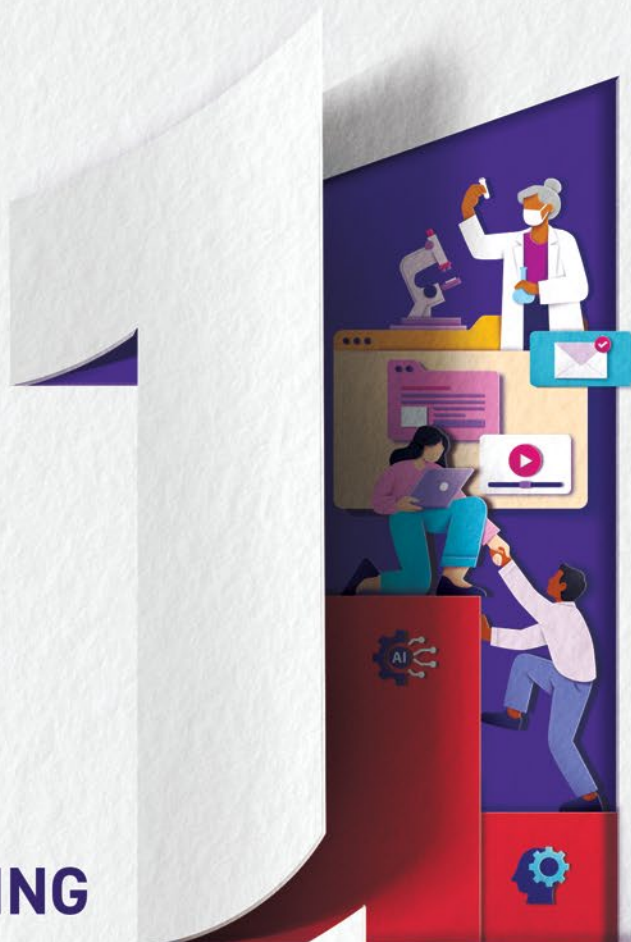


CELEBRATING



A DECADE OF
SKILLSFUTURE



SKILLS*future* SG

ANNUAL REPORT 2025/26

Contents

4	Foreword by Chairman & Chief Executive
6	Board Members and Board Committees
8	Corporate Governance
9	Risk Statement
10	Organisation Chart
12	Key Achievements for FY2025



20	ESG Report
40	Annexes
42	SkillsFuture Singapore Agency and its Subsidiaries
126	Skills Development Fund
158	SkillsFuture Jubilee Fund



Foreword by Chairman and Chief Executive

Mr Tan Kai Hoe
Chairman



Mr Tan Kok Yam
Chief Executive

Singapore's economy and workforce are undergoing significant transformation, driven by geopolitical shifts, rapid advancements in generative AI, climate challenges and demographic change. In this increasingly uncertain environment, lifelong learning and adaptability have become critical for individuals and businesses to remain resilient and competitive.

As SkillsFuture marked its 10th anniversary, the movement continued to play a key role in strengthening access to adult learning, raising training quality and aligning skills development more closely with industry needs. SkillsFuture Singapore (SSG) has enhanced support for mid-career reskilling, strengthened quality assurance and adult educator standards, introduced new digital tools to support informed learning choices, and worked with employers to ensure training remains relevant to evolving workforce demands.

SSG has also advanced skills-first workforce practices through stronger partnerships with employers, unions, professional bodies and industry stakeholders. Looking ahead, SSG and Workforce Singapore (WSG) will merge to form the Skills and Workforce Development Agency (SWDA), to provide a more integrated approach to skills development and employment support, and help Singaporeans build confidence and thrive in a rapidly changing economy.

Our economy and our workforce are at an inflexion point. By this, we mean that the trajectory of developments that came before now are no longer reliable to forecast the gradient that lies ahead. Geo-politics, which enable, shape and restrain international trade and supply chains, have shifted fundamentally. Technology in the form of generative AI is unprecedented in its pace of advancement and breadth of industrial impact. Climate mitigation and adaptation are taking an international backseat for now, but the basic issues remain to be tackled. The slow-boil matter of an ageing workforce for Singapore is, well, still boiling.

Celebrating a Decade of the SkillsFuture Movement

Against this backdrop, SkillsFuture celebrated its 10th anniversary in 2025. The movement is more relevant than ever, to give Singaporeans the confidence and support to constantly adapt. Over its 10 years, SkillsFuture has broadened access to adult education, raised training

standards, and more closely aligned adult learning with employer needs.

Access and participation

Consistently, more than a fifth of our resident workforce participates in some form of SSG-supported training every year. In 2026, **over 606,000 individuals participated in SSG-supported training**, the highest annual participation rate in a non-COVID year. Since its launch in April 2025, **more than 5,300 individuals tapped on the SkillsFuture Mid-Career Training Allowance** to undertake long-form training, enabling deeper reskilling and career reinvention. From March 2026, the allowance was extended to cover eligible part-time programme, allowing participants to continue working while completing training. In addition, **over 60,000 mid-career individuals have used their SkillsFuture Credit (Mid-Career) top-up**, launched in May 2024, to pursue substantive skills reboot programmes to enhance their employability.

Quality and learning experience

SSG holds each training provider and each course to quality assurance standards. In 2025, we removed 10 providers who did not meet our **Training Provider Quality Assessment** requirement.

We invest in adult educator quality, through supporting the Institute for Adult Learning (IAL). In 2025, SSG implemented a new registry system, under IAL, to ensure that SkillsFuture adult educators continually upskill themselves and keep in touch with both industry needs and new training methods.

To support learners in their training choices, we have built digital tools like the **Course Search** (beta release launched in late 2025) and the **Careers & Skills Passport** (launched in November 2024). When a learner makes an informed choice on the course, he will benefit from training that best suits his skill level, experience and context. We also took a proactive approach to disallow registered training providers from engaging third-party marketing agents to promote courses, as we found such promotions have tended to oversell and misguide learners.

Training quality improvement is a continual effort. For 2025, we are pleased to have maintained Training Quality and Outcomes Measurement (TRAQOM) quality indicator scores in a year where volume and demand have both risen substantially.

Employer relevance

Training must be relevant to the learner's current employer, or his future employer. As an indicator of relevance, employer-sponsored training places have increased steadily through the years. In 2025, **23,000 employers supported 247,000 employees to attend SSG-supported training**.

Starting 2026, SSG's assessment of the labour market's skills needs will be used as a basis to support new courses, while existing courses will be renewed if they pass the market test of obtaining sufficient employer-sponsored learners.

Skills-First

SSG has developed advanced labour market surveillance methods, to understand the skills demanded for by employers, and the tasks they expect new hires to deliver. In 2025, we pioneered new approaches to track impact of AI on employer requirements. With our support, IAL launched

the **Centre for Skills-First Practices** to proliferate the use of jobs-skills insights in workforce development, among employers, unions, individuals, and policymakers.

Importantly, with employers, to enable them to adopt skills-first mindsets and practices, we introduced digital products like **TalentTrack** and **TalentTrack+**, which provide insights into in-demand skills, identify workforce skills gaps, and recommend targeted training.

Partnerships

The progress we have made – in broadening access, raising quality, and tightening relevance – is possible only because of the strong partnership of providers, worker unions and professional bodies, and employers and employer associations.

Our **SkillsFuture Queen Bees** and **Skills Development Partners** co-develop and co-deliver skills solutions customised for particular sectors or professions. These collaborations enable SSG to anticipate emerging skills needs, and respond with agility to more specific requirements of particular workers and job roles.

In 2025, SSG partnered the Singapore Computer Society and the Infocomm Media Development Authority to introduce a **Skills Pathway for Cloud**, adding to the **Skills Pathway for Cyber-Security**. These pathways guide learners to the specific courses and credentials to secure an internship or job interview in these industry areas.

Looking Ahead Together

In July 2026, SSG and the Workforce Singapore (WSG) will merge to form the **Skills and Workforce Development Agency**. With skills development and employment facilitation under a single Agency, we will seek to pivot the SkillsFuture movement to emphasise more on holistic support for Singaporeans to acquire new skills, secure meaningful employment and progress in their careers. We need our partners' support in enabling this pivot, to more closely align training with career development.

Ultimately, in an ever-changing world, the SkillsFuture movement must give our workforce and our companies the wherewithal to ride the winds of change to adapt and prosper amid uncertainty. Adult learning must give confidence to the individual, to adapt to new technology, take on new roles, or simply do one's current job even better.

Board Members

Term of Appointment: 1 Oct 2024 - 30 Jun 2026

List of Appointed Board Members

- | | |
|---|--|
| 1. Mr Tan Kai Hoe (Chairman)
Group President & Chief Executive Officer
Accuron Technologies Limited | 8. Ms Dilys Boey
Chief Executive
Workforce Singapore (WSG) |
| 2. Mr Abdul Samad Bin Abdul Wahab
Vice President
National Trades Union Congress, Central Committee | 9. Ms Eleanor Seet
President/Head of Asia ex Japan
Amova Asset Management Asia Ltd |
| General Secretary
Union of Power and Gas Employees | 10. Ms Feon Ang
Managing Director, APAC
LinkedIn |
| 3. Ms Adeline Sim
Executive Director & Chief Corporate Officer
HRnetGroup | 11. Mr Low Soon Teck¹
Managing Director & Chief Executive Officer
Kuok Maritime Group Pte Ltd |
| 4. Mr Albert Pek
Divisional Director, Higher Education (Planning, Skills and Academic Research)
Ministry of Education (MOE) | 12. Ms Susan Chong
Chief Executive Officer
Greenphyto Pte Ltd |
| 5. Mr Ang Zhongren
Divisional Director, Infrastructure Facility & Services
Ministry of Education (MOE) | 13. Mr Tan Kok Yam
Chief Executive
SkillsFuture Singapore (SSG) |
| 6. Mr Chang Sau Sheong
Deputy Chief Executive
Government Technology Agency of Singapore (GovTech) | |
| 7. Mrs Deborah Ong
SkillsFuture Singapore (SSG) Board Member | |

¹ Appointed from 1 Oct 2025 – 30 Jun 2026

Board Committees

Term of Appointment: 1 Oct 2024 to 30 Jun 2026

Audit and Risk Committee

Chairman
Ms Deborah Ong

Members
Mr Albert Pek
Mr Chang Sau Sheong
Mr Low Soon Teck²

Investment Committee

Chairman
Ms Eleanor Seet

Co-Opted Members
Mr Hou Wey Fook
Ms Liew Tzu Mi

Grants Committee

Chairman
Mr Tan Kai Hoe

Members
Ms Dilys Boey
Ms Susan Chong

Remuneration Committee

Chairman
Mr Tan Kai Hoe

Members
Mr Abdul Samad bin Abdul Wahab
Mr Ang Zhongren
Ms Feon Ang

Learning Gateway Board

Chairman
Ms Susan Chong

Members
Mr Foo Piao Zhou
Mr Tan Kok Yam

Lifelong Learning Singapore Board

Chairman
Ms Adeline Sim

Members
Ms Catherine Lau
Mr Edward Leong
Ms Jaelle Ang
Mr Gino Tan
Mr Tan Kok Yam³
Mr Tan Tow Koon



² Appointed from 1 Nov 2025 – 30 Jun 2026

³ Appointed from 14 Oct 2024 – 30 Jun 2026

Corporate Governance

The SSG Board provides guidance and advice to SSG Management on all matters under SSG's purview, including its policy, regulatory and promotional roles. It also reviews and approves the strategic plans and budgets of SSG. SSG Board members come from diverse backgrounds such as unions, and private and public sectors. This allows SSG to tap their varied experiences and perspectives.

Audit and Risk Committee

The Audit and Risk Committee reviews and endorses SSG's audited financial statements, including the performance and independence of the external auditors. It provides oversight and guidance to ensure the effectiveness of the internal audit function, as well as reviews audit reports and management actions to strengthen the rigour of the system of internal controls. The Committee also provides oversight and guidance on risk management, including the review of updates and reports on matters relating to fraud and abuse management.

Investment Committee

The Investment Committee formulates investment strategy and policy, including the setting of objectives, risk tolerance, investment horizon, target return and investment cap, in accordance with the investment clause of the Skills Development Levy Act, for SSG's Board approval. The Committee oversees the implementation of these investment strategies and provides strategic guidance to the management of investments in line with investment policy and objectives. It also evaluates and approves SSG's investment instruments and their allocation, manages the appointment and termination of SSG's fund managers, as well as monitors and reports on the performance of SSG's investments and fund manager.

Grants Committee

The Grants Committee provides advice on funding principles and grant policies for SSG administered funds, and approves funding proposals valued up to \$30 million. It also reviews the proposed fund allocation for SSG-administered funds before they are tabled for the approval of the SSG Board and the Minister for Education.

Remuneration Committee

The Remuneration Committee endorses SSG's corporate performance grade before submitting its recommendation for SSG Board's approval. It also approves staff remuneration policies, including major changes to schemes of service, early exit schemes, and the appointment, promotion and performance bonuses for SSG senior management (i.e., Director and above). The Remuneration Committee further reviews and deliberates on staff appeals related to personnel matters, and disciplinary cases involving conviction in court and/or serious misconduct.

SSG Board Attendance for FY2025 (Apr 2025 – Mar 2026)

There were a total of four meetings held in this period (May 2025, Aug 2025, Nov 2025, Feb 2026).

No.	Board Member	Total
1	Mr Tan Kai Hoe (Chairman)	4
2	Mr Abdul Samad Bin Abdul Wahab	3
3	Ms Adeline Sim	3
4	Mr Albert Pek	4
5	Mr Ang Zhongren	3
6	Mr Chang Sau Sheong	1
7	Mrs Deborah Ong	2
8	Ms Dilys Boey	4
9	Ms Eleanor Seet	2
10	Ms Feon Ang	3
11	Mr Low Soon Teck	2
12	Ms Susan Chong	2
13	Mr Tan Kok Yam	4

Internal Audit

The Internal Audit Division (IAD) seeks to improve the effectiveness of SSG's governance, risk management and internal controls through its evaluation of the adequacy and effectiveness of internal controls, and compliance with established policies, procedures and regulatory requirements.

Risk Statement

The national SkillsFuture movement seeks to enable individuals to learn for life, pursue skills mastery, and develop fulfilling careers for a future-ready Singapore. To succeed, there must be public trust and confidence in our Continuing Education and Training (CET) sector.

