

SINGAPORE HEART FOUNDATION

(Unique Entity No: S70SS0007H)

Statement by Board of Directors and Financial Statements

Reporting Year Ended 31 March 2026



SINGAPORE HEART FOUNDATION

Statement by Board of Directors and Financial Statements

Contents	Page
Statement by Board of Directors	1
Independent Auditor's Report	2
Statement of Financial Activities	6
Statement of Financial Position.....	7
Statement of Changes in Funds	8
Statement of Cash Flows	9
Notes to the Financial Statements	10

SINGAPORE HEART FOUNDATION

Statement by Board of Directors

1. Opinion of the directors

In the opinion of the Board of Directors,

- (a) the accompanying financial statements are drawn up in accordance with the Societies Act 1966 (the "Societies Act") and the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"), and Financial Reporting Standards ("FRS"), so as to present fairly, in all material respects, the state of affairs of Singapore Heart Foundation (the "Foundation") as at 31 March 2026 and the results, changes in funds and cash flows of the Foundation for the reporting year ended.
- (b) the Foundation has complied with the requirements of Regulations 11 and 15 of the Charities (Institutions of a Public Character) Regulations 2012 relating to the use of donation monies and the fund-raising expenses respectively; and
- (c) at the date of this statement, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they fall due.

The Board of Directors approved and authorised these financial statements for issue.

2. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

On behalf of the Board of Directors,



.....
Prof Tan Huay Cheem
Chairman

20 July 2026



.....
Ms Alicia Foo
Honorary Treasurer

**Independent Auditor's Report to the Members of
SINGAPORE HEART FOUNDATION****Report on the audit of the financial statements****Opinion**

We have audited the accompanying financial statements of Singapore Heart Foundation (the "Foundation"), which comprise the statement of financial position as at 31 March 2026, and the statement of financial activities, statement of changes in funds and statement of cash flows for the reporting 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 ("FRS") so as to give a true and fair view of the financial position of the Foundation as at 31 March 2026 and of the financial performance, changes in funds and cash flows of the Foundation 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 Foundation in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in 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 identified above when it becomes available 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 Members of SINGAPORE HEART FOUNDATION

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 FRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Members of SINGAPORE HEART FOUNDATION

Auditor's responsibilities for the audit of the financial statements

- (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 Foundation'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 Foundation 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 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Report on other legal and regulatory requirements

In our opinion:

- (a) The accounting and other records required to be kept by the Foundation have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- (b) The fund-raising appeals held during the reporting 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 year:

- (a) The Foundation 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 Foundation has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

**Independent Auditor's Report to the Members of
SINGAPORE HEART FOUNDATION**

Report on other legal and regulatory requirements

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

RSM SG Assurance LLP

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

20 July 2026

Effective from reporting year ended 31 March 2023

SINGAPORE HEART FOUNDATION

Statement of Financial Activities Year Ended 31 March 2026

	Notes	Unrestricted funds 2026 \$	Restricted funds 2026 \$	Total 2026 \$	Unrestricted funds 2025 \$	Restricted funds 2025 \$	Total 2025 \$
Incoming Resources:							
Fund-raising activities	4	13,201,519	-	13,201,519	9,497,775	-	9,497,775
Charitable activities	5	1,400,977	102,232	1,503,209	1,154,271	104,632	1,258,903
Governance and operating activities		83,549	-	83,549	49,362	-	49,362
Other income	7	6,297,047	-	6,297,047	6,002,012	-	6,002,012
Total incoming resources		20,983,092	102,232	21,085,324	16,703,420	104,632	16,808,052
Resources Expended:							
Fund-raising activities	4	2,816,704	-	2,816,704	2,102,307	-	2,102,307
Charitable activities	5	10,541,409	112,735	10,654,144	8,577,622	132,647	8,710,269
Governance and operating costs	6	2,570,531	10	2,570,541	1,646,671	-	1,646,671
Other expenditure	7	180,408	-	180,408	57,171	-	57,171
Total resources expended		16,109,052	112,745	16,221,797	12,383,771	132,647	12,516,418
Surplus/(deficit) for the year	16	4,874,040	(10,513)	4,863,527	4,319,649	(28,015)	4,291,634
Other comprehensive (loss)/income							
Financial assets at FVTOCI	11	(2,250)	-	(2,250)	58,478	-	58,478
Other comprehensive income		(2,250)	-	(2,250)	58,478	-	58,478
Total comprehensive income for the year		4,871,790	(10,513)	4,861,277	4,378,127	(28,015)	4,350,112

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

SINGAPORE HEART FOUNDATION

Statement of Financial Position As at 31 March 2026

	Notes	2026 \$	2025 \$
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	10	14,170,733	15,049,018
Financial assets at FVTPL	11	49,948,830	44,955,518
Financial assets at FVTOCI	11	–	4,002,250
Other non-financial assets	14	1,249,600	–
Right-of-use assets	20	277,539	127,700
Total non-current assets		65,646,702	64,134,486
<u>Current assets</u>			
Inventories	12	12,711	13,941
Trade and other receivables	13	345,861	398,061
Other non-financial assets	14	659,524	750,319
Cash and cash equivalents	15	10,103,658	5,952,127
Total current assets		11,121,754	7,114,448
Total assets		76,768,456	71,248,934
FUNDS AND LIABILITIES			
<u>Unrestricted funds</u>			
General fund	16	42,289,878	36,548,872
Other reserves	16	–	2,250
Infrastructure Development Fund (designated fund)	16	30,320,914	31,187,880
Total unrestricted funds		72,610,792	67,739,002
<u>Restricted funds</u>			
Asia-Pacific Heart Network Fund	16	–	–
Care & Share Matching Grant	16	5,259	13,372
Edwards Lifesciences Foundation	16	102,232	104,632
AEDS in Bukit Gombak	16	–	–
Total restricted funds		107,491	118,004
Total funds		72,718,283	67,857,006
<u>Non-current liabilities</u>			
Lease liabilities	20	106,619	61,203
Provisions	17	181,120	147,040
Total non-current liabilities		287,739	208,243
<u>Current liabilities</u>			
Lease liabilities	20	175,205	69,430
Trade and other payables	18	3,230,975	2,390,940
Other non-financial liabilities	19	356,254	723,315
Total current liabilities		3,762,434	3,183,685
Total liabilities		4,050,173	3,391,928
Total funds and liabilities		76,768,456	71,248,934

