements.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

STATEMENT OF CASH FLOWS

Financial period from April 1, 2024 to December 31, 2024

	From April 1, 2024 to December 31, 2024	From April 1, 2023 to March 31, 2024
	\$	\$
Operating activities		
Surplus before tax	286,171	3,585,353
Adjustments for:		
Depreciation expense	12,616	17,308
Interest income	(478,287)	(647,912)
Operating cash flows before movements in working capital	(179,500)	2,954,749
Other receivables	52,049	313,966
Other payables	86,631	(1,878,347)
Other payables to Service Division	1,402,532	497,853
Net cash from operating activities	1,361,712	1,888,221
Investing activities		
Proceeds on disposal of plant and equipment	-	2,196
Interest received	575,883	620,630
Net cash from investing activities	575,883	622,826
Financing activity		
Funds transfer to the Foundation (net), representing net cash used in financing activity	(25,563)	(211,540)
Net increase in cash and cash equivalents	1,912,032	2,299,507
Cash and cash equivalents at beginning of financial period/year	31,249,674	28,950,167
Cash and cash equivalents at end of financial period/year (Note A)	33,161,706	31,249,674

Note A

Cash and cash equivalents consist of:

Cash at bank	16,581,163	15,178,048
Fixed deposits	16,580,543	16,071,626
Total	33,161,706	31,249,674

See accompanying notes to financial statements.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

1 GENERAL INFORMATION

The PAP Community Foundation (the "Foundation") (Registration No. 198601011Z) was incorporated in the Republic of Singapore on May 17, 1986 as a public company limited by guarantee. Its registered office and principal place of business is at Blk 57B, New Upper Changi Road, #01-1402 PCF Building, Singapore 463057. The liability of each member of the Foundation is limited to an amount as may be required but not exceeding \$100. No contribution has been made by the members since the date of incorporation. There are twelve members in the Foundation.

The Charity Division (Registration No. T02CC1585L) is a part of the Foundation and the attached financial statements have been prepared from the records of the Charity Division and reflect only the transactions recorded therein. The Service Division forms the remaining part of the Foundation and the combined financial statements are presented separately. The Service Division supports the activities of the Foundation in areas such as pre-school and senior care centres development and provide financial assistance to needy students. The Charity Management Committee (the "CMC") led by Chairman, Mrs Josephine Teo is tasked to oversee the activities of the Charity Division to ensure its objectives are met.

The financial statements are expressed in Singapore dollars, which is the Charity Division's functional currency.

On May 17, 1986, the Foundation was gazetted as an Institution of a Public Character ("IPC") and is exempted from income tax. The IPC status expired on May 16, 2001 but was extended for 5 years from May 16, 2001 to May 15, 2006. On July 23, 2002, an internal division, Charity Division was set up and was granted charity status on July 25, 2002. The IPC status was also granted to the Charity Division for a period of five years with effect from July 24, 2002 and was subsequently extended to April 23, 2028. On July 24, 2002, the Foundation voluntarily gave up its IPC status and transferred funds to the Charity Division.

Upon dissolution of the Charity Division, the remaining funds shall be distributed to other charitable organisations which are approved IPCs under Section 37(2) of the Income Tax Act and registered under the Charities Act 1994.

The principal activity of the Charity Division is to promote the welfare and interests of the citizens of Singapore and to give donations to charitable/educational or other works in Singapore and the relief of poor and needy.

The Charity Division changed its financial year end from March 31 to December 31, effective for the period ended December 31, 2024. This change was implemented to align with the Foundation and its subsidiary, PCF Sparkletots Preschool Limited (the "Group")'s business cycle. The financial statements for the period ended December 31, 2024, covered a period of 9 months, from April 1, 2024 to December 31, 2024.

The financial statements of the Charity Division for the financial period ended December 31, 2024 were authorised for issue by the Board of Directors on June 20, 2025.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024

1.1 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Charities Act 1994 and Financial Reporting Standards in Singapore ("FRSs"). The financial statements are expressed in Singapore dollar.