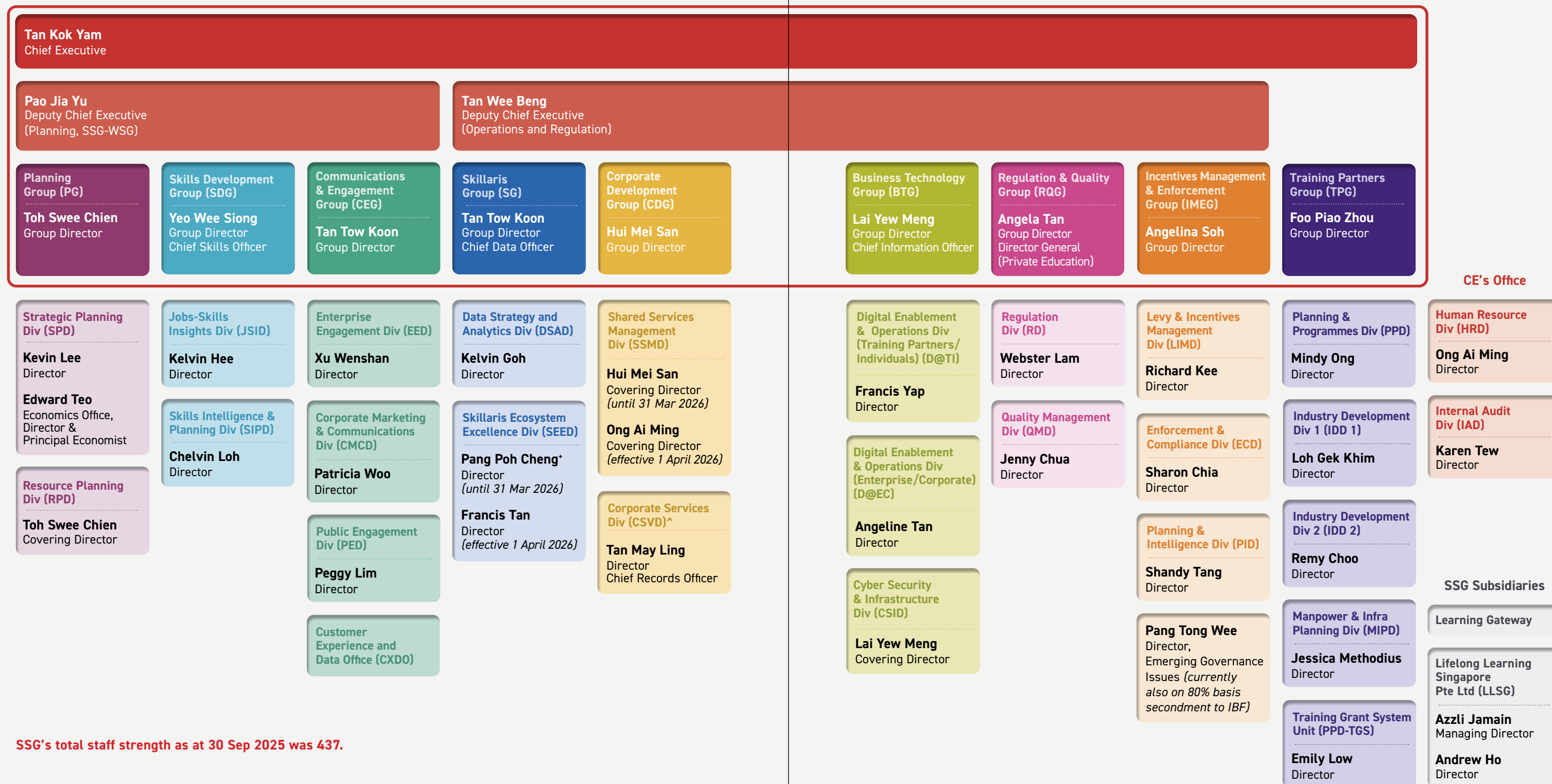
The CET sector has to continually innovate to anticipate and meet the rapidly changing demands of employers and jobseekers, and make best use of technology to do so. In order to mitigate risks that may arise from being at the cutting-edge, SSG will take appropriate measures, including active monitoring of learner feedback and learning outcomes, and improving or removing programmes thereafter.

SSG does not tolerate any incident or behaviour that erodes the credibility of the CET ecosystem, such as actions by training providers or other parties that mislead learners or abuse public funds. We will take robust control measures to prevent such incidents and deter such behaviours. Should such an incident occur, we will act decisively and commence recovery actions expeditiously.



Organisation Chart

As at 31 March 2026



SSG's total staff strength as at 30 Sep 2025 was 437.

— Leadership Group (LG)
+ Reports to DCE Wee Beng directly
^ Legal team within CSVD reports to DCE Wee Beng directly on legal matters

Key Achievements for FY2025



Key Achievements for FY2025



23 May 2025

Celebration of SkillsFuture 10th Anniversary

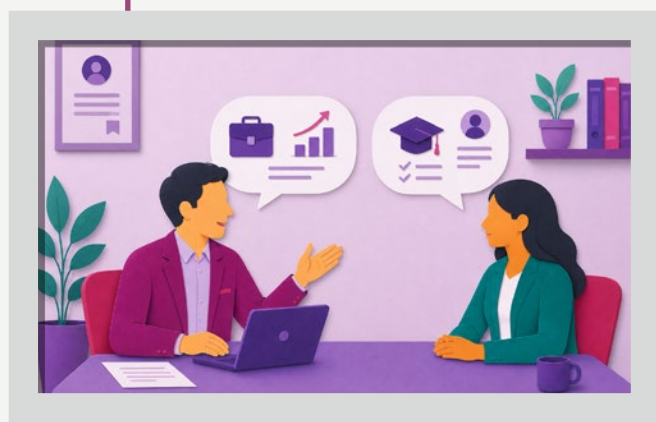
SSG commemorated the 10th anniversary of the SkillsFuture movement with the *SkillsFuture: The Next 10 event*. The refreshed SkillsFuture logo was also launched at the event to highlight the strong nexus between skills and careers.



26 May 2025

Publication of Private Education Institution (PEI) Graduate Employment Survey 2023/2024

SSG published a survey showing that nearly three-quarters of PEI graduates found employment within six months of graduation. Additionally, the median gross salary for full-time employment had increased.



7 July 2025

Launch of SkillsFuture Festival 2025

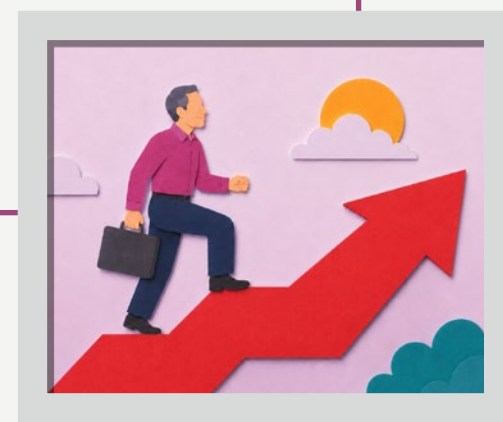
SkillsFuture Festival 2025 kicked off with the SkillsFuture Forum attended by Minister for Education (MOE) and Minister-in-Charge of Social Services Integration, Mr Desmond Lee and Senior Minister of State for Education and Sustainability and the Environment, Dr Janil Puthucheary. Additionally, the event introduced the Training and Adult Educator Professional Pathway and the Lifelong Learning Institute's rebranding to Lifelong Learning Singapore. UOB was also appointed as SkillsFuture Queen Bee at the event.



28 July 2025

Commemoration of the 10th Anniversary of SkillsFuture Work-Study Programme

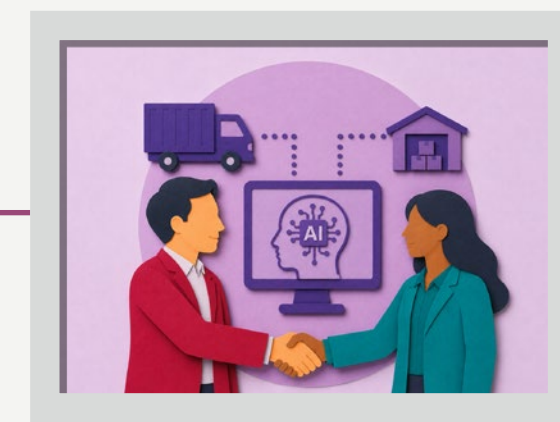
SkillsFuture Work-Study Programme's 10-year milestone was celebrated with the introduction of five new SkillsFuture Work-Study programmes targeting emerging needs, such as youth mental wellness and data science.



12 July 2025

Launch of New SkillsFuture Career Transition Programmes in Emerging Areas

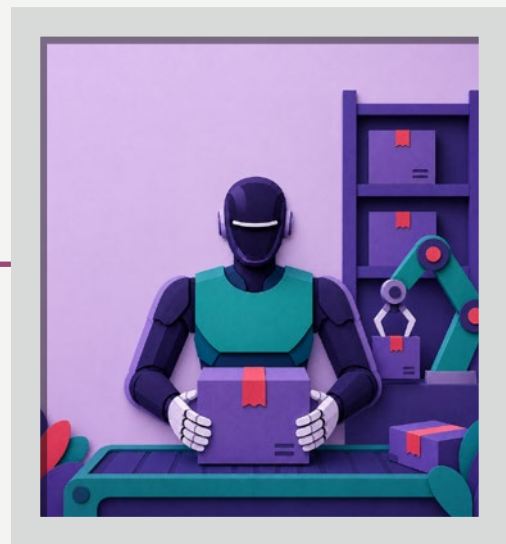
Institutes of Higher Learning (IHLs) strengthened support for the SkillsFuture movement in 2025 through the rollout of 54 new SkillsFuture Career Transition Programmes (SCTPs), helping mid-career individuals reskill and transition into emerging sectors.



6 August 2025

Appointment of the Second SkillsFuture Queen Bee for the Supply Chain and Logistics Sector

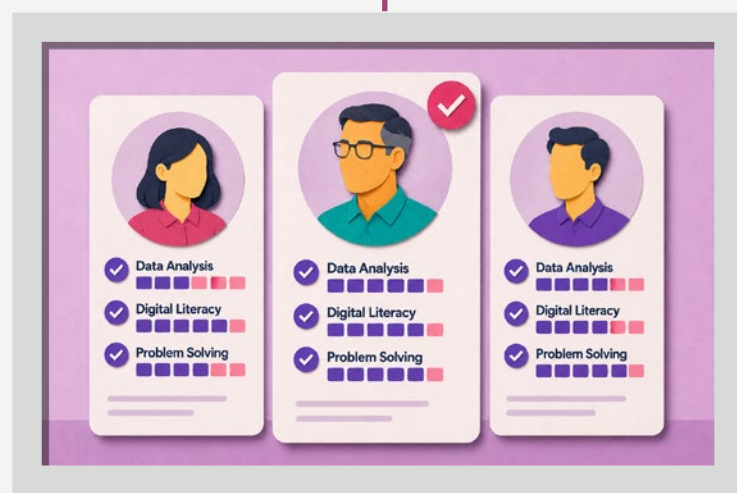
YCH Group was appointed as the second SkillsFuture Queen Bee for the supply chain and logistics sector. Under the tripartite partnership with SSG and the National Trades Union Congress (NTUC), it will support SMEs in business transformation and workforce skills development.



14 August 2025

Reappointment of ST Logistics as SkillsFuture Queen Bee

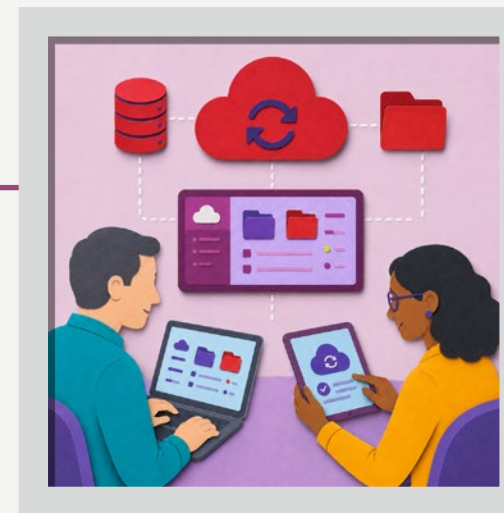
The reappointment of ST Logistics as a SkillsFuture Queen Bee reinforced its role as a catalyst for business and workforce transformation, supporting SMEs in skills development and the training of workers in the supply chain and logistics sector.



18 August 2025

Announcement of New Initiatives to Help Employers Adopt Skills-First Practices and Build Workforce Resilience at the SkillsFuture Human Capital Conference

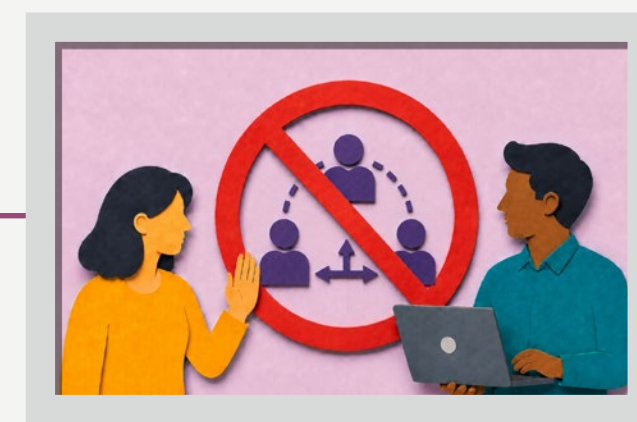
The SkillsFuture Human Capital Conference, which marked the culmination of SkillsFuture Festival 2025, featured several key announcements. These included the launch of TalentTrack and TalentTrack+ to help employers identify skills needs and adopt a skills-first approach to hiring and workforce development; Chrysalis, a new initiative that supports companies in building and scaling workplace learning capabilities; and the appointment of the Singapore Business Federation (SBF) as SSG's latest Skills Development Partner.



28 August 2025

Launch of New Skills Pathway for Cloud to Build Tech Talent Pipeline

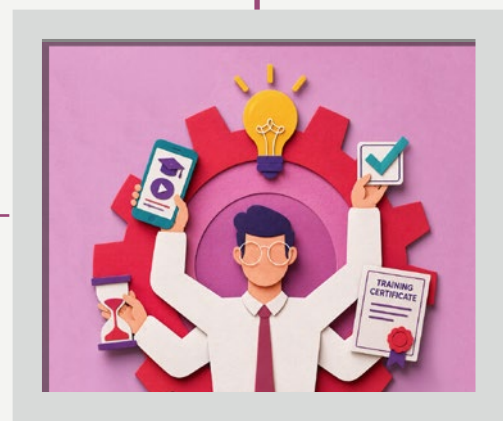
The Skills Pathway for Cloud, an initiative by Singapore Computer Society and supported by SSG and the Infocomm Media Development Authority (IMDA), was launched to develop professionals in cloud capabilities through a structured route to industry-recognised certifications, enhancing career prospects.