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

**Statement of Financial Activities
Year Ended 31 March 2026**

	Unrestricted Funds			Restricted Funds					
	General Fund \$	Other Reserves \$	Infrastructure Development Fund \$	Asia-Pacific Heart Network Fund \$	Care & Share Matching Grant \$	Edwards Lifesciences Foundation \$	AEDS in Bukit Gombak \$	Sub-Total \$	Total \$
2025:									
Current year:									
Opening balance at 1 April 2024	48,703,216	(56,228)	14,713,887	10,543	24,482	105,776	5,218	146,019	63,506,894
Changes in funds:									
Surplus/(deficit) for the year	4,845,656	58,478	(526,007)	(10,543)	(11,110)	(1,144)	(5,218)	(28,015)	4,350,112
Transfer	(17,000,000)	—	17,000,000	—	—	—	—	—	—
Closing balance at 31 March 2025	36,548,872	2,250	31,187,880	—	13,372	104,632	—	118,004	67,857,006

SINGAPORE HEART FOUNDATION

Statement of Cash Flows Year Ended 31 March 2026

	<u>2026</u> \$	<u>2025</u> \$
<u>Cash flows from operating activities</u>		
Surplus for the year	4,863,527	4,291,634
Adjustments for:		
Depreciation of property, plant and equipment	1,056,712	594,629
Depreciation of right-of-use assets	176,764	172,893
Fair value gains on financial instrument at FVTPL	(3,576,227)	(3,651,538)
Dividend income from equity instruments	(951,370)	(1,216,005)
Interest income from debt instruments and unit trusts	(709,051)	(714,006)
Interest expense	9,230	4,271
Interest income	(119,406)	(69,983)
Net gains on disposal of financial instruments at FVTPL	(940,993)	(349,400)
Gains on disposal of property, plant and equipment	-	(1,080)
Operating cash flows before changes in working capital	<u>(190,814)</u>	<u>(938,585)</u>
Inventories	1,230	2,684
Trade and other receivables	113,354	299,746
Other non-financial assets	90,795	(147,155)
Trade and other payables	840,035	868,835
Other non-financial liabilities	(332,981)	594,721
Net cash flows from operating activities	<u>521,619</u>	<u>680,246</u>
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(184,048)	(2,039,042)
Purchase of financial assets at FVTPL	(24,414,150)	(13,817,629)
Dividend received from equity instruments	951,370	1,216,005
Interest received from debt instruments and unit trusts	647,897	714,006
Interest received	119,406	69,983
Deposit to purchase property	(1,249,600)	-
Proceeds from disposal of property, plant and equipment	5,621	1,591
Proceeds from disposal of financial instrument at FVTPL	27,938,058	14,034,886
Net cash flows from investing activities	<u>3,814,554</u>	<u>179,800</u>
<u>Cash flows used in financing activity</u>		
Lease liabilities	(184,642)	(185,036)
Net cash flows used in financing activity	<u>(184,642)</u>	<u>(185,036)</u>
Net increase in cash and cash equivalents	4,151,531	675,010
Cash and cash equivalents, beginning balance	5,952,127	5,277,117
Cash and cash equivalents, ending balance (Note 15)	<u>10,103,658</u>	<u>5,952,127</u>

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

SINGAPORE HEART FOUNDATION

Notes to the Financial Statements 31 March 2026

1. General information

Singapore Heart Foundation (the "Foundation") is a Foundation registered in Singapore under the Societies Act 1966. It was granted the status of an Institution of a Public Character (Registration No. S70SS0007H) under the Charities Act 1994 until 28 June 2028 subject to renewal. The financial statements are presented in Singapore dollars.

The Board of Directors approved and authorised these financial statements for issue on the date of the Statement by the Board of Directors.

The Foundation is a leading heart health organisation educating and motivating the public, assisting those affected and supporting community-based research to better understand the landscape of heart disease in Singapore. Its mission is to promote heart health, prevent and reduce disability and death due to cardiovascular diseases and stroke. It has subsidised rehabilitation services at the three wellness centres at Junction 8, Fortune Centre and Bukit Gombak Sports Centre.

The registered office is located at 510 Thomson Road, #09-00 SLF Building, Singapore 298135.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Financial Reporting Standards ("FRS") and the related interpretations to FRS ("INT FRS") as issued by the Accounting Standards Committee under ACRA ("ASC"). They comply with the provisions of the Societies Act 1966 and Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"). The standards are referred to in these financial statements as the financial reporting standards.

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Foreign currency transactions

The functional currency is the Singapore dollars as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Fair value of measurement

The 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. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event, the fair values are disclosed in the relevant notes to the financial statements.

Revenue and income recognition

Revenue / income is recognised when the reporting entity has entitlement to the income, it is probable that the economic benefits associated with the transaction or gift will flow to the reporting entity and the amount can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Revenue and income recognition

(i) Donations and sponsorships

Income from donations and sponsorships are accounted for when received, except for committed donations and sponsorships that are recorded when there is certainty over the amount committed by the donors and over the timing of the receipt of the donations and sponsorships. Revenue from the fundraising event is recognised when the event has occurred.

(ii) Interest income

Interest income is recognised using the effective interest rate.

(iii) Dividend income

Dividend from equity instruments is recognised as income when the Foundation's right to receive dividend is established. This is usually ex-dividend date for quoted shares.

(iv) Government grant

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. A government grant related to assets or specific expenses should be recognised in the statement of financial activities and is presented in the statement of financial position by setting up the government grant as fund. For government grant related to assets, the relevant fund will then be reduced over the useful life of the asset in line with its depreciation. For government grant related to specific expenses, the relevant fund will then be reduced as and when the expenses are expended.