1.2 ADOPTION OF NEW AND REVISED STANDARDS

In the current financial period, the Charity Division has applied all the new and revised FRSs that are mandatorily effective for an accounting period that begins on or after April 1, 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

1.3 STANDARDS ISSUED BUT NOT EFFECTIVE

At the date of authorisation of these financial statements, the Charity Division has not applied the following FRS pronouncements that have been issued but are not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to FRS 21: <i>Lack of Exchangeability</i>	January 1, 2025
Amendments to FRS 109 and FRS 107 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	January 1, 2026
Annual Improvements to FRSs—Volume 11	January 1, 2026
FRS 118 <i>Presentation and Disclosure in Financial Statements</i>	January 1, 2027

Management anticipates that the adoption of the above FRSs and amendments to FRS in future periods will not have a material impact on the financial statements in the period of their initial adoption except for the following:

FRS 118 *Presentation and Disclosures in Financial Statements*

FRS 118 replaces FRS 1, carrying forward many of the requirements in FRS 1 unchanged and complementing them with new requirements. In addition, some FRS 1 paragraphs have been moved to FRS 8 and FRS 107.

FRS 118 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements; and
- improve aggregation and disaggregation.

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

An entity is required to apply FRS 118 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to FRS 7 and FRS 33, as well as the revised FRS 8 and FRS 107, become effective when an entity applies FRS 118. FRS 118 requires retrospective application with specific transition provisions. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the Charity Division's financial statements in the period of initial application as management has yet to complete its detailed assessment. Management does not plan to early adopt the above new standard.

2 MATERIAL ACCOUNTING POLICY INFORMATION

FAIR VALUE MEASUREMENT - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Charity Division takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of Assets*.

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

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

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the statement of financial position when the Charity Division becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets and financial liabilities, as appropriate, on initial recognition.

Financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The Charity Division recognises a loss allowance for expected credit losses ("ECL") on other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Charity Division recognises lifetime ECL on other receivables when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Charity Division measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Charity Division compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Charity Division considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Charity Division presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Charity Division has reasonable and supportable information that demonstrates otherwise.

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

The Charity Division assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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

Definition of default

The Charity Division considers that default has occurred when a financial asset is more than 90 days past due unless the Charity Division has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Charity Division writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Charity Division's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Charity Division in accordance with the contract and all the cash flows that the Charity Division expects to receive, discounted at the original effective interest rate.

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

Derecognition of financial assets

The Charity Division derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Charity Division neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Charity Division recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Charity Division retains substantially all the risks and rewards of ownership of a transferred financial asset, the Charity Division continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Charity Division are classified according to the substance of the contractual arrangements entered into and the definition of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Charity Division after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Charity Division derecognises financial liabilities when, and only when, the Charity Division's obligations are discharged, cancelled or expired.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Charity Division has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

ENDOWMENT FUND - The endowment fund forms part of a \$10 million endowment fund approved by the Commissioner for Inland Revenue for the Charity Division. The fund is to be built up using past and future surpluses from the revenue reserve. There is no planned timing of use for the fund.

PROPERTY, PLANT AND EQUIPMENT - Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Renovation in progress is carried at cost less any recognised impairment loss. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	-	3.33% to 20%
Furniture and fittings and other assets	-	20% to 33.3%
Information technology projects/computers	-	33.3%

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

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

IMPAIRMENT OF NON-FINANCIAL ASSETS - At the end of each reporting period, the Charity Division reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity Division estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

PROVISIONS - Provisions are recognised when the Charity Division has a present obligation (legal or constructive) as a result of a past event, it is probable that the Charity Division will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Charity Division will comply with the conditions attaching to them and the grants will be received. The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. Government grants whose primary condition is that the Charity Division should purchase, construct or otherwise acquire non-current assets are deducted in calculating the carrying amount of the assets and recognised in profit or loss over the life of the depreciable assets as a reduced depreciation expense.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Charity Division with no future related costs are recognised in profit or loss in the period in which they become receivable.

REVENUE RECOGNITION - Revenue is measured based on the consideration specified in a contract with a customer and excludes amount collected on behalf of third parties. The Charity Division recognises revenue when it transfers control of services to a customer.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Donation income

Donation income is recognised when the rights to receive such payment have been established.