8 October 2025

Training Providers Banned from Using Third-Party Marketers

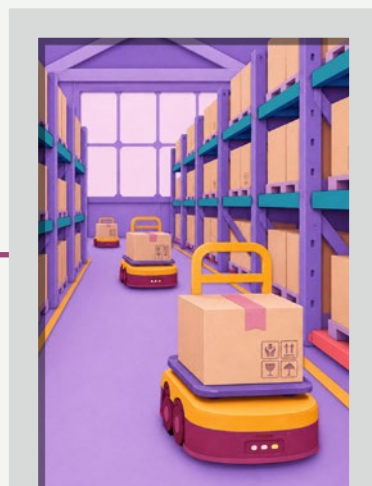
SSG introduced strengthened safeguards to protect learners' interests. Registered training providers will be prohibited from engaging third parties to promote or market courses directly to learners from 1 December 2025.



10 October 2025

Launch of Centre for Skills-First Practices

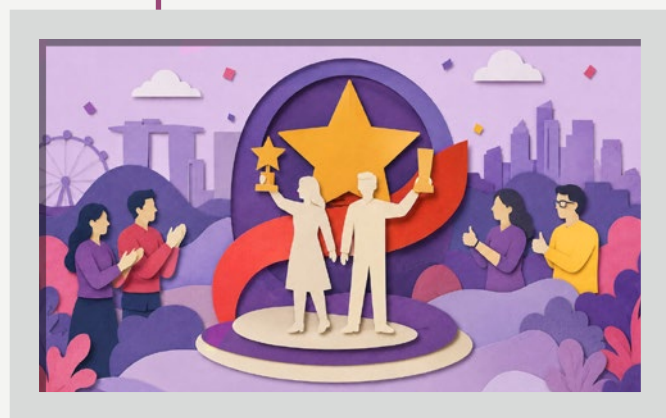
Launched by the Institute for Adult Learning and supported by SSG, the Centre for Skills-First Practices promotes the adoption of skills-first approaches in Singapore, in support of the SkillsFuture movement. SSG also announced the Skills Framework 2.0, the National Skills Framework revamp, and the publication of the joint Jobs-Skills Insights report to better support skills-first workforce development.



28 October 2025

Appointment of FairPrice Group as SkillsFuture Queen Bee

FairPrice Group was appointed as SkillsFuture Queen Bee under a tripartite partnership to support business and workforce transformation across its supplier network. Through NTUC's Company Training Committee, it will also help uplift workers in areas such as automation and workplace safety.



7 November 2025

Annual SkillsFuture Fellowships and SkillsFuture Employer Awards Ceremony 2025

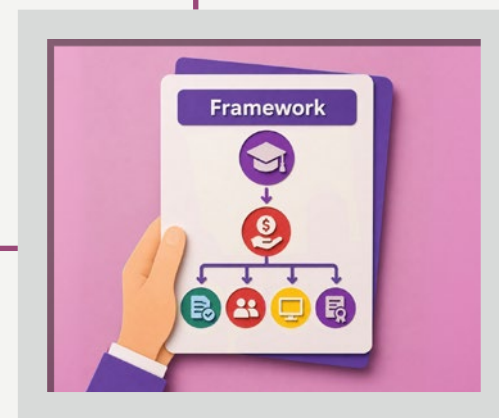
The annual SkillsFuture Fellowships and SkillsFuture Employer Awards ceremony honoured 16 individuals and 24 employers for their dedication to skills mastery and workforce development. In commemoration of the 10th anniversary of the SkillsFuture movement, a special accolade – the SkillsFuture 10th Anniversary Honours Award – was awarded to two companies for their commitment to workforce development and their leadership in advancing the national SkillsFuture movement within the community and the industry.



30 January 2026

Publication of the Green Skills Committee Report

SSG and the Ministry of Trade and Industry (MTI) published a report outlining green skills needed for a low-carbon economy and practical pathways to help individuals and enterprises build these capabilities.



27 January 2026

Announcement of the Enhanced Course Funding Guidelines and Skills Insights

SSG enhanced the course funding framework at the Training and Adult Education (TAE) Conference to encourage training providers to engage enterprises and develop industry-relevant programmes. At the event, SSG also shared insights on top skills trends to highlight in-demand and emerging skills.

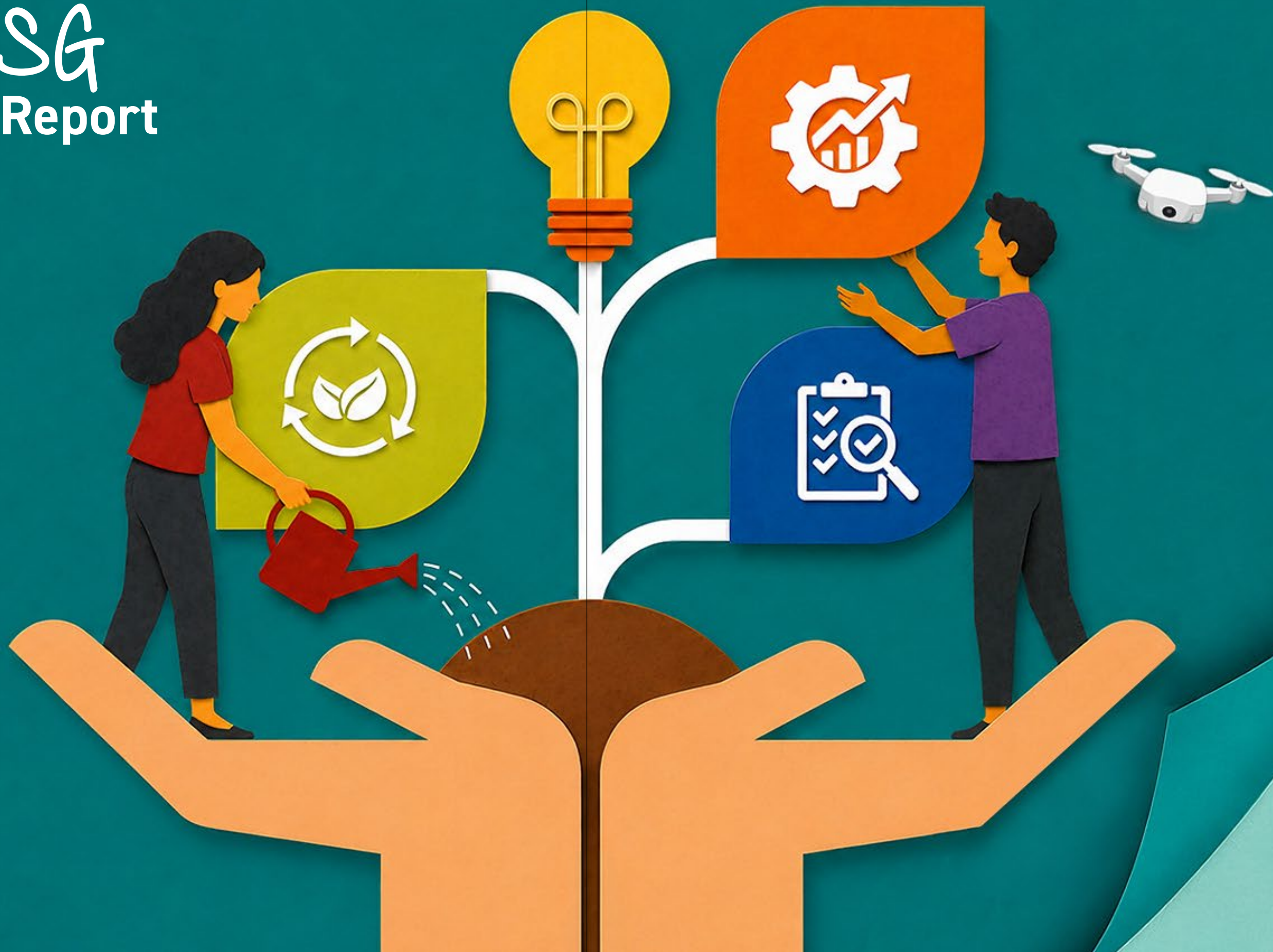


12 February and 3 March 2026

Announcement on the Formation of the Skills and Workforce Development Agency

Prime Minister Lawrence Wong announced at Budget 2026 the merger of SSG and WSG to form the SWDA, a statutory board jointly overseen by the Ministry of Manpower (MOM) and MOE. Minister for Manpower Tan See Leng subsequently shared further details on the merger in his Committee of Supply speech.

ESG Report



Our ESG Approach

SSG is committed to Environmental, Social and Governance (ESG) Sustainability to support an effective, responsive and inclusive Continuing Education and Training (CET) ecosystem. We strive to instil mindsets and practices in our people and organisation that will encourage them to care for the environment and our community.

Environmental Sustainability



Equipping Singaporeans to drive the green economy



Promoting environmentally sustainable practices



Supporting opportunities in green building



Social Sustainability



Building an inclusive training and adult education sector



Strengthening lifelong learning systems to provide Singaporeans with opportunities to develop their fullest potential throughout their careers



Advancing corporate social responsibility



Ensuring colleagues' health and safety



Supporting learning and development in ESG



Tracking ESG workforce metrics

Sustainability Governance



Enhancing sustainability governance structure



Strengthening the quality of training providers through assessment and monitoring



Encouraging partners to adopt sustainable practices





Environmental Sustainability

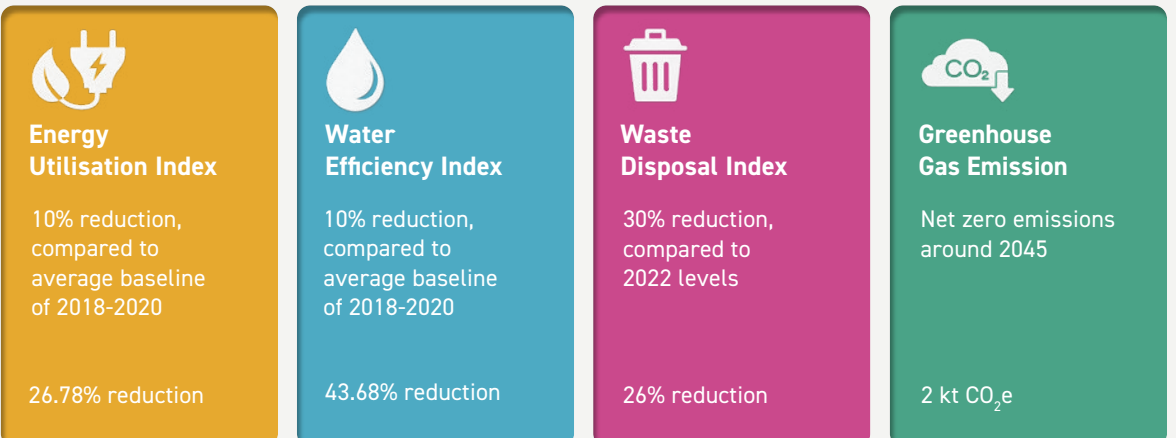


Environmental Targets and Performance

Continuing in our environmental sustainability efforts, SSG is on track to meet the GreenGov FY2030 targets and will keep striving towards achieving the following environmental targets:

GreenGov.SG's 2030 Target

SSG FY2025 Performance (vs baseline)

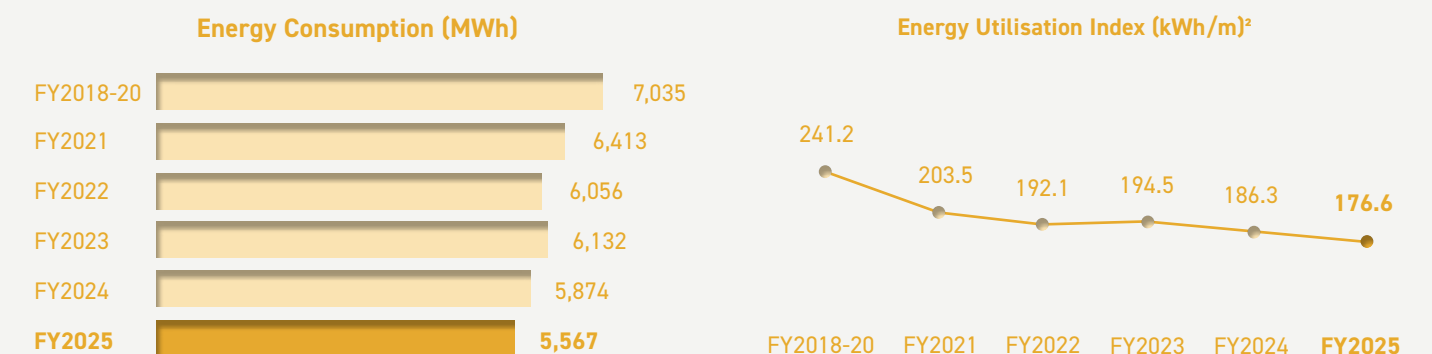


Energy, Water and Waste Indexes



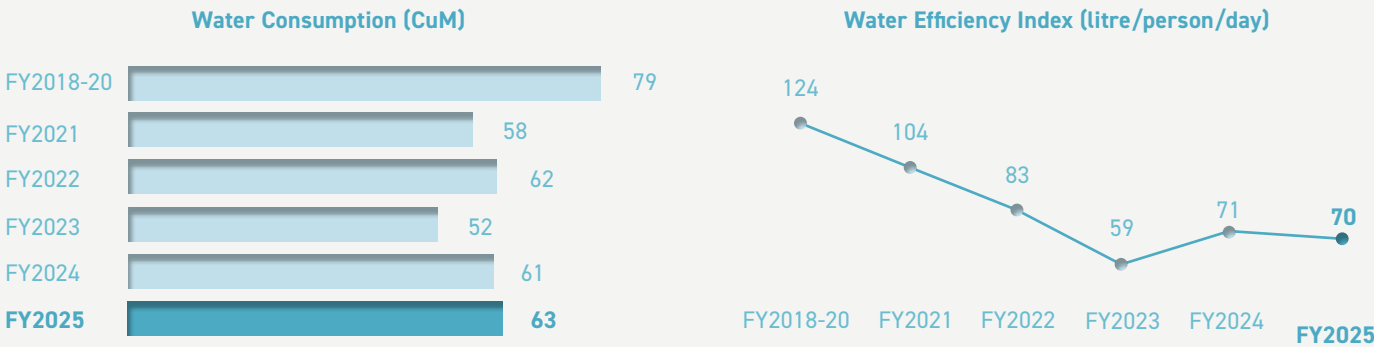
Energy

SSG's total energy consumption includes purchased electricity and diesel consumption of the backup generator at the office spaces in Paya Lebar Quarter 2, as well as landlord-controlled areas at its two CET campuses, the Devan Nair Institute of Employment and Employability and the Lifelong Learning Institute. SSG achieved a 20.9% reduction in energy consumption compared to the FY2018–FY2020 baseline, and a reduction by 5.2% compared to FY2024. The reduction was attributed primarily to the implementation of energy-saving measures in FY2025.