(v) Sale of merchandise

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring promised goods or services to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

(vi) Services

Revenue from service orders is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

(vii) Donations-in-kind

A donation-in-kind is included in the statement of financial activities based on an estimate of the fair value at the date of the receipt of the donation of the non-monetary asset or the grant of a right to the monetary asset. The donation is recognised if the amount of the donation can be measured reliably and there is certainty that it will be received.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Investment transactions

Net realised and unrealised gains or losses on financial assets and liabilities at fair value through profit or loss exclude interest and dividend income. The weighted average method is used when determining the cost basis for financial instruments being disposed of. All realised and unrealised exchange adjustment gains and losses arising from the effect of changes in foreign exchange rates on the financial instruments at fair value are not separated. Such fluctuations are reported on a net basis within the net realised and unrealised gains or losses on financial assets and financial liabilities held at fair value through profit or loss.

Expenditures

An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense unless impractical to do so. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Employee benefits

Employee benefits are all forms of consideration given in exchange for service rendered by employees. Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences, and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income tax

As an approved charity under the Charities Act 1994, the Foundation is exempted from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Property, plant and equipment

The estimated useful lives are as follows:

Leasehold properties	- Over the period of lease of 54 to 66 years
Computers	- 1 year
Office furniture & electrical equipment	- 5 years
Renovations	- 3 years
Exercise and medical equipment	- 5 years
Work in progress	- Not depreciated

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property, plant and equipment. The estimated useful lives are as follows:

Equipment	- 3 years
Office premises	- 3 to 5 years
Warehouse and storage	- 2 to 3 years

Leases of lessee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Carrying amounts and assessment of impairment loss allowance on non-financial assets

The amounts of the non-current non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of profit or loss whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Financial instruments

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification of financial assets and financial liabilities and subsequent measurement:

The financial reporting standard on financial instruments requires the certain classification of financial assets and financial liabilities. At the end of the reporting year, the Foundation had the following classes:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is, (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) 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. Typically trade and other receivables, bank and cash balances are in this class.
- Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income ("FVTOCI"): A debt asset instrument is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL, that is (a): the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) 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. Financial assets are not reclassified subsequent to their initial recognition, except when, and only when, the reporting entity changes its business model for managing financial assets (expected to be rare and infrequent events). The previously recognised gains, losses, or interest cannot be restated. When these financial assets are derecognised, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.
- Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Financial liabilities are classified as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

SINGAPORE HEART FOUNDATION

2. Material accounting policy information and other explanatory information

2A. Material accounting policy information

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term (three months or less), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes if any by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expenses unless impractical to do so.

2B. Judgements and sources of estimation uncertainties

There were no judgements made in the process of applying the accounting policies that have the most material effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the Foundation to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the board members and key management of the Foundation. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. Key management personnel include the Chief Executive Officer (CEO) and senior members reporting directly to him.

SINGAPORE HEART FOUNDATION

3. Related party relationships and transactions

All members of the Board of Directors, sub-committees and staff members of the Foundation are required to read and understand the conflict of interest policy in place and make full disclosure of interests and relationships that could potentially result in a conflict of interests. When a conflict of interest situation arises, the members or staff shall abstain from participating in the discussion, decision making and voting on the matter.

The members of the Board of Directors and sub-committees are volunteers and receive no monetary remuneration for their contribution, except for reimbursement of out-of-pocket expenses, if any claimed.

There are no paid staff who are close members of the family of the board of directors, and whose remuneration each exceeds \$50,000 during the year.

3A. Key management compensation

	<u>2026</u> \$	<u>2025</u> \$
Salaries and other short-term employee benefits	<u>1,492,506</u>	<u>1,491,062</u>

The above amounts are included under employee benefits expense.

The annual remuneration of the key management personnel classified by remuneration bands are as follows:

	<u>2026</u> \$	<u>2025</u> \$
Remuneration band:	Number	Number
Below \$100,000	-	2
Between \$100,001 - \$200,000	5	2
Between \$200,001 - \$300,000	1	1
Above \$300,000	<u>2</u>	<u>3</u>

SINGAPORE HEART FOUNDATION

4. Fund-raising activities – incoming resources

	<u>2026</u>	<u>2025</u>
	\$	\$
Direct Donor Debit Programme	9,160,552	8,351,933
55th anniversary charity show	3,035,120	–
Online and GIRO	489,499	342,304
Government Grant	275,852	–
Logo acknowledgement from commercial organisations	125,258	132,667
Others	115,238	68,164
Charity Golf	–	563,666
Flag Day	–	39,041
Total	<u>13,201,519</u>	<u>9,497,775</u>

Fund-raising activities – resources expended

	<u>2026</u>	<u>2025</u>
	\$	\$
Direct Donor Debit Programme	1,103,595	965,302
Event setup cost and management fees	858,211	442,720
Administration fee	431,723	368,607
Salaries and related charges	219,567	167,661
Bank charges	184,588	131,850
Prizes and souvenirs	7,000	2,085
Postage, printing and telecommunication	6,799	12,313
Maintenance, supplies and materials	3,380	8,599
Professional fees	1,500	3,170
Media publicity and advertisements	341	–
Total	<u>2,816,704</u>	<u>2,102,307</u>

5. Charitable activities – incoming resources

	<u>2026</u>	<u>2025</u>
	\$	\$
Programme fees	1,182,754	1,033,726
Donations-in-kind	67,711	–
Donations	61,645	19,345
Grants	115,298	127,132
Sale of merchandise	50,464	72,054
55th anniversary charity show	18,054	–
Other income	7,283	6,646
Total	<u>1,503,209</u>	<u>1,258,903</u>

SINGAPORE HEART FOUNDATION

5. Charitable activities – resources expended

	<u>2026</u>	<u>2025</u>
	\$	\$
Salaries and related charges	7,194,395	5,696,202
Event setup cost and management fees	828,774	468,587
Research grants	465,688	53,028
Professional fees	359,153	564,636
Depreciation of property, plant and equipment (Note 10)	327,792	525,805
Trainers and volunteers	180,394	173,360
Depreciation of right-of-use assets (Note 20)	172,112	146,075
Repairs and maintenance	155,076	240,752
Supplies and materials	153,539	102,949
Heart Support Fund disbursements	131,100	179,856
Heart Health Awareness Campaign	113,209	110,758
Postage and courier	101,111	98,191
Printing, stationery and publications	97,775	81,368
Prizes and souvenirs	82,717	111,357
Travelling and transportation	76,852	19,833
Donations-in-kind expenses	67,711	–
Sundry expenses	57,193	46,689
Rental of premises	29,728	29,400
Utilities	25,983	34,604
Bank Charges	17,544	10,971
Insurance	10,869	7,671
Signage and banners	3,688	3,294
Telecommunication	1,741	4,883
Total	<u>10,654,144</u>	<u>8,710,269</u>

The expenditures for charitable activities were used for various community outreach programmes, including Heart Wellness Centre, Heart Health Hub, World Heart Day and Go Red for Women and for financial assistance to needy patients.