RETIREMENT BENEFIT COSTS - Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Charity Division's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

FOREIGN CURRENCY TRANSACTIONS - The financial statements of the Charity Division are measured and presented in Singapore dollars, which is the currency of the primary economic environment in which the Charity Division operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the Charity Division's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

CASH AND CASH EQUIVALENTS IN STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows comprise cash at bank, demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgments in applying the Charity Division's material accounting policies

Management is of the opinion that any instances of application of judgement are not expected to have a significant effect on the amount recognised in the financial statements.

Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO FINANCIAL STATEMENTS
December 31, 2024

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) *Categories of financial instruments*

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

	December 31, 2024	March 31, 2024
	\$	\$
Financial assets		
Financial assets at amortised cost	33,317,128	31,554,242
Financial liabilities		
Financial liabilities at amortised cost	2,589,772	1,100,609

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Charity Division does not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar netting arrangements.

(c) *Financial risk management policies and objectives*

The Charity Division's overall financial risk management programme seeks to minimise potential adverse effects on the financial performance of the Charity Division. The Charity Division has adopted risk management policies that seek to mitigate these risks in a cost-effective manner.

There has been no significant change to the Charity Division's exposure to these financial risks or the manner in which it manages and measures the risk.

(i) Foreign currency risk management

The Charity Division does not have any significant exposure to foreign exchange risk as it transacts mainly in Singapore dollars.

No sensitivity analysis is prepared as the Charity Division does not expect any significant effect on the Charity Division's profit or loss arising from the effects of reasonably possible changes to foreign currency exchange rates.

(ii) Interest rate risk management

The Charity Division's policy is to maintain cash and cash equivalents in fixed interest rate instruments. Interest bearing financial assets are mainly bank balances which are all short-term in nature.

No sensitivity analysis is prepared as the Charity Division does not expect any significant effect on the Charity Division's profit or loss arising from the effects of reasonably possible changes to interest rates.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Charity Division.

The Charity Division's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	Other receivables: 12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Charity Division has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Charity Division's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit assessment	12-month or lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
<u>December 31, 2024</u>						
Other receivables	7	Performing	12-month ECL	155,422	-	155,422
<u>March 31, 2024</u>						
Other receivables	7	Performing	12-month ECL	304,568	-	304,568

The Charity Division places its cash with reputable institutions.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses represents the Charity Division's maximum exposure to credit risk.

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

(iv) Liquidity risk management

The Charity Division maintains sufficient cash and cash equivalents, and internally generated cash flows to finance its activities.

The Charity Division ensures sufficient liquidity at all times by efficient cash management and the Charity Division's ability to meet its obligations is managed by maintaining highly liquid assets in the form of time deposits.

All financial assets and financial liabilities in December 31, 2024 and March 31, 2024 are repayable on demand or due within 1 year from the end of the reporting period.

(v) Fair values of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities as reported on the statement of financial position approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(d) *Capital management policies and objectives*

The Charity Division manages its capital to ensure that the Charity Division will be able to continue as a going concern.

The capital structure of the Charity Division consists of funds and reserves as presented in the statement of changes in endowment fund and revenue reserve.

The Charity Division's overall strategy remains unchanged from the previous financial year.

5 CASH AT BANK

Cash at bank bears interest at 0.8% per annum (March 31, 2024 : 0.5%). As at March 31, 2024, the Foundation had received \$1,690,000 which was held in trust under the Temasek Foundation - Sparkletots First Step Programme, a joint collaboration between Temasek Foundation and PAP Community Foundation. The programme aims to provide financial support through annual CDA top-up to the children from lower-income families for the educational and healthcare needs in preschool. The Foundation has fully utilised the amount held in trust, carried forward from March 31, 2024, during the financial period. This amount held in trust as at March 31, 2024 was not included in cash and cash equivalents and payables. There was no cash balance held in trust as at December 31, 2024.

6 FIXED DEPOSITS

Fixed deposits bear interests ranging from 2.45% to 3.2% (March 31, 2024 : 3.5% to 3.65%) per annum and are for a tenure of less than 12 months. The fixed deposits qualify as cash equivalents as they can be withdrawn at any point in time, except that the interest may be forfeited.