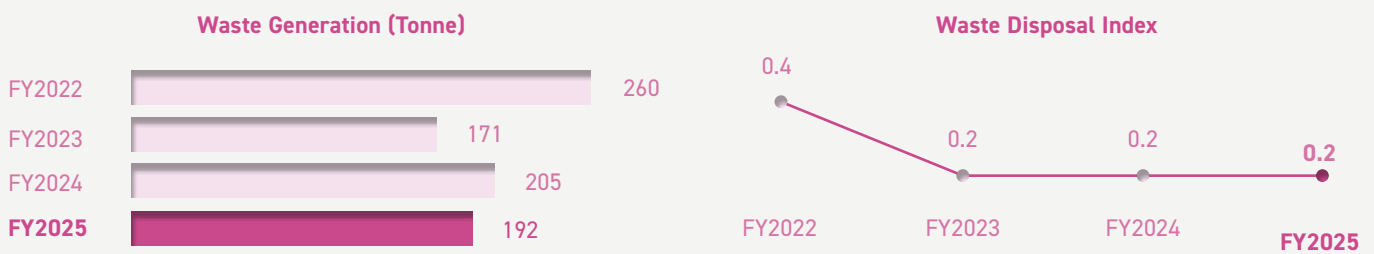
Water

SSG's total water consumption decreased by 20.2% compared to the baseline of FY2018–FY2020, although it increased by 3.9% from FY2024. The increase was due to higher occupancy following the return-to-office policy, as well as the increase in physical events and business activities at the SSG office at Paya Lebar Quarter 2, the Devan Nair Institute of Employability and Employment and the Lifelong Learning Institute.



Waste

SSG's total waste generation decreased by 25.7% as compared to the baseline of FY2022 and by 6.3% as compared to FY2024. The active implementation of recycling bins and increased environmental awareness has helped cultivate good practices among staff to reduce waste.



Environmental Management

As part of SSG's ongoing commitment to environmental sustainability and cultivating responsible habits, we have implemented the following initiatives at the SSG office at Paya Lebar Quarter 2, the Devan Nair Institute for Employment and Employability and the Lifelong Learning Institute:

Environmental Management	SkillsFuture Singapore Office	Devan Nair Institute for Employment and Employability and Lifelong Learning Institute
Energy Consumption - Office lights are switched off one hour earlier every Friday (implemented since April 2025). - Motion sensor-controlled lights have been installed in the pantry, corridors, open discussion areas, locker areas, and meeting/conference rooms. - Lights, power sockets and electrical devices in unoccupied rooms are switched off during and after office hours.	- The air-conditioning temperature is set to 25°C across both campuses. - Operating hours of the air-conditioning and office lighting have been reduced through later start times and earlier shutdowns. - LED lights are used in common areas. - The air-conditioning equipment has been upgraded to more energy-efficient models. - The chiller setpoint has been increased to a higher temperature.	
Water Consumption - Routine inspections are carried out to detect and rectify faulty taps, flushing mechanisms, and water leaks to minimise water wastage. - Water conservation posters are displayed in toilets to remind people about responsible water usage.	- Water conservation posters are displayed in toilets to remind people about responsible water usage. - Drip irrigation systems have been implemented for landscaping and fine-tuned irrigation timing for planters. - Water-efficient fittings have been installed in toilets.	
Waste Management - The usage of single-use disposables has been reduced by providing water refill stations and reusable mugs in the office, as well as water jugs and glasses for corporate meetings in the office. - Spent coffee beans are repurposed by staff as plant fertilisers. - Old newspapers are repurposed as bin liners. - Recycling bins are placed in pantries to promote recycling.	- Recycling bins have been placed in common areas to promote recycling. - Water refill stations have been installed to reduce the use of single-use cups.	



Green Buildings Certification

The Devain Nair Institute for Employment and Employability and the Lifelong Learning Institute were both awarded the Green Mark Platinum PE certification in recognition of their sustainability efforts that include exemplary water efficiency standards. Both campuses are working closely with consultants to renew the certifications ahead of their expiry in 2026.

Devain Nair Institute for
Employment and Employability

Green Mark
Platinum PE



Lifelong Learning Institute

Water Efficient
Building



Promoting Sustainability Culture

SSG promoted environmental awareness and sustainable behaviours through targeted outreach initiatives:

- **Organisation-wide eDMs were circulated to support national campaigns** such as Go Green SG, Car-Free Day, and the Say Yes to Waste Less movement, encouraging staff to adopt sustainable practices through greener transport choices and waste reduction efforts. Complementing these efforts, a learning journey with Semula was organised in July 2025 in conjunction with Plastic-Free July to raise awareness on reducing single-use plastics, featuring insights on sustainable practices and hands-on experiences in transforming plastic waste into useful items.
- A **waste audit exercise** was conducted at the SSG office in March 2026 to review current waste management practices. Following the audit, SSG will strengthen its waste management approach through clearer segregation guidance, targeted staff awareness and upstream waste reduction measures to minimise the contamination of recyclables and promote responsible disposal behaviours.

These initiatives support behaviour change, encourage responsible consumption and reinforce SSG's commitment to environmental sustainability.



Learning how to differentiate between different plastic types through the resin code.



Participants transformed plastic bottle cap resins into carabiners.



Social Sustainability



Driving the Green Jobs-Skills Transition

As co-secretariat of the Green Skills Committee (GSC) alongside the Ministry of Trade and Industry (MTI), SSG supports a multi-stakeholder platform dedicated to driving the green job-skills transition across key economic sectors. Through this platform and ongoing jobs-skills development efforts, SSG led the jobs-skills identification and development work with partner agencies across several green-transition focus areas, including clean energy, circular economy, sustainable foods, sustainable maritime, sustainability reporting and assurance, and carbon services and trading.

In 2025, these efforts culminated in the identification and development of a new Skills Framework for Carbon Services and Trading, and more than 30 new green jobs and skills. These newly developed jobs and skills were further translated into CET interventions to support workforce upskilling across the respective sectors.

To further support workforce green transition efforts, SSG launched a dedicated Green Resources webpage that serves as a centralised hub for resources, such as green jobs-skills insights, initiatives and SSG-developed user tools, including the Green Task and Job Evaluator. The Green Resources page is designed to help individuals, organisations and ecosystem partners assess and navigate green jobs and skill needs.

Building on these foundations, SSG is advancing its green transition efforts through a new initiative to establish a green skills definition and taxonomy contextualised to Singapore's context, alongside a methodology for mapping job tasks to green skills in alignment with the national jobs-skills taxonomy. This next phase of work reflects SSG's continued commitment to equipping the Singaporean workforce with the skills needed to thrive in a low-carbon economy.



Enhancing Inclusive Training: Enabling Persons with Disabilities Through Skills Development and Lifelong Learning

We have continued to expand training opportunities for Persons with Disabilities (PwDs), growing our suite of supported courses to close to 140 across various sectors and course types. These include training in areas such as Food & Beverage, Hotel & Accommodation, Early Childhood, and Information & Communication Technology, as well as customised Train-and-Place programmes for specialised job roles, Sheltered Workshop Programmes, and Independent Living and Work Skills courses that help PwDs build foundational skills. Between 2023 and 2025, we have supported the training of more than 2,200 PwDs, averaging more than 700 PwDs trained per year.

Looking ahead, we are exploring ways to scale up inclusive training delivery through technology, including the development of purpose-fit, inclusive training spaces that mainstream training providers can tap into to make more courses accessible to PwDs.

Collectively, these efforts reflect our commitment to fostering a more accessible and equitable learning ecosystem, empowering PwDs with the skills and opportunities needed for meaningful training and workforce participation.



Build Capabilities of Skills Development Partners (SDP) to Identify Sectoral Skills Needed and Drive Skills Adoption by Enterprises

We have successfully extended the appointments of our four SDPs —Singapore Computer Society (SCS), SGTech, Institute for Human Resource Professionals (IHRP) and the Institution of Engineers, Singapore (IES) — for another two years to prioritise initiatives that support skill development and drive strong employment outcomes.

SSG also appointed a fifth SDP, the Singapore Business Federation (SBF), to drive skill development initiatives in sustainability, trade and internationalisation.

From Apr 2023 to Dec 2025, the four SDPs have collectively supported over 1,300 enterprises and channelled more than 4,300 employees and self-sponsored individuals into SSG-supported training programmes.

Under the Skills Articulation pillar of work, the SDPs have developed 15 jobs-skills insights and engaged enterprises across 20 industry events to showcase these insights.

Under the Skills Recognition pillar of work, the SDPs have rolled out the following initiatives with the following achievements:

a. Singapore Computer Society (SCS)

Skills Pathway for Cybersecurity (SPCyber)

Facilitated 245 successful placements across 13 participating employers since its launch in July 2024.

Skills Pathway for Cloud (SPCloud)

Supported by the Infocomm Media Development Authority (IMDA) and SSG, SPCloud has 14 major employers on board to strengthen the talent pipeline for the cloud sector since its launch in August 2025.

b. SGTech

AI Impact Series (AIS)

Launched in September 2025 to bridge the skills gap between AI awareness and practical application, AIS drew on insights from SGTech's Skills and Training Advisory Clinics with over 20 industry sectors. It completed four corporate runs and one public run. SGTech has also promoted AIS to 139 enterprises and 364 individuals.



Cultivate and Leverage SkillsFuture Queen Bees to Champion the Recognition and Rewarding of Skills

As of 31 December 2025, SSG had appointed 39 SkillsFuture Queen Bees, with over 20 currently active. Three organisations were appointed in 2025: United Overseas Bank (UOB), YCH Group (YCH) and Fairprice Group (FPG). In addition, four SkillsFuture Queen Bees — ST Engineering Land Systems, ST Logistics, YCH Group and FairPrice Group — were appointed under the new Tripartite Partnership with SSG and the National Trades Union Congress.

As of December 2025, more than 7,200 enterprises, over 80 per cent of which are Small and Medium-sized Enterprises (SMEs), have benefitted from the skills advisory support and curated training interventions, such as SSG-supported courses in in-demand and emerging areas provided by the Queen Bee companies.

In 2025, more than 2,000 enterprises took up SSG-supported training curated or delivered by the SkillsFuture Queen Bees.

In Q1 2026, to help SMEs harness the potential of AI and in support of the National AI Impact Programme, SSG launched the SME AI Skills Launchpad in partnership with SkillsFuture Queen Bees. Through this initiative, our partners will expand the provision of AI masterclasses and advisory services to help SMEs access grants, solutions and training opportunities.



Curated AI-Related Courses for workers to build AI Literacy for the Digital Economy

As part of the Whole-of-Government's National AI Impact Programme, SSG has partnered with the Ministry of Digital Development and Information (MDDI) and IMDA to identify the AI-related skills required across five worker profile archetypes. These archetypes provide a structured framework for curating SkillsFuture-supported training, enabling workers at different stages of their careers to acquire AI competencies that are relevant to their job roles and industry needs.

To date, there are over 1,600 AI-related courses available on MySkillsFuture website, expanding access to AI learning opportunities. SSG will continue to strengthen support for individuals in navigating the evolving AI landscape, enabling them to build the skills and confidence to harness AI effectively in their careers.



Employee Development and Engagement

Employment Metrics

Employment

Total Turnover 42 resignees (i.e. 9.7% turnover)

Total Number of Employees 431 (as of 31 March 2026)

Building Corporate Resilience to Steward Workers into the Future

- Developed a structured **leadership development framework** endorsed by SSG Leadership Group in June 2025 to enhance SSG's leadership quotient, implement leadership initiatives and guide SSG in upping the leadership quotient.
- Launched the **360-feedback exercise** for all Deputy Directors in June 2025 to allow them to gain insights and feedback from their supervisors, peers and subordinates regarding their strengths and weaknesses as part of their leadership development and growth. Follow-up interventions included report debrief and action-planning sessions, one-to-one executive coaching, and participating in small learning groups. A similar exercise will be rolled out for other middle-manager groups in 2026.
- Launched **SSG's inaugural peer mentoring programme** for newly minted Heads of Department (HODs) in April 2025. This was done alongside the continued offering of executive coaching services to HODs and above, and the provision of leadership and executive development training programmes and workshops to strengthen leadership capabilities.
- Established **leadership networking and learning platforms**, such as SSG Leaders Hub on Microsoft Teams and HR365, to facilitate peer connections, collective learning, and the sharing of leadership resources, programmes and experiences.
- Organised **Career Agency Bootcamp Workshops** for all officers, including leaders, to strengthen and manage their career journey. Separate sessions were also conducted for Reporting Officers, and HODs and above, to strengthen their capabilities in career coaching and supporting the development of their officers in November 2025.

Enhancing Staff's Well-Being

- Organised **SSG's inaugural Kidz@Work** event on 3 October 2025, providing a meaningful experience for more than 200 attendees, comprising SSG officers and their family members. The event strengthened parent-child bonds and gave families greater insight into SSG's work and workplace environment.
- Introduced **subsidised Civil Service Club (CSC) memberships** to enhance staff welfare offerings and support employees' social, recreational and well-being needs through greater access to lifestyle and wellness benefits.
- Improved employees' access to wellness-related resources through the launch of the **Health & Wellness Hub** on the HR365 portal, a one-stop platform for easy access to SSG's health and wellness programmes and initiatives.

- Launched the **Employee Interest Circle (EIC) policy** to strengthen workplace cohesion by encouraging employee-led communities and providing opportunities for officers to connect through shared interests and activities.
- Organised a **Learn over Lunch session** on menopause and workplace support to raise awareness and support employee well-being.
- Organised **health and eye screenings**, as well as **flu vaccination exercises**, in August 2025, to promote preventive healthcare and support employee well-being.

Supporting Officers' Learning and Growth

- Revamped the **SSG Educational Awards** in September 2025 by enhancing the funding quantum and revising the eligibility criteria to support more officers in pursuing their lifelong learning aspirations.
- Partnered with respective groups and divisions to identify **Functional Competencies** for job roles as part of SSG's continued Competency Driven Growth (CDG) adoption journey. Additionally, we developed the **SSG Competency Finder** to support the officers' competency development.
- Partnered with divisions to **conduct workshops, Learn Over Lunch sessions, courses** on topics such as Agentic AI, Data Analytics, Procurement and Theory of Change to strengthen staff capabilities.
- Onboarded **One Talent Gateway (OTG)** to enhance the officers' career development opportunities and mobility across the Public Service.
- Organised **career development workshops** for officers to be aware of career pathways and resources, and to encourage officers to take greater ownership of their career planning and development.
- Strengthened internal **sustainability enablement** through organisational learning initiatives in digitalisation and community support, including capability-building in data and analytics, to support digitalisation efforts and improve decision-making, as well as partnerships and platforms, such as the Adult Learning Exchange and learning journeys, to promote continuous learning, knowledge-sharing and organisational resilience.