6. Governance and other operating costs

	<u>2026</u>	<u>2025</u>
	\$	\$
Depreciation of property, plant and equipment (Note 10)	728,920	68,824
Salaries and related charges	626,207	421,316
GST disallowed	472,617	464,078
Investment expenses	263,788	393,832
Professional fees	208,894	112,795
Repairs and maintenance	118,138	11,700
Sundry expenses	44,438	41,481
Audit fees to the independent auditor of the reporting entity	37,000	36,000
Utilities	19,819	4,896
Insurance	16,108	15,159
Telecommunications	9,295	19,062
Supplies and materials	9,244	11,583
Printing, stationery and publications	8,634	8,188
Depreciation of right-of-use assets (Note 20)	4,652	26,818
Prizes and souvenirs	1,184	870
Bank charges	871	1,730
Travelling and transportation	732	8,339
Total	<u>2,570,541</u>	<u>1,646,671</u>

SINGAPORE HEART FOUNDATION

7. Other income / (other expenditure)

	<u>2026</u>	<u>2025</u>
	\$	\$
Dividend income from equity instruments	951,370	1,216,005
Interest income from debt instruments and unit trusts	709,051	714,006
Fair value gains on financial instruments at FVTPL	3,576,227	3,651,538
Gains on disposal of investments	940,993	349,400
Interest from term deposits	119,406	69,983
Gains on disposal of property, plant and equipment	–	1,080
Foreign exchange translation loss	(180,408)	(57,171)
Net	<u>6,116,639</u>	<u>5,944,841</u>
Presented in Statement of Financial Activities as:		
Other income	6,297,047	6,002,012
Other expenditure	(180,408)	(57,171)
Net	<u>6,116,639</u>	<u>5,944,841</u>

8. Tax-exempt receipts

Donors to the Foundation enjoy a concessionary tax treatment whereby qualifying donors are granted 250% tax deduction for the donations made to the Foundation. The quantum of the tax deduction is announced in the Singapore Budget yearly.

	<u>2026</u>	<u>2025</u>
	\$	\$
Tax-exempt receipts issued for donations collected	<u>12,155,993</u>	<u>9,036,402</u>

9. Employee benefits expense

	<u>2026</u>	<u>2025</u>
	\$	\$
Salaries and related costs	6,805,091	5,220,580
Contributions to defined contribution plan	931,693	837,841
Total employee benefits expense	<u>7,736,784</u>	<u>6,058,421</u>

SINGAPORE HEART FOUNDATION

10. Property, plant and equipment

	Leasehold properties \$	Computers \$	Office furniture & electrical equipment \$	Renovations \$	Exercise and medical equipment \$	Work in progress Assets \$	Total \$
Cost:							
At 1 April 2024	14,338,230	706,052	331,942	646,090	877,024	-	16,899,338
Additions	-	50,443	10,517	1,876,500	101,582	47,500	2,086,542
Disposals	-	(4,059)	(115,409)	(22,952)	(42,816)	-	(185,236)
At 31 March 2025	14,338,230	752,436	227,050	2,499,638	935,790	47,500	18,800,644
Additions	-	56,905	27,038	9,463	90,642	-	184,048
Transfer	-	-	11,500	36,000	-	(47,500)	-
Disposals	-	(5,909)	-	(2,848)	(28,281)	-	(37,038)
At 31 March 2026	14,338,230	803,432	265,588	2,542,253	998,151	-	18,947,654
Accumulated depreciation:							
At 1 April 2024	962,939	632,276	316,580	646,008	783,919	-	3,341,722
Depreciation for the year	246,095	91,648	8,204	213,435	35,247	-	594,629
Disposals	-	(4,059)	(114,948)	(22,946)	(42,772)	-	(184,725)
At 31 March 2025	1,209,034	719,865	209,836	836,497	776,394	-	3,751,626
Depreciation for the year	246,095	55,343	14,012	697,162	44,100	-	1,056,712
Disposals	-	(5,906)	-	(2,844)	(22,667)	-	(31,417)
At 31 March 2026	1,455,129	769,302	223,848	1,530,815	797,827	-	4,776,921
Carrying value:							
At 1 April 2024	13,375,291	73,776	15,362	82	93,105	-	13,557,616
At 31 March 2025	13,129,196	32,571	17,214	1,663,141	159,396	47,500	15,049,018
At 31 March 2026	12,883,101	34,130	41,740	1,011,438	200,324	-	14,170,733

SINGAPORE HEART FOUNDATION

10. Property, plant and equipment

The depreciation expense is charged in Statement of Financial Activities under:

	<u>2026</u>	<u>2025</u>
	\$	\$
Charitable activities (Note 5)	327,792	525,805
Governance and operating costs (Note 6)	728,920	68,824
Total	<u>1,056,712</u>	<u>594,629</u>

There are two leasehold properties held by Perpetual (Asia) Limited as trustees of the Foundation as required by the Societies Act.

One of the properties is located at 190 Middle Road #04-34 Fortune Centre purchased in September 2013 and has a 99-year lease from 18 October 1980. The property had been used and operated as the second "Heart Wellness Centre" by the Foundation.

The purchase of another property located at 510 Thomson Road #09-00 Singapore 298135 with a 99-year lease from 12 February 1979 was completed in May 2023. The property acquisition is part of Singapore Heart Foundation's strategic plans to expand its capacity to better serve beneficiaries and improve efficiencies. It will house larger and more conducive spaces for courses and activities to be held. More collaborative and meeting spaces are created to facilitate expanded programmes and collaborations with all relevant stakeholders. All backend functions will also shift into this facility, freeing up space at the more convenient location at Bishan to serve our patients and beneficiaries.