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

7 OTHER RECEIVABLES

	December 31, 2024	March 31, 2024
	\$	\$
Prepayments	1,496	3,270
Interest receivables	155,422	253,018
Donation receivables	-	51,550
Grant receivables	2,374	1,099
Total	159,292	308,937

Management believes that no loss allowance for other receivables is required as there has been no significant change in credit quality and the amount of receivables are recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

8 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Furniture and fittings and other assets	IT projects and computers	Renovation in progress	Total
	\$	\$	\$	\$	\$
Cost:					
At April 1, 2023	509,690	12,188	3,649	2,196	527,723
Disposal	-	-	-	(2,196)	(2,196)
At March 31, 2024 and December 31, 2024	509,690	12,188	3,649	-	525,527
Accumulated depreciation:					
At April 1, 2023	324,077	12,188	3,649	-	339,914
Depreciation for the year	17,308	-	-	-	17,308
At March 31, 2024	341,385	12,188	3,649	-	357,222
Depreciation for the period	12,616	-	-	-	12,616
At December 31, 2024	354,001	12,188	3,649	-	369,838
Carrying amount:					
At December 31, 2024	155,689	-	-	-	155,689
At March 31, 2024	168,305	-	-	-	168,305

9 OTHER PAYABLES

	December 31, 2024	March 31, 2024
	\$	\$
Accruals	282,631	345,086
Accounts payable (third parties)	149,586	-
Others	10,000	10,500
Total	442,217	355,586

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

10 ENDOWMENT FUND

The endowment fund is made up of \$2 million Education Endowment and \$2 million Health Endowment. There is no planned timing of use for the fund.

11 HEADSTART FUND

This represents the fund available to provide financial assistance to young children from lower income families.

12 INCOME

	From April 1, 2024 to December 31, 2024	From April 1, 2023 to March 31, 2024
	\$	\$
Donation income (tax-exempt)	2,559,769	3,041,634
Donation income (non tax-exempt)	367,770	718,810
Donation income from Service Division	-	1,873,837
Grant income	2,268	713
Interest income on fixed deposits	478,287	647,912
Others	5,480	4,043
Total	<u>3,413,574</u>	<u>6,286,949</u>

Donations amounting to \$45,275 (March 31, 2024 : \$150,926) was received by the Charity Division for the Senior Care and Aged Care Centres. This donation was subsequently transferred to the Senior Care Centre and Aged Care Centre managed by the Service Division for the purpose of submission of request for matching grant from Community Service Trust ("CST") managed by the Agency of Integrated Care (Ministry of Health).

13 EMPLOYEE BENEFITS EXPENSE

	From April 1, 2024 to December 31, 2024	From April 1, 2023 to March 31, 2024
	\$	\$
Employee benefits expense include the following:		
Costs of defined contribution plans	<u>18,899</u>	<u>13,624</u>

**PAP COMMUNITY FOUNDATION
CHARITY DIVISION**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2024**

14 OTHER OPERATING EXPENSES

	From April 1, 2024 to December 31, 2024	From April 1, 2023 to March 31, 2024
	\$	\$
Floral/Gifts	14,025	12,126
Functions and activities	133,090	184,263
Insurance	755	477
Refreshment	18,997	31,123
Repair/Maintenance	243,039	-
Others	8,881	2,419
Total	418,787	230,408

15 SURPLUS BEFORE TAX

The remuneration of key management personnel is paid by the Foundation.

16 INCOME TAX

The Charity Division is a registered charity under the Charities Act 1994. Subject to compliance with certain conditions of the Income Tax Act 1947, the Charity Division is exempt from income tax.

17 CORPORATE SOCIAL RESPONSIBILITIES PROGRAMME

In connection with PAP Community Foundation's corporate social responsibilities ("CSR") programmes, the Foundation has committed to contribute at least 10% of its surplus each year.

The Charity Division has been tasked to manage the CSR programmes which includes the Headstart Fund. In the current reporting period, \$3,111,245 (March 31, 2024 : \$4,363,182) of financial assistance has been disbursed as part of the Foundation's CSR programmes and commitment.

18 COMPARATIVE PERIOD

The financial statements for the period ended December 31, 2024 covered the period of nine months, from April 1, 2024 to December 31, 2024.

The financial statements for the year ended March 31, 2024 covered the twelve months from April 1, 2023 to March 31, 2024.