Development and Training Metric

Development and Training

Average training hours per employee 23.7

Updated Recruitment Practices and Expanding Young Talent Resources

- Implemented **Workplace Fairness Legislation & Tripartite Guidelines** on Fair Employment Practices in SSG, including enhancements to SSG's recruitment processes and training for hiring managers and HR officers, to ensure alignment with national and Whole-of-Government guidelines.
- Implemented **Graduate Industry Traineeship @ Gov (GRIT@Gov)** and hired four trainees, in support of the Public Service Division's (PSD) efforts to provide employment opportunities for unemployed undergraduates.
- Expanded **internship offerings** through the introduction of new programmatic internships and onboarded more interns to augment the divisions' manpower resourcing needs.

Ensuring Emergency Preparedness and Resilience

Emergency response and business continuity arrangements are in place to safeguard personnel safety and guide effective crisis response and recovery during adverse events. These are actively supported by ongoing staff engagement to reinforce emergency preparedness and organisational resilience, with the regular conducting of crisis response exercises, fire evacuation drills and training of Certified First Aiders.

Occupational Health and Safety

Fatalities	0	Recordable Injuries	0
High-consequence Injuries	0	Recordable Work-related Ill Health Cases	0

SSG is pleased to report zero workplace-related fatalities, high-consequence injuries, recordable injuries or ill health cases in FY2025.

Sustainability Governance



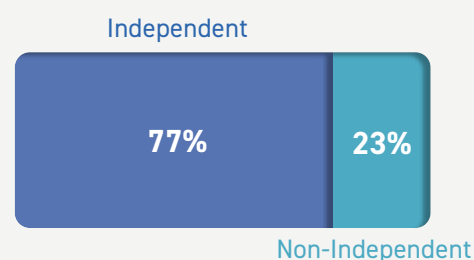


Sustainability Governance Structure



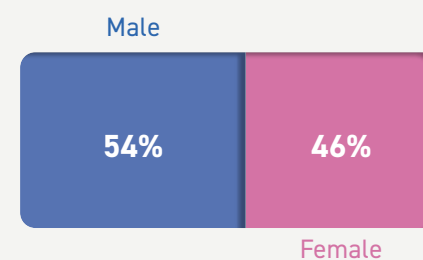
Board Composition

Board Independence



- 77% of SSG's Board members are from organisations not affiliated with SSG.
- The Board comprises members from diverse private sector backgrounds, including audit, investment, employment facilitation and green technology. 54% of members are from the private sector.

Board Diversity



- Women comprise 46% of the Board, reflecting SSG's commitment to gender balance in leadership.
- Age diversity is demonstrated by 23% of members being under the age of 50, bringing fresh perspectives alongside seasoned experience.

The Board also benefits from minority representation, ensuring a diversity of viewpoints that reflect Singapore's multicultural society.



Enhancing ESG Governance and Oversight

SSG has established a sustainability governance framework to strengthen ESG's oversight and integrate ESG into annual work planning and reporting processes. Sustainability initiatives were further embedded into the 2026 Corporate Planning Guide through expert engagements and presentations to management, enhancing the focus on material ESG priorities.

A sustainability guide and toolkit were also developed to support divisions in identifying material topics, stakeholder engagement and ESG metrics, complemented by consultant-led sessions to guide ESG planning and implementation.



Strengthening Course Governance and Quality Assurance

SSG has strengthened its course governance and quality assurance through a series of targeted initiatives to raise quality standards, improve oversight and ensure registered courses deliver the intended learning outcomes they seek to achieve. These initiatives include enhancements to course renewal criteria that assess courses across aspects of activity, quality, and relevance, and a watchlisting mechanism to identify and intervene on underperforming courses.

Post-Approval Course Quality Checks (CQCs)

In January 2025, CQCs were introduced. It served as a developmental tool for Training Providers, enabling the early identification of areas for improvement, before courses are offered to a wider pool of learners. By reviewing the actual materials used in course delivery and assessment, CQCs provide Training Providers with the timely and actionable insights they need to strengthen their course offerings. These complement the Training Providers' own internal quality assurance processes.



Sustainable Procurement

SSG remains committed to sustainable procurement, with practices aligned with GreenGov.sg guidelines and public sector principles of transparency, fairness and cost-effectiveness.



Annexes

Environmental Data Table

Performance Indicators	Measurement	FY2018-20 (Baseline)	FY2021	FY2022	FY2023	FY2024	FY2025
Greenhouse Gas (GHG) Emissions							
Scope 1 Emissions Standby Generators (Diesel)	tonnes CO ₂ e		0	0	0	0	0
Scope 2 Emissions Electricity Purchased	tonnes CO ₂ e		3	3	3	2.4	2.28
Total Scope 1 & 2 Emissions	tonnes CO ₂ e		3	3	3	2.4	2.28
Electricity Consumption							
Electricity Consumption	kWh	7,035,141	6,412,829	6,055,552	6,131,670	5,873,529	5,567,065
Energy Utilisation Index (EUI)	kWh/m ²	241.2	203.5	192.1	194.5	186.3	176.6
Water Consumption							
Water Consumption	kg	79,463	57,644	61,514	52,388	61,133	63,407
Water Usage Index (WUI)	litres/person/day	124.3	103.9	121.7	59	71	70
Waste Generation							
Waste Disposed	258,823			258,823	171,383	205,179	192,272
Waste Disposal Index	kg/person/day			0.4	0.2	0.2	0.2

Note: The FY2024 environmental data for water consumption and waste generation has been restated following a review of the underlying data. the restated figures provide a more accurate basis for the indexes and the year-on-year comparison.

Definitions and Methodologies

Greenhouse Gas Emissions

Organisational Control

SSG reports our GHG emissions in accordance with the GHG Protocol Corporate Standard and adopts the operational control approach. This includes SSG’s leased office space at Paya Lebar Quarter 2 and its two CET centres—the Devan Nair Institute of Employability and Employment and the Lifelong Learning Institute.

Emissions Factor for Scope 1

Scope 1 emissions refer to the direct emissions that occur from sources that are owned or controlled by SSG and the standby generator (diesel) used in the Lifelong Learning Institute. The emission factor for the standby generator (diesel) is obtained from the GHG Protocol’s Emissions Factor for Cross-Sector Tools (using gas/diesel oil).

Emission Factor for Scope 2

Scope 2 emissions refer to the indirect emissions that result from the use of purchased electricity. The emission factor for Scope 2 was calculated based on the Energy Market Authority’s Grid Emission Factor for FY2025 at 0.412 kg.

Energy Utilisation Index (EUI)

Baseline EUI:

Total energy consumption of SSG Agency premises between FY2018 and FY2020 (kWh)

Total Floor Area of SSG Agency premises between FY2018 and FY2020 (m²)

EUI:

Total energy consumption of SSG Agency premises in FY2025 (kWh)

Total Floor Area of SSG Agency premises in FY2025 (m²)

Water Efficiency Index (WEI)

Baseline WEI:

Total water consumption of SSG Agency premises between FY2018 and FY2020 x 1,000 (litre)

[Avg number of operational days per year between FY2018 to FY2020 for SSG Agency premises X (Avg number of staff per day + (0.25 X Avg number of visitors per day for SSG Agency premises))]

WEI:

Total water consumption of SSG Agency premises in FY2025 x 1,000 (litre)

[Avg number of operational days per year in FY2025 for SSG Agency premises X (Avg number of staff per day + (0.25 X [Avg number of visitors per day for SSG Agency premises]))]

Waste Disposal Index (WDI)

Baseline WDI:

Total waste disposed from SSG Agency premises in FY2022 x 1,000 (tonnes)

[Avg number of operational days per year in FY2022 for SSG Agency premises X (Avg number of staff per day + (0.25 X Avg number of visitors per day for SSG Agency premises))]

WDI:

Total waste disposed from SSG Agency premises in FY2025 x 1,000 (tonnes)

[Avg number of operational days per year in FY2025 for SSG Agency premises X (Avg number of staff per day + (0.25 X [Avg number of visitors per day for SSG Agency premises]))]

For the financial year ended 31 March 2026

SkillsFuture Singapore Agency and its Subsidiaries

44	Statement by the Board of SkillsFuture Singapore Agency
45	Independent Auditor’s Report
50	Consolidated Statement of Comprehensive Income
52	Statement of Comprehensive Income
54	Statements of Financial Position

For the financial year ended 31 March 2026

55	Consolidated Statement of Changes in Equity
56	Statement of Changes in Equity
57	Consolidated Statement of Cash Flows
58	Notes to the Financial Statements



Statement by the Board of SkillsFuture Singapore Agency

For the financial year ended 31 March 2026

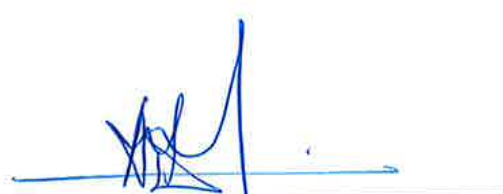
In our opinion:

- (a) the accompanying financial statements of SkillsFuture Singapore Agency (“the Agency”) and its subsidiaries (“the Group”), set out on pages 50 to 124 are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018 (the “PSG Act”), SkillsFuture Singapore Agency Act 2016 (“the Act”), and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to present fairly, in all material respects, the state of affairs of the Group and the Agency as at 31 March 2026, and the results and changes in equity of the Group and the Agency and cash flows of the Group for the financial year ended on that date;
- (b) the receipt, expenditure, investments of moneys and the acquisition and disposal of assets by the Agency during the financial year have been in accordance with the provisions of the Act; and
- (c) proper accounting and other records have been kept, including records of all assets of the Agency whether purchased, donated or otherwise.

The Agency and Workforce Singapore Agency (“WSG”) were merged to form Skills and Workforce Development Agency (“SWDA”) with effect from 1 July 2026. Following the formation of SWDA, pursuant to Part 9 of the Skills and Workforce Development Agency Act 2026, all assets and liabilities of the Agency were transferred to, and will continue to exist under SWDA, being the merged statutory board. As a result, the Agency continues to prepare the consolidated financial statements on a going concern basis (Note 1 to the financial statements of the Agency). On 1 July 2026, the Agency ceased to exist.

The Board of SWDA has authorised the former Board Chairman and former Chief Executive of the Agency to approve these financial statements for issue.

On behalf of the Board of SkillsFuture Singapore Agency



Tan Kai Hoe
Former Board Chairman of
SkillsFuture Singapore Agency

30 July 2026



Tan Kok Yam (Chen Guyan)
Former Chief Executive of
SkillsFuture Singapore Agency

Independent Auditor's Report**Report on the Audit of the Financial Statements****Our Opinion**

In our opinion, the accompanying consolidated financial statements of SkillsFuture Singapore Agency (“the Agency”) and its subsidiaries (“the Group”) and the statement of financial position, statement of comprehensive income and statement of changes in equity of the Agency are properly drawn up in accordance with the provisions of the Public Sector (Governance) Act 2018, Act 5 of 2018 (the “PSG Act”), SkillsFuture Singapore Agency Act 2016 (“the Act”), and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to present fairly, in all material respects, the state of affairs of the Group and the Agency as at 31 March 2026 and the results and changes in equity of the Group and the Agency and cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Group and the Agency comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 March 2026;
- the statement of comprehensive income of the Agency for the financial year then ended;
- the statements of financial position of the Group and the Agency as at 31 March 2026;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Agency for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 *Auditors’ responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group 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.

Independent Auditor's Report

Report on the Audit of the Financial Statements (continued)**Other Information**

Management is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditors' 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.

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 PSG Act, the Act and SB-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.

A statutory board is constituted based on its constitutional act and its dissolution requires Parliament's approval. In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is intention to wind up the Group or for the Group to cease operations.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Independent Auditor's Report

Report on the Audit of the Financial Statements (continued)**Auditor's Responsibilities for the Audit of the Financial Statements** (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements

Our Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Agency during the year are, in all material respects, in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Agency; and
- (b) proper accounting and other records have been kept, including records of all assets of the Agency whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Compliance Audit* section of our report. We are independent of the Group in accordance with the 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 on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Agency. This responsibility includes monitoring related compliance requirements relevant to the Agency, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements (continued)

Auditors' Responsibility for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the PSG Act, the Act and the requirements of any other written law applicable to moneys of or managed by the Agency.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

The engagement partner on the audit resulting in this independent auditor's report is Maurice Loh Seow Wee.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 30 July 2026

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2026

Group	Note	General Fund		Restricted Funds		Total	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Operating income	3	1,540	1,482	-	-	1,540	1,482
Other income	4	1,299	2,370	22,162	20,876	23,461	23,246
Other (losses)/gains	5	(2)	(4)	1	(2)	(1)	(6)
		2,837	3,848	22,163	20,874	25,000	24,722
Expenditure							
Amortisation of intangible assets	11	(12,868)	(8,668)	(7,666)	(12,796)	(20,534)	(21,464)
Depreciation expense	10	(5,765)	(4,087)	(8,846)	(10,515)	(14,611)	(14,602)
Staff costs	6	(80,969)	(75,499)	(7,388)	(6,206)	(88,357)	(81,705)
Reimbursement expenses	7	-	-	(11,086)	(11,566)	(11,086)	(11,566)
Campus management fee	8	-	-	(1,377)	(1,266)	(1,377)	(1,266)
Grant (disbursements)/refunds		(2,766)	(4,121)	(10,675)	2,761	(13,441)	(1,360)
Rental of office premises and property taxes		(2,419)	(2,537)	(594)	(402)	(3,013)	(2,939)
Professional services		(33,805)	(35,704)	(1,174)	(2,011)	(34,979)	(37,715)
Maintenance expenses		(44,969)	(43,443)	(8,525)	(12,264)	(53,494)	(55,707)
Public relations		(16,982)	(15,331)	(88)	(60)	(17,070)	(15,391)
Others		(15,361)	(15,732)	(1,543)	(2,402)	(16,904)	(18,134)
		(215,904)	(205,122)	(58,962)	(56,727)	(274,866)	(261,849)
Deficit before government grant		(213,067)	(201,274)	(36,799)	(35,853)	(249,866)	(237,127)