11. Financial assets

	<u>2026</u>	<u>2025</u>
	\$	\$
Balance is made up of:		
<u>FVTPL</u>		
Quoted equity instruments (Note 11A)	23,941,462	20,590,050
Quoted debt instruments (Note 11B)	26,007,368	16,412,033
Quoted unit trusts (Note 11C)	–	7,953,435
Sub-total	<u>49,948,830</u>	<u>44,955,518</u>
<u>FVTOCI</u>		
Quoted debt instruments (Note 11B)	–	4,002,250
Sub-total	<u>–</u>	<u>4,002,250</u>
Total at the end of the year	<u>49,948,830</u>	<u>48,957,768</u>

For the reporting year ended 31 March 2026, the independent fund manager and custodian is Bank of Singapore Limited (31 March 2025: Bank of Singapore Limited and DBS Bank Ltd). The independent fund manager is located in Singapore with a credit rating of Aa1. The financial assets at FVTPL are managed by the independent fund manager.

11A. Quoted equity instruments

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>FVTPL</u>		
Movements during the year:		
Fair value at the beginning of the year	20,590,050	17,407,179
Additions*	11,671,274	5,123,698
Disposals	(11,697,016)	(5,173,331)
Increase in FVTPL	3,377,154	3,232,504
Fair value at end of the year	<u>23,941,462</u>	<u>20,590,050</u>

SINGAPORE HEART FOUNDATION

11. Financial assets

11B. Quoted debt instruments

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>Movements during the year:</u>		
<u>FVTPL</u>		
Fair value at the beginning of the year	16,412,033	15,971,318
Additions*	12,569,996	4,253,049
Disposals	(3,173,734)	(4,126,262)
Increase in FVTPL	199,073	313,928
Fair value at end of the year	<u>26,007,368</u>	<u>16,412,033</u>
<u>FVTOCI</u>		
Fair value at the beginning of the year	4,002,250	3,943,772
Disposals	(4,000,000)	-
Increase in FVTOCI	(2,250)	58,478
Fair value at end of the year	<u>-</u>	<u>4,002,250</u>

11C. Quoted unit trusts

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>FVTPL</u>		
<u>Movements during the year:</u>		
Fair value at the beginning of the year	7,953,435	7,793,340
Additions*	172,880	4,440,882
Disposals	(8,126,315)	(4,385,893)
Increase in FVTPL	-	105,106
Fair value at end of the year	<u>-</u>	<u>7,953,435</u>

* Additions include reinvestments made by the fund managers.

11D. Disclosures relating to investments at FVTPL

The information gives a summary of the significant sector concentrations within the investment portfolio including Level 1, 2 and 3 securities.

	<u>Level</u>	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
		%	%	\$	\$
<u>Quoted equity securities</u>					
Singapore	1	47	33	23,298,739	14,848,460
United States	1	1	8	642,723	3,784,280
Hong Kong	1	-	2	-	1,060,632
European Union	1	-	1	-	242,076
United Kingdom	1	-	-	-	168,160
Japan	1	-	-	-	72,428
Taiwan	1	-	-	-	110,349
Switzerland	1	-	-	-	76,767
Australia	1	-	1	-	226,898
Subtotal		<u>48</u>	<u>45</u>	<u>23,941,462</u>	<u>20,590,050</u>

SINGAPORE HEART FOUNDATION

11. Financial assets

11D. Disclosures relating to investments at FVTPL

	<u>Level</u>	<u>2026</u> %	<u>2025</u> %	<u>2026</u> \$	<u>2025</u> \$
<u>Quoted debt securities</u>					
Singapore	1	52	38	26,007,368	16,412,033
Subtotal		52	38	26,007,368	16,412,033
<u>Unit Trusts</u>					
Singapore	1	-	17	-	7,953,435
Subtotal		-	17	-	7,953,435
Total		100	100	49,948,830	44,955,518

The quoted debt securities have a maturity date expiring ranging from May 2026 to July 2039 (2025: June 2025 to October 2036). The rate of interest ranges from 1.3% to 7.0% (2025: 1.3% to 7.00%) per annum.

The fair values of quoted debt securities and equity shares in corporations (Level 1) are based on prices in an active market at the end of the reporting year. Investments in securities are exposed to market price risk arising from uncertainties on the future values of the investment securities. The sensitivity analysis effect is as follow:

	<u>2026</u> \$	<u>2025</u> \$
A hypothetical 10% increase in the fair value of quoted equity securities would increase net surplus by the following amount	2,394,146	2,059,005

For similar price decreases in the fair value of the above financial assets, there would be comparable impacts in the opposite direction. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

The figure does not reflect the currency risk, which has been considered in the foreign currency risks analysis section only.

11E. Disclosures relating to investments at FVTOCI

	<u>Level</u>	<u>2026</u> %	<u>2025</u> %	<u>2026</u> \$	<u>2025</u> \$
<u>Quoted debt securities</u>					
Singapore	1	-	100	-	4,002,250
Total		-	100	-	4,002,250

In previous reporting year, the quoted debt securities bear interest rate ranged from 2.93 % to 3.09% per annum. These debt securities matured in June 2025.

SINGAPORE HEART FOUNDATION

12. Inventories

	<u>2026</u>	<u>2025</u>
	\$	\$
Merchandise held for resale	<u>12,711</u>	<u>13,941</u>

13. Trade and other receivables

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>Trade receivables</u>		
Outside parties	<u>120,669</u>	<u>219,535</u>
Subtotal	<u>120,669</u>	<u>219,535</u>
<u>Other receivables</u>		
Interest receivables	212,891	151,737
Income receivable	<u>12,301</u>	<u>26,789</u>
Subtotal	<u>225,192</u>	<u>178,526</u>
Total trade and other receivables	<u>345,861</u>	<u>398,061</u>

The expected credit losses (ECL) on the trade receivables and contract assets are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all such assets recognised from the initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions.

As a charity, an assessment is made at initial recognition of the paying ability of the customers and persons it serves. A remission is made accordingly if there is no funding from the government and public authorities or if the amount is past due date.

Ageing analysis of trade receivable amounts that are past due at the end of the reporting year but not impaired:

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>Trade receivables:</u>		
31 to 60 days	-	1,242
61 to 90 days	654	-
Over 90 days	<u>1,308</u>	<u>4,082</u>
Total	<u>1,962</u>	<u>5,324</u>

There is no concentration of credit risk with respect to trade receivables, as there are a large number of customers.