Consolidated Statement of Comprehensive Income

For the financial year ended 31 March 2026

Group	Note	General Fund		Restricted Funds		Total	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Add							
Grants from government	25	211,002	195,932	21,680	13,935	232,682	209,867
Deferred capital grants amortised	22	13,614	9,396	16,380	23,406	29,994	32,802
		224,616	205,328	38,060	37,341	262,676	242,669
Surplus before contribution to Consolidated Fund		11,549	4,054	1,261	1,488	12,810	5,542
Contribution to Consolidated Fund	24	(1,891)	(537)	-	-	(1,891)	(537)
Income tax expense	9	-	-	(223)	(373)	(223)	(373)
Net surplus, representing total comprehensive income for the year		9,658	3,517	1,038	1,115	10,696	4,632

Statement of Comprehensive Income

For the financial year ended 31 March 2026

	Note	General Fund		Restricted Funds		Total	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Agency							
Operating income	3	1,540	1,482	-	-	1,540	1,482
Other income	4	1,462	3,687	18,409	17,407	19,871	21,094
Other (losses)/gains	5	(2)	(4)	1	-	(1)	(4)
		3,000	5,165	18,410	17,407	21,410	22,572
Expenditure							
Amortisation of intangible assets	11	(12,868)	(8,668)	(7,666)	(12,796)	(20,534)	(21,464)
Depreciation expense	10	(5,755)	(4,065)	(8,838)	(10,504)	(14,593)	(14,569)
Staff costs	6	(70,048)	(66,069)	(6,642)	(5,569)	(76,690)	(71,638)
Reimbursement expenses	7	-	-	(11,086)	(11,566)	(11,086)	(11,566)
Campus management fee	8	-	-	(4,923)	(4,534)	(4,923)	(4,534)
Grant (disbursements)/refunds		(22,892)	(24,057)	(9,283)	2,980	(32,175)	(21,077)
Rental of office premises and property taxes		(2,224)	(2,540)	-	-	(2,224)	(2,540)
Professional services		(32,908)	(34,113)	(1,073)	(1,925)	(33,981)	(36,038)
Maintenance expenses		(44,515)	(42,708)	(4,983)	(9,280)	(49,498)	(51,988)
Public relations		(10,385)	(10,242)	-	-	(10,385)	(10,242)
Others		(14,900)	(14,875)	(584)	(1,335)	(15,484)	(16,210)
		(216,495)	(207,337)	(55,078)	(54,529)	(271,573)	(261,866)
Deficit before government grant		(213,495)	(202,172)	(36,668)	(37,122)	(250,163)	(239,294)

Statement of Comprehensive Income

For the financial year ended 31 March 2026

	Note	General Fund		Restricted Funds		Total	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Agency							
Add							
Grants from government	25	211,002	195,932	20,288	13,716	231,290	209,648
Deferred capital grants amortised	22	13,614	9,396	16,380	23,406	29,994	32,802
		224,616	205,328	36,668	37,122	261,284	242,450
Surplus before contribution to Consolidated Fund		11,121	3,156	-	-	11,121	3,156
Contribution to Consolidated Fund	24	(1,891)	(537)	-	-	(1,891)	(537)
Net surplus, representing total comprehensive income for the year		9,230	2,619	-	-	9,230	2,619

Statements of Financial Position

As at 31 March 2026

	Note	Group		Agency	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Non-current assets					
Trade and other receivables	14	-	-	1,000	1,000
Property, plant and equipment	10	137,546	149,359	137,487	149,342
Intangible assets	11	22,193	26,774	22,193	26,774
Deferred tax assets	12	108	86	-	-
Investments in subsidiaries	13	-	-	-	-
		159,847	176,219	160,680	177,116
Current assets					
Trade and other receivables	14	25,558	23,102	100,363	89,728
Cash and cash at bank	15	130,954	125,505	43,287	43,903
Deposits and prepayments	16	6,599	6,597	6,319	5,307
		163,111	155,204	149,969	138,938
Total assets		322,958	331,423	310,649	316,054
Equity attributable to shareholders of the Agency					
Share capital	17	4,944	4,145	4,944	4,145
Capital reserves	18	17,678	17,678	18,028	18,028
Accumulated surplus:					
General Fund		76,331	66,673	70,968	61,738
Restricted Funds	19	2,355	1,317	-	-
Total equity		101,308	89,813	93,940	83,911
Non-current liabilities					
Lease liabilities	20	-	2,116	-	2,116
Provision for reinstatement costs	21	3,783	5,092	3,783	5,092
Deferred capital grants	22	153,697	167,026	153,697	167,026
Other payables	23	1,901	1,104	-	-
		159,381	175,338	157,480	174,234
Current liabilities					
Lease liabilities	20	2,116	4,913	2,116	4,913
Other payables	23	51,485	59,816	49,080	52,365
Provision for contribution to Consolidated Fund	24	1,891	537	1,891	537
Income tax payable	9	283	391	-	-
Provision for reinstatement costs	21	1,902	-	1,902	-
Government grants received in advance	25	4,592	615	4,240	94
		62,269	66,272	59,229	57,909
Total liabilities		221,650	241,610	216,709	232,143
Total equity and liabilities		322,958	331,423	310,649	316,054
Net assets/(liabilities) of trust and agency funds					
Skills Development Fund	26	1,561,412	1,493,902	1,561,412	1,493,902
Lifelong Learning Endowment Fund	27	4,080	1,824	4,080	1,824
National Productivity Fund	28	(29,935)	(104,339)	(29,935)	(104,339)
SkillsFuture Jubilee Fund	29	22,038	21,790	22,038	21,790

Consolidated Statement of Changes in Equity

For the financial year ended 31 March 2026

	Note	Share capital \$'000	Capital reserve \$'000	Accumulated surplus General fund \$'000	Restricted fund \$'000	Total \$'000
Group						
2026						
Beginning of financial year		4,145	17,678	66,673	1,317	89,813
Net surplus for the year, representing total comprehensive income for the year		-	-	9,658	1,038	10,696
Issue of share capital	17	799	-	-	-	799
End of financial year		4,944	17,678	76,331	2,355	101,308
2025						
Beginning of financial year		4,145	17,678	67,108	202	89,133
Net surplus for the year, representing total comprehensive income for the year		-	-	3,517	1,115	4,632
Dividend paid	33	-	-	(3,952)	-	(3,952)
End of financial year		4,145	17,678	66,673	1,317	89,813

Statement of Changes in Equity

For the financial year ended 31 March 2026

	Note	Share capital \$'000	Capital reserve \$'000	Accumulated surplus General fund \$'000	Restricted fund \$'000	Total \$'000
Agency						
2026						
Beginning of financial year		4,145	18,028	61,738	-	83,911
Net surplus for the year, representing total comprehensive income for the year		-	-	9,230	-	9,230
Issue of share capital	17	799	-	-	-	799
End of financial year		4,944	18,028	70,968	-	93,940
2025						
Beginning of financial year		4,145	18,028	63,071	-	85,244
Net surplus for the year, representing total comprehensive income for the year		-	-	2,619	-	2,619
Dividend paid	33	-	-	(3,952)	-	(3,952)
End of financial year		4,145	18,028	61,738	-	83,911

Consolidated Statement of Cash Flows

For the financial year ended 31 March 2026

	Note	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Deficit before government grant		(249,866)	(237,127)
Adjustments for:			
Amortisation and depreciation		35,145	36,066
Loss on disposal of property, plant and equipment	5	-	2
Intangible assets expensed off		-	69
Write off of property, plant and equipment		60	-
Interest expenses		465	679
Interest income	4	(2,815)	(3,883)
Reversal of overprovision for reinstatement costs	5	(1)	-
		(217,012)	(204,194)
Changes in:			
Trade and other receivables		2,233	(3,129)
Deposits and prepayments		(2)	(1,708)
Other payables		(7,572)	(8,011)
Restricted cash		704	(1,561)
Cash used in operations		(221,649)	(218,603)
Contribution to Consolidated Fund		(537)	(810)
Income tax paid		(353)	(153)
Net cash used in operating activities		(222,539)	(219,566)
Cash flows from investing activities			
Purchase of property, plant and equipment (Note A)		(2,503)	(713)
Purchase of intangible assets	11	(15,953)	(15,789)
Interest received		1,261	2,848
Net cash used in investing activities		(17,195)	(13,654)
Cash flows from financing activities			
Grants received from government	25	250,227	210,456
Payment of lease liabilities	20	(4,913)	(4,688)
Interest paid	20	(226)	(451)
Dividend paid	33	-	(3,952)
Proceeds from issuance of share capital	17	799	-
Net cash generated from financing activities		245,887	201,365
Net increase/(decrease) in cash and cash equivalents		6,153	(31,855)
Cash and cash equivalents at beginning of the year		123,944	155,799
Cash and cash equivalents at end of the year	15	130,097	123,944
Note A			
Addition of property, plant and equipment	10	2,860	923
Less: Reinstatement cost provided	21	(357)	(210)
		2,503	713

Notes to the Financial Statements

For the financial year ended 31 March 2026

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

1. General

The SkillsFuture Singapore Agency ("the Agency") was established in the Republic of Singapore under the SkillsFuture Singapore Agency Act 2016. The address of the registered office and principal place of operations of the Agency is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533.

The Agency, under the Ministry of Education ("MOE") has been formed to drive and coordinate the implementation of the national SkillsFuture movement, promote a culture and holistic system of lifelong learning through the pursuit of skills mastery, and strengthen the ecosystem of quality education and training in Singapore.

The Agency absorbed the Council for Private Education, previously a statutory board under MOE.

The principal activities of the subsidiaries are described in Note 13 to the financial statements.

The principal activities of the Agency are:

- (a) to plan and develop policies, programs and services that provide, or support the provision, of adult education and further education;
- (b) to promote, facilitate and assist in the identification, development and upgrading of skills and competencies for the current, emerging and future needs of the Singapore workforce;
- (c) to develop, in consultation with employers and relevant representatives of commerce or industry, models for the provision of adult education or further education for the purposes of developing skills;
- (d) to promote a national approach to the provision of adult education and further education through collaboration and cooperation between universities, public sector post-secondary education institutions and other providers of adult education or further education;
- (e) to provide funding for the provision or promotion of, or taking part in, or to encourage participation in, adult education and further education (wherever held) that is responsive to the needs of commerce or industry or employers;

Notes to the Financial Statements

For the financial year ended 31 March 2026

1. General (continued)

The principal activities of the Agency are: (continued)

- (f) to defray or subsidise any costs or expenses incurred or to be incurred in connection with any absence from work of any person to take part in any adult education or further education;
- (g) to promote public awareness in Singapore of the importance of adult education and further education and encourage enthusiasm for lifelong learning;
- (h) to collect, compile and analyse data about the provision of adult education or further education;
- (i) to accredit, or facilitate accreditation by others in Singapore, of providers of or courses in adult education or further education (even if the course is developed outside Singapore);
- (j) to facilitate the improvement of quality of courses in adult education or further education provided in Singapore, including the standard of teachers and trainers in Singapore of these courses;
- (k) to promote or undertake research in Singapore into matters relating to adult education and further education;
- (l) to facilitate public availability of meaningful and accurate information relating to the quality of courses in adult education or further education provided in Singapore (even if the course is developed outside Singapore);
- (m) to provide career guidance services and facilities to assist students prepare to enter the labour market and to other people;
- (n) to administer the Private Education Act 2009 in accordance with that Act and the Skills Development Fund in accordance with the Skills Development Levy Act 1979;
- (o) to cooperate and collaborate with the Workforce Singapore Agency ("WSG") in the discharge of its functions under the Workforce Singapore Agency Act 2003; and
- (p) to perform such other functions as may be conferred on the Agency by any other Act.

In carrying out its principal activities, the Agency disburses grants received from MOE and administers grant disbursements under other trust funds as disclosed in Notes 26 to 29.

Notes to the Financial Statements

For the financial year ended 31 March 2026

1. General (continued)

The Agency and WSG were merged to form Skills and Workforce Development Agency with effect from 1 July 2026. Following the formation of Skills and Workforce Development Agency, pursuant to Part 9 of the Skills and Workforce Development Agency Act 2026, all assets and liabilities of the Agency were transferred to, and will continue to exist under Skills and Workforce Development Agency, being the merged statutory board. On 1 July 2026, the Agency ceased to exist.

After the merger, the operations and activities of the Agency continue to exist under Skills and Workforce Development Agency. As such, it is still appropriate for the Agency to continue to prepare this set of financial statements on a going concern basis. Accordingly, assets and liabilities are recognised, measured and presented on the basis that the Agency is able to realise its assets and discharge its liabilities in the normal course of business. Disclosures about commitments, financial instruments, and agency funds and any other off-balance sheet transactions are made on the basis that the Agency will undertake these transactions in the normal course of business.

2. Material accounting policy information**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Statutory Board Financial Reporting Standards ("SB-FRS"), including interpretations of SB-FRS ("INT SB-FRS") and SB-FRS Guidance Notes as promulgated by the Accountant-General under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of the financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2025

On 1 April 2025, the Group adopted the new or amended SB-FRS and Interpretations to SB-FRS ("INT SB-FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

The adoption of these new or amended SB-FRS and INT SB-FRS did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial periods.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.2 Currency translation****(a) Functional and presentation currency**

The financial statements of each entity in the Group are measured using the currency of the primary economic environment in which each entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the Agency's functional currency. All information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

(b) Transactions and balances

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

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in statement of comprehensive income.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.3 Income**

- (a) Income from services rendered in the ordinary course of the Agency's operations is recognised when the Agency satisfies a performance obligation ("PO") to the customer. Invoices issued are payable within 30 days.
- (i) Application fees
- Income from application fees are recognised at a point in time when the application for Singapore Workforce Skills Qualifications ("WSQ") credential have been approved.
- (ii) Annual fees
- Income from annual fees are recognised over time, being the period (2 years) over which the EduTrust Certificates issued to Private Education Institutes are applicable.
- (iii) Income from rendering of services
- Income from rendering of services (including EduTrust certification fees – application and assessment fees) are recognised at a point in time when the services have been rendered.
- (b) Interest income comprises interest income on deposits held with Accountant-General's Department ("AGD"). Interest income is recognised as it accrues in statement of comprehensive income, using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.4 Employee benefits***(a) Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of comprehensive income in the periods during which related services are rendered by employees. Contributions on the employees' salaries are made to the Central Provident Fund ("CPF") as required by law. The CPF contributions are recognised as expenses in the period when the employees rendered their services.

(b) Short-term employee benefits

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

(c) Employee leave entitlements

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

2.5 Grant disbursement

Grant disbursements are recognised as an expense in the statement of comprehensive income when there is an obligation to disburse.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.6 Government grants received**

The Group receives various types of grants to meet its operating and development expenditure.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred capital grant in the statement of financial position and transferred to income or expenditure on a systematic and rational basis over the useful lives of the related assets.