Other receivables are normally with no fixed terms and therefore there is no maturity.

SINGAPORE HEART FOUNDATION

14. Other non-financial assets

	<u>2026</u>	<u>2025</u>
	\$	\$
Deposits to secure services	77,502	61,928
Prepayments	133,276	117,512
Deposit to purchase property ^(a)	1,249,600	–
Grant receivables	16,000	29,700
Contract assets (Note 14A)	<u>432,746</u>	<u>541,179</u>
	<u>1,909,124</u>	<u>750,319</u>
Presented in the statement of financial position as follow:		
Current	659,524	750,319
Non-current	<u>1,249,600</u>	<u>–</u>
	<u>1,909,124</u>	<u>750,319</u>

(a) On 27 March 2026, the Foundation entered into an option to purchase agreement to purchase a property located at Block 210 New Upper Changi Road #01-715 Singapore 460210 at a price of \$12,800,000. The Foundation has committed a capital expenditure of \$12,160,000 in respect of the acquisition of the property.

14A. Contract assets

The movements in contract assets are as follows:

	<u>2026</u>	<u>2025</u>
	\$	\$
At beginning of the year	541,179	297,939
Consideration for work completed but not billed at the reporting date	432,746	541,179
Transfer to trade receivables	<u>(541,179)</u>	<u>(297,939)</u>
At the end of the year	<u>432,746</u>	<u>541,179</u>

The contract assets relate to the Foundation's rights to consideration for Registry of Automatic External Defibrillator Integration ("Save-A-Life Initiative") which was completed but not due for billing per contract as at the reporting date. The contract assets will be transferred to receivables when the rights become unconditional within a year.

15. Cash and cash equivalents

	<u>2026</u>	<u>2025</u>
	\$	\$
Cash and bank balances ^(a)	10,103,658	3,126,827
Fixed deposits with financial institutions	<u>–</u>	<u>2,825,300</u>
	<u>10,103,658</u>	<u>5,952,127</u>

In previous reporting year, the fixed deposits earned interest at rates ranged from 2.3% to 3.5% per annum.

(a) Included in cash and bank balance is an amount of \$7,647,876 (2025: \$1,626,275) held by fund manager.

15A. Non-cash transaction

In previous reporting year, acquisition of work in progress amounted to \$47,500 under property, plant and equipment was included in unsettled trade & other payables.

SINGAPORE HEART FOUNDATION

15. Cash and cash equivalents

15B. Reconciliation of liabilities arising from financial activities

	<u>1 April 2025</u>	<u>Cash flows</u>	<u>Non-cash</u>		<u>31 March</u>
	\$	\$	changes		<u>2026</u>
			\$		\$
Lease liabilities	130,633	(184,642)	335,833	(a)	281,824
	<u>1 April 2024</u>	<u>Cash flows</u>	<u>Non-cash</u>		<u>31 March</u>
	\$	\$	changes		<u>2025</u>
			\$		\$
Lease liabilities	192,874	(185,036)	122,795	(a)	130,633

(a) Being new lease entered and interest expense on lease liability.

SINGAPORE HEART FOUNDATION

16. Fund account transactions and balances

	General Fund \$ (i)	Infrastructure Development Fund \$ (iii)	Asia-Pacific Heart Network Fund \$ (iv)	Care & Share Matching Grant \$ (v)	Edwards Life-sciences Foundation \$ (vi)	AEDS in Bukit Gombak \$ (vii)	Total \$
2026:							
Incoming Resources:							
Fund-raising activities	13,201,519	-	-	-	-	-	13,201,519
Charitable activities	1,400,977	-	-	-	102,232	-	1,503,209
Governance and operating activities	83,549	-	-	-	-	-	83,549
Other income	6,297,047	-	-	-	-	-	6,297,047
Total incoming resources	20,983,092	-	-	-	102,232	-	21,085,324
Resources Expended:							
Fund-raising activities	2,816,704	-	-	-	-	-	2,816,704
Charitable activities	10,351,638	189,771	-	8,103	104,632	-	10,654,144
Governance and operating costs	1,893,336	677,195	-	10	-	-	2,570,541
Other expenditure	180,408	-	-	-	-	-	180,408
Total resources expended	15,242,086	866,966	-	8,113	104,632	-	16,221,797
Surplus/(deficit) for the year	5,741,006	(866,966)	-	(8,113)	(2,400)	-	4,863,527

16. Fund account transactions and balances

29

SINGAPORE HEART FOUNDATION

16. Fund account transactions and balances

		<u>2026</u>	<u>2025</u>
		\$	\$
<u>Unrestricted funds</u>			
General Fund	(i)	42,289,878	36,548,872
Other Reserves	(ii)	–	2,250
Infrastructure Development Fund	(iii)		
- General		20,430,009	20,430,009
- Property & Renovation		9,890,905	10,757,871
		30,320,914	31,187,880
Sub-total		<u>72,610,792</u>	<u>67,739,002</u>
<u>Restricted funds</u>			
Asia-Pacific Heart Network Fund	(iv)	–	–
Care & Share Matching Grant	(v)	5,259	13,372
Edwards Lifesciences Foundation	(vi)	102,232	104,632
AEDS in Bukit Gombak	(vii)	–	–
Sub-total		<u>107,491</u>	<u>118,004</u>
Total		<u>72,718,283</u>	<u>67,857,006</u>

i) General fund – this represents cumulative surpluses available for general use for the furtherance of the Foundation's objectives.

ii) Other reserves – The gain or loss on re-measuring investments in debt securities at FVTOCI to fair value. On disposal, the cumulative fair value changes are recycled to statement of financial activities.

iii) Infrastructure Development Fund – General: This fund is designated for the future acquisition of property to support the expansion of Heart Wellness Centres.