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 Group with no future related costs are recognised in income or expenses in the period in which they become receivable.

2.7 Trust funds

Trust funds are set up to account for funds held in trust where the Agency is not the owner and beneficiary of the funds received from the Government and other organisations.

Skills Development Fund ("SDF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*. Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 26.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.7 Trust funds (continued)**Lifelong Learning Endowment Fund ("LLEF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*. Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using cash basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 27.

National Productivity Fund ("NPF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*. Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 28.

SkillsFuture Jubilee Fund ("SFJF")

The net asset of the fund is presented at the bottom of the Statement of Financial Position as prescribed by SB-FRS Guidance Note 3 *Accounting and Disclosures for Trust Funds*. Income and expenditure relating to the fund are accounted for directly in the fund to which they relate using accruals basis of accounting. Details of the purpose, income, expenditure, assets and liabilities relating to the trust fund are disclosed separately in Note 29.

2.8 Restricted funds

These are funds earmarked for specific purposes and for which separate disclosure is necessary as these funds are material. There are legal and other restrictions on the ability of the Agency to distribute or otherwise apply its funds. The treatment is in accordance with Guidance Note 1 issued by the AGD. Restricted funds are accounted for on an accrual basis. They are accounted for separately in the Statements of Comprehensive Income and the assets and liabilities are disclosed separately in Note 19 of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.9 Contribution to Consolidated Fund**

In lieu of income tax, the Agency is required to make contribution to the Consolidated Fund in accordance with the Statutory Corporations (Contributions to Consolidated Fund) Act 1989. The provision is based on the guidelines specified by the Ministry of Finance. It is computed based on the net surplus of the Agency for each of the financial period at the prevailing corporate tax rate for the Year of Assessment. Contribution to consolidated fund is provided for on an accrual basis.

2.10 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.10 Income taxes (continued)**

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in statement of comprehensive income, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.11 Group accounting

Subsidiaries

(a) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.11 Group accounting (continued)**

Subsidiaries (continued)

(b) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

(c) Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to statement of comprehensive income or transferred directly to retained earnings if required by a specific SB-FRS.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in statement of comprehensive income.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.12 Property, plant and equipment**

(a) Measurement

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

(b) Components of cost

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also recognised as part of the cost of property, plant and equipment if the obligation for the dismantlement, removal or restoration is incurred as a consequence of either acquiring the asset or using the asset for purpose other than to produce inventories.

(c) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Work-in-progress included in property, plant and equipment are not depreciated as these assets are not available for use.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.12 Property, plant and equipment (continued)

(c) Depreciation (continued)

The estimated useful lives for the current and comparative years are as follows:

Furniture and fittings	8 years
Office equipment	5 years
Computer equipment	3 to 5 years
Leasehold land	25 years
Mechanical and electrical equipment	10 years
Building	25 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted as appropriate.

(d) Subsequent expenditure

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

(e) Disposal

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

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.13 Intangible assets

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

Computer software are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated based on the cost of the asset, less its residual value. Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

Computer software pertains to systems developed for the Agency’s operations.

The estimated useful lives for the current and comparative period are as follows:

Computer software	3 to 5 years
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The amortisation period and amortisation method of intangible assets are reviewed at the end of each reporting period. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

An item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income in the year the asset is derecognised.

2.14 Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (“CGU”) exceeds its estimated recoverable amount.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.14 Impairment of non-financial assets (continued)**

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in statement of comprehensive income. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.15 Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment losses in the Agency's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in statement of comprehensive income.

2.16 Financial instrumentsFinancial assets**(i) Classification and measurement**

The Group classifies its financial assets as measured at amortised cost.

The classification is based on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.16 Financial instruments (continued)**Financial assets (continued)**(ii) At initial recognition**

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

(iii) At subsequent measurement

Debt instruments mainly comprise of cash and cash at bank, deposits, and other receivables.

There is one subsequent measurement categories based on the Group's business model for managing the asset and the cash flow characteristics of the asset:

- **Amortised cost:** Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(iv) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.16 Financial instruments (continued)**Financial assets (continued)**(v) Impairment**

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 34 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SB-FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities**(i) Recognition and derecognition**

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of comprehensive income.

(ii) Initial and subsequent measurement

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.17 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the AGD which are subject to an insignificant risk of changes in value, and are used by the Group in the management of its short-term commitments.

2.19 Other payables

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

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

2.20 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for restoration cost

A provision for site restoration is recognised when there is a projected cost of dismantlement, removal or restoration as a consequence of using a leased property and land during a particular period. The provision is measured at the present value of the restoration cost expected to be paid upon termination of the lease agreement.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.21 Leases****(a) When the Group is the lessee:**

- Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.21 Leases (continued)****(a) When the Group is the lessee: (continued)**

- Lease liabilities

For a contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone prices of the lease and non-lease components. The Group has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in statement of comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

- Short term and low value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to statement of comprehensive income on a straight-line basis over the lease term.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.21 Leases (continued)****(b) When the Group is the lessor****Lessor – Operating leases**

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in statement of comprehensive income on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in statement of comprehensive income over the lease term on the same basis as the lease income.

2.22 Share capital

Shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Operating income

	Group and Agency	
	2026	2025
	\$'000	\$'000
Application fees	1,228	1,206
Annual fees	178	146
Income from rendering of services	134	130
	1,540	1,482

Operating income is generated in Singapore.

4. Other income

	Group		Agency	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Interest income from:				
- Centralised Liquidity Management ("CLM") deposits held with AGD	2,815	3,883	2,517	3,459
Rental income	10,217	9,338	10,454	9,825
Pay per use facilities income	4,368	4,153	4,466	4,486
Service income	3,729	3,806	-	-
Carpark fee income	873	795	873	795
Others	1,459	1,271	1,561	2,529
	23,461	23,246	19,871	21,094

5. Other (losses)/gains

	Group		Agency	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Loss on disposal of property, plant and equipment	-	(2)	-	-
Reversal of overprovision for reinstatement costs	1	-	1	-
Currency translation losses	(2)	(4)	(2)	(4)
	(1)	(6)	(1)	(4)

Notes to the Financial Statements

For the financial year ended 31 March 2026

6. Staff costs

	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Wages, salaries and staff related costs	77,306	70,967	67,351	62,350
Contributions to defined contribution plans	8,677	8,680	7,257	7,420
Staff training and benefits	2,308	1,995	2,027	1,814
Skills Development Levy	66	63	55	54
	88,357	81,705	76,690	71,638

7. Reimbursement expenses

	Group and Agency	
	2026 \$'000	2025 \$'000
Net rental returned to SDF	11,086	11,566

The Agency received grant from SDF for the development of two Continuing Education and Training ("CET") campuses. Rental income collected from the operation of the CET campuses, after deduction of relevant costs, have been given back to SDF.

8. Campus management fee

	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Campus management fee	1,377	1,266	4,923	4,534

Campus management fee relates to the amount retained by the two CET Campus Operators to fund their operating expenses.

Notes to the Financial Statements

For the financial year ended 31 March 2026

9. Income taxes

(a) Income tax expense

Current tax expense

Current year
Over provision in prior years

Deferred tax credit

Current year

Tax expense

	Group	
	2026 \$'000	2025 \$'000
Current tax expense	289	397
Over provision in prior years	(44)	(24)
	245	373
Deferred tax credit	(22)	-
	223	373

The tax on profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group	
	2026 \$'000	2025 \$'000
Reconciliation of effective tax rate		
Profit before income tax of subsidiaries	1,689	2,475
Tax calculated using Singapore tax rate of 17% (2025: 17%)	287	421
Statutory stepped income exemption	(25)	(30)
Non-taxable income	(274)	(14)
Non-deductible expenses	279	20
Over provision in prior years	(44)	(24)
	223	373

Notes to the Financial Statements

For the financial year ended 31 March 2026

9. Income taxes (continued)

(b) Movements in current income tax liabilities

	Group	
	2026	2025
	\$'000	\$'000
Beginning of financial year	391	171
Income tax paid	(353)	(153)
Tax expense	289	397
Over provision in prior years	(44)	(24)
End of financial year	283	391

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Property, plant and equipment

	Furniture and fittings \$'000	Office equipment \$'000	Computer equipment \$'000	Leasehold land \$'000	Mechanical and electrical equipment \$'000	Building \$'000	Construction- in-progress \$'000	Total \$'000
Group 2026								
Cost								
Beginning of financial year	14,554	2,744	4,463	29,868	3,842	206,758	60	262,289
Additions	50	60	51	-	1,008	351	1,340	2,860
Disposals/Write-off	(1,877)	(128)	(1,166)	-	(21)	(4)	(60)	(3,256)
End of financial year	12,727	2,676	3,348	29,868	4,829	207,105	1,340	261,893
Accumulated depreciation								
Beginning of financial year	12,188	2,634	3,804	9,979	2,701	81,624	-	112,930
Depreciation	857	86	293	1,193	276	11,906	-	14,611
Disposals/Write-off	(1,877)	(128)	(1,166)	-	(21)	(2)	-	(3,194)
End of financial year	11,168	2,592	2,931	11,172	2,956	93,528	-	124,347
Net book value								
End of financial year	1,559	84	417	18,696	1,873	113,577	1,340	137,546

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Property, plant and equipment (continued)

	Furniture and fittings \$'000	Office equipment \$'000	Computer equipment \$'000	Leasehold land \$'000	Mechanical and electrical equipment \$'000	Building \$'000	Construction- in-progress \$'000	Total \$'000
Group 2025								
Cost								
Beginning of financial year	14,380	2,795	3,819	29,868	3,845	208,666	-	263,373
Additions	210	-	653	-	-	-	60	923
Disposals/Write-off	(36)	(51)	(9)	-	(3)	(1,908)	-	(2,007)
End of financial year	14,554	2,744	4,463	29,868	3,842	206,758	60	262,289
Accumulated depreciation								
Beginning of financial year	11,367	2,579	3,605	8,786	2,349	69,739	-	98,425
Depreciation	857	104	208	1,193	355	11,885	-	14,602
Disposals/Write-off	(36)	(49)	(9)	-	(3)	-	-	(97)
End of financial year	12,188	2,634	3,804	9,979	2,701	81,624	-	112,930
Net book value								
End of financial year	2,366	110	659	19,889	1,141	125,134	60	149,359

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Property, plant and equipment (continued)

	Furniture and fittings \$'000	Office equipment \$'000	Computer equipment \$'000	Leasehold land \$'000	Mechanical and electrical equipment \$'000	Building \$'000	Construction- in-progress \$'000	Total \$'000
Agency 2026								
Cost								
Beginning of financial year	14,554	2,557	4,367	29,868	3,810	206,758	60	261,974
Additions	50	-	51	-	1,008	351	1,340	2,800
Disposals/Write-off	(1,877)	(102)	(1,166)	-	(21)	(4)	(60)	(3,230)
End of financial year	12,727	2,455	3,252	29,868	4,797	207,105	1,340	261,544
Accumulated depreciation								
Beginning of financial year	12,188	2,455	3,715	9,979	2,671	81,624	-	112,632
Depreciation	857	76	286	1,193	275	11,906	-	14,593
Disposals/Write-off	(1,877)	(102)	(1,166)	-	(21)	(2)	-	(3,168)
End of financial year	11,168	2,429	2,835	11,172	2,925	93,528	-	124,057
Net book value								
End of financial year	1,559	26	417	18,696	1,872	113,577	1,340	137,487

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Property, plant and equipment (continued)

	Furniture and fittings \$'000	Office equipment \$'000	Computer equipment \$'000	Leasehold land \$'000	Mechanical and electrical equipment \$'000	Building \$'000	Construction- in-progress \$'000	Total \$'000
Agency 2025								
Cost								
Beginning of financial year	14,380	2,589	3,717	29,868	3,813	208,666	-	263,033
Additions	210	-	653	-	-	-	60	923
Disposals/Write-off	(36)	(32)	(3)	-	(3)	(1,908)	-	(1,982)
End of financial year	14,554	2,557	4,367	29,868	3,810	206,758	60	261,974
Accumulated depreciation								
Beginning of financial year	11,367	2,404	3,521	8,786	2,320	69,739	-	98,137
Depreciation	857	83	197	1,193	354	11,885	-	14,569
Disposals/Write-off	(36)	(32)	(3)	-	(3)	-	-	(74)
End of financial year	12,188	2,455	3,715	9,979	2,671	81,624	-	112,632
Net book value End of financial year	2,366	102	652	19,889	1,139	125,134	60	149,342

Notes to the Financial Statements

For the financial year ended 31 March 2026

11. Intangible assets

2026

Cost

	Computer software \$'000	Assets under development \$'000	Total \$'000
Beginning of financial year	136,296	1,376	137,672
Additions	14,532	1,421	15,953
Transfer	1,315	(1,315)	-
Disposals/Expensed-off	(2,107)	-	(2,107)
End of financial year	150,036	1,482	151,518

Accumulated amortisation

Beginning of financial year	110,898	-	110,898
Amortisation	20,534	-	20,534
Disposals/Write-off	(2,107)	-	(2,107)
End of financial year	129,325	-	129,325

Net book value

End of financial year	20,711	1,482	22,193
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2025

Cost

Beginning of financial year	119,232	2,922	122,154
Additions	14,936	853	15,789
Transfer	2,330	(2,330)	-
Disposals/Expensed-off	(202)	(69)	(271)
End of financial year	136,296	1,376	137,672

Accumulated amortisation

Beginning of financial year	89,636	-	89,636
Amortisation	21,464	-	21,464
Disposals/Write-off	(202)	-	(202)
End of financial year	110,898	-	110,898

Net book value

End of financial year	25,398	1,376	26,774
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Notes to the Financial Statements

For the financial year ended 31 March 2026

12. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

	2026 \$'000	2025 \$'000
Deferred tax assets	380	363
Deferred tax liabilities	(272)	(277)
Net deferred tax assets	108	86

Movement in deferred tax assets and liabilities of the Group (prior to offsetting of balances) during the year are as follows:

	Beginning of financial year \$'000	Recognised in profit or loss \$'000	End of financial year \$'000
2026			
Deferred tax assets			
Lease liabilities	299	(5)	294
Provisions	64	22	86
	363	17	380
Deferred tax liabilities			
Property, plant and equipment	(3)	-	(3)
Right-of-use assets	(274)	5	(269)
	(277)	5	(272)
Net deferred tax assets	86	22	108
2025			
Deferred tax assets			
Lease liabilities	586	(287)	299
Provisions	55	9	64
	641	(278)	363
Deferred tax liabilities			
Property, plant and equipment	(9)	6	(3)
Right-of-use assets	(546)	272	(274)
	(555)	278	(277)
Net deferred tax assets	86	-	86

Deferred tax assets in respect of deductible temporary differences have been recognised because Management assessed that it is probable that future taxable profit will be available against which the Company can utilise these benefits. The deductible temporary differences do not expire under current legislation.