Infrastructure Development Fund – Property & Renovation: This fund is designated for the acquisition of the property at 510 Thomson Road, #09-00, Singapore 298135, in May 2023, as well as renovation works at the property and the Heart Wellness Centre located at 9 Bishan Place, #07-01, Junction 8 (Office Tower), Singapore 579837. In March 2026, this fund is designated for the acquisition of the property at Block 210 New Upper Changi Road #01-715 Singapore 460210 as well as its renovation works.

iv) Asia-Pacific Heart Network Fund – Asia-Pacific Heart Network (APHN) is a network of heart foundations in the Asia-Pacific region, of which Singapore Heart Foundation is a member. From November 2016, the secretariat moved from Osaka, Japan to Singapore and is now a programme of Singapore Heart Foundation. At the end of the reporting year ended 31 March 2017, the fund belonging to APHN amounting to \$8,189 was transferred to the Foundation. In August 2020, a grant amounting to \$47,355 was given by Amgen Asia Holding Limited to help defray the expenses incurred by Singapore Heart Foundation for handling the secretariat works for APHN and APHN meeting or advocacy workshop in Manila which coincides with the APSC 2023 Congress. Currently, Singapore Heart Foundation has been utilising this fund for the above purposes. Any remaining fund balance will be used to defray future APHN events. The fund has been fully utilised as of 31 March 2025.

SINGAPORE HEART FOUNDATION

16. Fund account transactions and balances

- v) **Care & Share Matching Grant** – The Care & Share matching grant is a dollar-for-dollar donation matching grant provided by the Singapore government to encourage public donation and to develop social-service-related voluntary welfare organisations and their programmes to better serve beneficiaries. The grant can be used for capability and capacity building, new initiatives/expansion of existing services and critical existing needs. The funds are utilised for research, rehabilitation programmes, manpower expenses and purchase of equipment. The Care and Share matching grant utilisation deadline is set by the Ministry of Social and Family Development till 31 March 2022. The fund has been fully utilised as of 31 March 2022 and the amount remaining as of year-end pertains to the net book value of the property, plant and equipment. This grant is capped at \$2,900,000 for the Foundation. As of 31 March 2023, the Foundation had received the full grant.
- vi) **Edwards Lifesciences Foundation** – This grant was given by Edwards Lifesciences Foundation to help defray the expenses incurred by Singapore Heart Foundation for assisting heart patients and help individuals at risk of developing cardiovascular diseases to manage their condition and promote heart health awareness.
- vii) **AEDS in Bukit Gombak** – A donor has donated \$50,000 to the purchase and installation of Automatic External Defibrillators (AEDs) for all condominiums in Bukit Gombak. The donor felt that Singapore Heart Foundation has a proven track record and his donation would benefit future residents for many years to come. In addition to AED installations, part of the fund was utilised to purchase and replace the expired AED pads for the condominiums in Bukit Gombak. Currently, Singapore Heart Foundation has been utilising this fund for the above purposes. This project was completed at end April 2023. The fund has been fully utilised as of 31 March 2025.

Majority of the assets and liabilities are attributable to the General Fund. All the assets of other funds are represented largely by cash, financial assets and other non-financial assets balances. Accordingly, the Foundation did not adopt a columnar presentation of its assets, liabilities, and funds in the Statement of Financial Position as it was not meaningful.

17. Provisions

	<u>2026</u>	<u>2025</u>
	\$	\$
Provision for restoration costs		
Balance at the beginning of the year	147,040	130,000
Additions	34,080	17,040
Balance at the beginning and end of the year	<u>181,120</u>	<u>147,040</u>

The above provision represents the estimated costs of dismantling, removing and restoring leased premises to their original condition at the expiration of the lease periods. The provision is based on management's estimate.

18. Trade and other payables

	<u>2026</u>	<u>2025</u>
	\$	\$
Trade and other payables	1,095,441	1,002,567
Accrued liabilities	2,135,534	1,388,373
Total	<u>3,230,975</u>	<u>2,390,940</u>

SINGAPORE HEART FOUNDATION

19. Other non-financial liabilities

	<u>2026</u>	<u>2025</u>
	\$	\$
Advance payments received	356,254	723,315

These are deposits for courses and sponsorships, logo acknowledgement and events. These will be used within twelve months.

20. Right-of-use assets and lease liabilities

The right-of-use assets and lease liabilities are in the statement of financial position. The movements are as follows:

	<u>Equipment</u>	<u>Office premises</u>	<u>Warehouse and storage</u>	<u>Total</u>
	\$	\$	\$	\$
<u>Cost:</u>				
At 1 April 2024	42,291	866,742	139,435	1,048,468
Additions	7,951	110,573	-	118,524
Disposal	-	(90,092)	(139,435)	(229,527)
At 31 March 2025	50,242	887,223	-	937,465
Additions	-	326,603	-	326,603
Disposal	-	(776,650)	-	(776,650)
At 31 March 2026	50,242	437,176	-	487,418
<u>Accumulated depreciation:</u>				
At 1 April 2024	(20,440)	(709,798)	(136,161)	(866,399)
Depreciation for the year	(9,093)	(160,526)	(3,274)	(172,893)
Disposal	-	90,092	139,435	229,527
At 31 March 2025	(29,533)	(780,232)	-	(809,765)
Depreciation for the year	(10,048)	(166,716)	-	(176,764)
Disposal	-	776,650	-	776,650
At 31 March 2026	(39,581)	(170,298)	-	(209,879)
<u>Carrying value:</u>				
At 1 April 2024	21,851	156,944	3,274	182,069
At 31 March 2025	20,709	106,991	-	127,700
At 31 March 2026	10,661	266,878	-	277,539

The depreciation expense is charged in Statement of Financial Activities under:

	<u>2026</u>	<u>2025</u>
	\$	\$
Charitable activities (Note 5)	172,112	146,075
Governance and operating costs (Note 6)	4,652	26,818
Total	176,764	172,893

SINGAPORE HEART FOUNDATION

20. Right-of-use assets and lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	<u>2026</u>	<u>2025</u>
	\$	\$
Lease liabilities, current	175,205	69,430
Lease liabilities, non-current	<u>106,619</u>	<u>61,203</u>
	<u>281,824</u>	<u>130,633</u>

The leases are for office premises, warehouse and equipment. The lease contracts are usually for fixed periods of 3 to 5 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The incremental borrowing rate applied to lease liabilities recognised is ranging from 2.5% to 3.2% (2025: 2.5%) per annum.

A summary of the maturity analysis of lease liabilities is disclosed in Note 23E. Total cash outflows from leases are shown in the statement of cash flows. Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default. The related right-of-use-assets are disclosed above.

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

At reporting year date there were no commitments on leases which had not yet commenced.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	<u>2026</u>	<u>2025</u>
	\$	\$
Expense relating to leases of low-value assets and short-term leases included in resources expended	<u>45,828</u>	<u>59,261</u>

21. Commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure and future committed research grant expenditure but not recognised in the financial statements are as follows:

	<u>2026</u>	<u>2025</u>
	\$	\$
Commitments to purchase property, plant and equipment	12,160,000	47,500
Contractual obligations for approved research grants	<u>475,277</u>	<u>-</u>

SINGAPORE HEART FOUNDATION

22. Reserves policy

The primary purpose of the Foundation's reserves policy is to ensure the long-term sustainability and its ability in meeting its mission. The objective of the policy is to maintain sufficient fund to support its operations and potential initiatives that align with the vision and mission of the Foundation.

The Foundation targets to maintain a sufficient level of accumulated unrestricted funds to ensure its long-term financial sustainability. This excludes restricted funds. The Foundation regularly reviews and manages its reserves to ensure optimal fund structure, taking into consideration the future fund requirements of the Foundation and fund efficiency, projected income and operating cash flows.

The Investment Committee sets the guidelines of the Foundation's Investment Policy. It closely monitors the investment of surplus funds and reserves of the Foundation.

The Foundation is not subject to externally imposed fund requirements other than those specified as restricted.

There were no changes to the Foundation's approach to reserves management during the year.

23. Financial instruments: information on financial risks and other explanatory information

23A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>2026</u>	<u>2025</u>
	\$	\$
<u>Financial assets:</u>		
Financial assets at amortised cost	10,449,519	6,350,188
Financial assets at FVTPL	49,948,830	44,955,518
Financial assets at FVTOCI	–	4,002,250
At the end of the year	<u>60,398,349</u>	<u>55,307,956</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	3,512,799	2,521,573
At the end of the year	<u>3,512,799</u>	<u>2,521,573</u>

Further quantitative disclosures are included throughout these financial statements.

23B. Financial risk management

The main purpose for holding financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain written policies and procedures for the management of financial risks.

SINGAPORE HEART FOUNDATION

23. Financial instruments: information on financial risks and other explanatory information

23B. Financial risk management

There are written policies and procedures for effectively supervising, monitoring and evaluating the investment assets. The governing board members hold all the funds as a fiduciary and have delegated authority over its investment affairs to the investment committee (the committee) of the Foundation. The committee advises the board on the implications of changes to its investment policy, helps it operate within the policies and procedures, and advises on relevant matters. The committee is further authorised to delegate certain responsibilities to professional experts. These include independent investment managers and independent custodian. The independent investment managers have discretion to purchase, sell, or hold the specific financial instruments to meet the policy's investment objectives and to make use of derivatives. The independent custodian is responsible for the custody of the financial instruments, collection of the returns; redeem maturing securities, and effect receipt and delivery following purchases and sales.

23C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

23D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses (ECL) allowance on financial assets the ECL allowance. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 15 discloses the cash balances. There was no identified impairment loss.

23E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2025: 30 days). The other payables are with short-term durations.

The Foundation monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Foundation's operations and to mitigate the effects of fluctuations in cash flows.

SINGAPORE HEART FOUNDATION

23. Financial instruments: information on financial risks and other explanatory information

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year \$	1 – 3 years \$	3 – 5 years \$	Total \$
Non-derivative financial liabilities:				
<u>2026:</u>				
Gross lease liabilities	180,897	107,632	–	288,529
Trade and other payables	3,230,975	–	–	3,230,975
At end of the year	<u>3,411,872</u>	<u>107,632</u>	<u>–</u>	<u>3,519,504</u>
<u>2025:</u>				
Gross lease liabilities	71,518	61,267	1,015	133,800
Trade and other payables	2,390,940	–	–	2,390,940
At end of the year	<u>2,462,458</u>	<u>61,267</u>	<u>1,015</u>	<u>2,524,740</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

23F. Interest rate risk

The interest rate risk exposure is from changes in fixed interest rates and floating interest rates and it mainly concerns financial assets. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	<u>2026</u> \$	<u>2025</u> \$
Financial assets:		
Fixed rates	26,007,368	22,740,083
Floating rates	–	499,500
	<u>26,007,368</u>	<u>23,239,583</u>

Sensitivity analysis: The floating rate debt assets are with interest rates that are re-set regular intervals. The effect on pre-tax profit is not material.

23G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of major amounts denominated in non-functional currency:

	<u>USD</u> \$	<u>HKD</u> \$	<u>AUD</u> \$	<u>Total</u> \$
<u>2026:</u>				
<u>Financial assets:</u>				
Cash and cash equivalent	1,203,438	930,044	–	2,133,482
Financial assets	<u>1,203,438</u>	<u>930,044</u>	<u>–</u>	<u>2,133,482</u>
<u>2025:</u>				
<u>Financial assets:</u>				
Cash and cash equivalent	89,307	95,389	223,874	408,570
Financial assets	<u>89,307</u>	<u>95,389</u>	<u>223,874</u>	<u>408,570</u>

Sensitivity analysis: The effect on surplus is not material.

SINGAPORE HEART FOUNDATION

24. Changes and adoption of financial reporting standards

For current reporting year, the ASC issued certain new or revised financial reporting standards. None had material impact on the Foundation.

25. New or amended standards in issue but not yet effective

The ASC issued certain new or revised financial reporting standards for the future reporting years. The transfer to the applicable new or revised standards from the effective dates is not expected to result in material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the Foundation for future reporting years are listed below.

<u>FRS No.</u>	<u>Title</u>	Effective date for periods beginning <u>on or after</u>
FRS 118	Presentation and disclosures in financial statements	1 January 2027

FRS 118 Presentation and disclosure in financial statements has brought many of the requirements of FRS 1 unchanged and completing them with new requirements. Some of the paragraphs in FRS 1 have been moved to FRS 8 and 107 with or without minor amendments. Applying FRS 118 would result in changes to the presentation of the statement of income and related notes but is not expected to materially impact the measurement requirements of the Foundation.