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Investments in subsidiaries

	Agency 2026 \$'000	2025 \$'000
Equity investments at cost	-	-

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Effective equity held by the Agency 2026 %	2025 %
<u>Held by the Agency</u>			
Learning Gateway Ltd ("LG") ⁽ⁱ⁾	Singapore	100	100
<u>Held by LG</u>			
Lifelong Learning Singapore Pte. Ltd. ("LLSG") ⁽ⁱⁱ⁾	Singapore	100	100

⁽ⁱ⁾ LG was incorporated on 17 May 2013 as a board limited by guarantee, with no share capital.

⁽ⁱⁱ⁾ LLSG is a wholly-owned subsidiary of LG, incorporated on 12 August 2013.

Notes to the Financial Statements

For the financial year ended 31 March 2026

14. Trade and other receivables

	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Other receivables	10,150	7,610	8,803	5,595
Amount due from related parties:				
- WSG	5,360	5,761	5,360	5,761
- NPF	678	583	678	583
- LLEF	64	46	64	46
- MOE	9,306	9,102	9,306	9,102
Amount due from subsidiaries				
- Other receivables	-	-	4,848	7,206
- Grants disbursed in advance ⁽ⁱ⁾	-	-	72,304	62,435
	25,558	23,102	101,363	90,728
Current portion	25,558	23,102	100,363	89,728
Non-current portion	-	-	1,000	1,000
	25,558	23,102	101,363	90,728

- (i) Grants disbursed in advance to LG serves as a sinking fund to finance major campus improvement, replacement and tenancy renovation works for the two CET campuses. Grants are disbursed to LLSG for their role as organiser of lifelong learning activities. In accordance with the Agreement for Lease, LG is required to pay all or part of the monies received to the Agency upon request.

The credit period on rendering of services is 30 days (2025: 30 days).

The amount due from subsidiaries and related parties are unsecured, interest-free and repayable within a credit period of 30 days.

Credit risks and impairment losses

The Group and the Agency's exposure to credit risks, and impairment losses for trade and other receivables, are disclosed in Note 34.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Cash and cash at bank

	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
CLM deposits held with AGD	130,954	125,505	43,287	43,903
Deposits are placed with AGD in accordance with AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD under the CLM and are available to the statutory boards upon requests, earning interest at the average rate of 2.06% (2025: 3.09%) per annum.				
For the purpose of presenting the consolidated statement of cash flows, cash and cash at bank comprise the following:				
	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Cash and cash at bank (as above)	130,954	125,505	43,287	43,903
Less: Restricted cash	(857)	(1,561)	-	-
Cash and cash equivalents per statement of cash flows	130,097	123,944	43,287	43,903

Restricted cash relates to amounts held on behalf of the WorldSkills Singapore Council ("WSSC") by LLSG. WSSC oversees the conduct of WorldSkills Singapore and Singapore's participation in the WorldSkills Competition.

The WSSC restricted cash was set up to fund common expenses relating to WorldSkills Singapore ("WSS"), WorldSkills Competition ("WSC"), WorldSkills ASEAN ("WSA") and WorldSkills-related activities.

Notes to the Financial Statements

For the financial year ended 31 March 2026

16. Deposits and prepayments

	Group		Agency	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Deposits	1,497	1,511	1,419	1,419
Prepayments	5,102	5,086	4,900	3,888
	6,599	6,597	6,319	5,307

17. Share capital

	2026		2025	
	Number of shares		Number of shares	
	'000	\$'000	'000	\$'000
Issued and fully-paid:				
Ordinary shares				
Beginning of financial year	4,145	4,145	4,145	4,145
Issued during the year	799	799	-	-
End of financial year	4,944	4,944	4,145	4,145

During the financial year, 799,000 ordinary shares were issued pursuant to an injection of capital by the Minister for Finance. Injection of capital is part of the Capital Management Framework for Statutory Boards outlined in Finance Circular Minute No. M2/2024. The shares have been fully paid and are held by the Minister for Finance, a body corporate incorporated by the Minister for Finance (Incorporation) Act 1959. The holder of these shares, which has no par value, is entitled to receive dividends. As at the end of the financial year, share certificates for 332,000 of the issued shares were in the process of being issued.

18. Capital reserves

Capital reserves represent the carrying amount of the net value of assets and liabilities transferred from the former Singapore Workforce Development Agency ("WDA") and Council for Private Education when the Agency was established on 3 October 2016.

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds

	MOE - RF	MOE - TGS	MOE - ATB	Operations funded by SDF	Operations funded by NPF	MOE - SATB	Total
	2026	2026	2026	2026	2026	2026	2026
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group							
Income							
Other income	-	901	-	21,258	-	3	22,162
Other gains	-	-	-	1	-	-	1
	-	901	-	21,259	-	3	22,163
Expenditure							
Amortisation of intangible assets	-	(6,303)	-	-	(1,363)	-	(7,666)
Depreciation expense	-	-	-	(8,846)	-	-	(8,846)
Staff costs	(2,561)	(476)	(447)	(746)	(3,158)	-	(7,388)
Reimbursement expenses	-	-	-	(11,086)	-	-	(11,086)
Campus management fee	-	-	-	(1,377)	-	-	(1,377)
Grant (disbursements)/refunds	-	-	(9,402)	(1,392)	-	119	(10,675)
Rental of office premises and property taxes	-	-	-	(594)	-	-	(594)
Professional services	-	(535)	(97)	(102)	(440)	-	(1,174)
Maintenance expenses	-	(3,183)	-	(3,542)	(1,800)	-	(8,525)
Public relations	-	-	-	(88)	-	-	(88)
Others	-	(232)	-	(1,117)	(194)	-	(1,543)
Total expenditure	(2,561)	(10,729)	(9,946)	(28,890)	(6,955)	119	(58,962)
(Deficit)/surplus before government grant	(2,561)	(9,828)	(9,946)	(7,631)	(6,955)	122	(36,799)

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

Group	MOE - RF 2026 \$'000	MOE - TGS 2026 \$'000	MOE - ATB 2026 \$'000	Operations funded by SDF 2026 \$'000	Operations funded by NPF 2026 \$'000	MOE - SATB 2026 \$'000	Total 2026 \$'000
Add							
Grants from/(refund to) government	2,561	3,525	9,946	178	5,592	(122)	21,680
Deferred capital grants amortised	-	6,303	-	8,714	1,363	-	16,380
	2,561	9,828	9,946	8,892	6,955	(122)	38,060
Surplus before contribution	-	-	-	1,261	-	-	1,261
Income tax expense	-	-	-	(223)	-	-	(223)
Net surplus for the year	-	-	-	1,038	-	-	1,038
Accumulated surplus at the beginning of the year	-	-	-	1,317	-	-	1,317
Accumulated surplus at the end of the year [#]	-	-	-	2,355	-	-	2,355

[#] The above balances predominantly comprise cash balances and accruals.

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

Group	MOE - RF 2025 \$'000	MOE - TGS 2025 \$'000	MOE - ATB 2025 \$'000	Operations funded by SDF 2025 \$'000	Operations funded by NPF 2025 \$'000	MOE - SATB 2025 \$'000	Total 2025 \$'000
Income							
Other income	33	-	562	20,278	-	3	20,876
Other losses	-	-	-	(2)	-	-	(2)
	33	-	562	20,276	-	3	20,874
Expenditure							
Amortisation of intangible assets	-	(10,806)	-	-	(1,990)	-	(12,796)
Depreciation expense	(437)	-	-	(10,078)	-	-	(10,515)
Staff costs	(1,959)	(426)	(281)	(637)	(2,903)	-	(6,206)
Reimbursement expenses	-	-	-	(11,566)	-	-	(11,566)
Campus management fee	-	-	-	(1,266)	-	-	(1,266)
Grant (disbursements)/refunds	-	-	3,578	(219)	-	(598)	2,761
Rental of office premises and property taxes	-	-	-	(402)	-	-	(402)
Professional services	-	(668)	-	(86)	(1,257)	-	(2,011)
Maintenance expenses	-	(7,306)	-	(2,984)	(1,974)	-	(12,264)
Public relations	-	-	-	(60)	-	-	(60)
Others	-	(819)	-	(1,213)	(372)	2	(2,402)
Total expenditure	(2,396)	(20,025)	3,297	(28,511)	(8,496)	(596)	(56,727)
(Deficit)/surplus before government grant	(2,363)	(20,025)	3,859	(8,235)	(8,496)	(593)	(35,853)

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

Group	MOE - RF 2025 \$'000	MOE - TGS 2025 \$'000	MOE - ATB 2025 \$'000	Operations funded by SDF 2025 \$'000	Operations funded by NPF 2025 \$'000	MOE - SATB 2025 \$'000	Total 2025 \$'000
Add							
Grants from/(refund to) government	1,959	8,910	(3,859)	(174)	6,506	593	13,935
Deferred capital grants amortised	404	11,115	-	9,897	1,990	-	23,406
	2,363	20,025	(3,859)	9,723	8,496	593	37,341
Surplus before contribution	-	-	-	1,488	-	-	1,488
Income tax expense	-	-	-	(373)	-	-	(373)
Net surplus for the year	-	-	-	1,115	-	-	1,115
Accumulated surplus at the beginning of the year	-	-	-	202	-	-	202
Accumulated surplus at the end of the year [#]	-	-	-	1,317	-	-	1,317

[#] The above balances predominantly comprise cash balances and accruals.

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

Agency	MOE - RF 2026 \$'000	MOE - TGS 2026 \$'000	MOE - ATB 2026 \$'000	Operations funded by SDF 2026 \$'000	Operations funded by NPF 2026 \$'000	MOE - SATB 2026 \$'000	Total 2026 \$'000
Income							
Other income	-	901	-	17,505	-	3	18,409
Other gains	-	-	-	1	-	-	1
	-	901	-	17,506	-	3	18,410
Less: Expenditure							
Amortisation of intangible assets	-	(6,303)	-	-	(1,363)	-	(7,666)
Depreciation expense	-	-	-	(8,838)	-	-	(8,838)
Staff costs	(2,561)	(476)	(447)	-	(3,158)	-	(6,642)
Reimbursement expenses	-	-	-	(11,086)	-	-	(11,086)
Campus management fee	-	-	-	(4,923)	-	-	(4,923)
Grant (disbursements)/refunds	-	-	(9,402)	-	-	119	(9,283)
Professional services	-	(535)	(97)	-	(441)	-	(1,073)
Maintenance expenses	-	(3,183)	-	-	(1,800)	-	(4,983)
Public relations	-	-	-	-	-	-	-
Others	-	(232)	-	(159)	(193)	-	(584)
Total expenditure	(2,561)	(10,729)	(9,946)	(25,006)	(6,955)	119	(55,078)
(Deficit)/surplus before government grant	(2,561)	(9,828)	(9,946)	(7,500)	(6,955)	122	(36,668)

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

	MOE - RF	MOE - TGS	MOE - ATB	Operations funded by SDF	Operations funded by NPF	MOE - SATB	Total
	2026	2026	2026	2026	2026	2026	2026
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Agency							
Add							
Grants from/(refund to) government	2,561	3,525	9,946	(1,214)	5,592	(122)	20,288
Deferred capital grants amortised	-	6,303	-	8,714	1,363	-	16,380
	2,561	9,828	9,946	7,500	6,955	(122)	36,668
Surplus before contribution	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-
Net surplus for the year	-	-	-	-	-	-	-
Accumulated surplus at the beginning of the year	-	-	-	-	-	-	-
Accumulated surplus at the end of the year	-	-	-	-	-	-	-

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

	MOE - RF	MOE - TGS	MOE - ATB	Operations funded by SDF	Operations funded by NPF	MOE - SATB	Total
	2025	2025	2025	2025	2025	2025	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Agency							
Income							
Other income	33	-	562	16,809	-	3	17,407
Less: Expenditure							
Amortisation of intangible assets	-	(10,806)	-	-	(1,990)	-	(12,796)
Depreciation expense	(437)	-	-	(10,067)	-	-	(10,504)
Staff costs	(1,959)	(426)	(281)	-	(2,903)	-	(5,569)
Reimbursement expenses	-	-	-	(11,566)	-	-	(11,566)
Campus management fee	-	-	-	(4,534)	-	-	(4,534)
Grant (disbursements)/refunds	-	-	3,578	-	-	(598)	2,980
Professional services	-	(668)	-	-	(1,257)	-	(1,925)
Maintenance expenses	-	(7,306)	-	-	(1,974)	-	(9,280)
Others	-	(819)	-	(146)	(372)	2	(1,335)
Total expenditure	(2,396)	(20,025)	3,297	(26,313)	(8,496)	(596)	(54,529)
(Deficit)/surplus before government grant	(2,363)	(20,025)	3,859	(9,504)	(8,496)	(593)	(37,122)

Notes to the Financial Statements

For the financial year ended 31 March 2026

19. Restricted funds (continued)

	MOE - RF 2025 \$'000	MOE - TGS 2025 \$'000	MOE - ATB 2025 \$'000	Operations funded by SDF 2025 \$'000	Operations funded by NPF 2025 \$'000	MOE - SATB 2025 \$'000	Total 2025 \$'000
Agency							
Add							
Grants from/(refund to) government	1,959	8,910	(3,859)	(393)	6,506	593	13,716
Deferred capital grants amortised	404	11,115	-	9,897	1,990	-	23,406
	2,363	20,025	(3,859)	9,504	8,496	593	37,122
Surplus before contribution	-	-	-	-	-	-	-
Income tax expense	-	-	-	-	-	-	-
Net surplus for the year	-	-	-	-	-	-	-
Accumulated surplus at the beginning of the year	-	-	-	-	-	-	-
Accumulated surplus at the end of the year	-	-	-	-	-	-	-

Notes to the Financial Statements

For the financial year ended 31 March 2026

20. Lease liabilities

	Group and Agency	
	2026	2025
	\$'000	\$'000
Non-current		
Lease liabilities	-	2,116
Current		
Lease liabilities	2,116	4,913

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

	Group Lease Liabilities \$'000
2026	
Beginning of financial year	7,029
Changes from financing cash flows	
Payment of lease liabilities	(4,913)
Interest paid	(226)
Total changes from financing cash flows	(5,139)
Other changes	
Interest expense	226
Total liability-related charges	226
End of financial year	2,116
2025	
Beginning of financial year	11,717
Changes from financing cash flows	
Payment of lease liabilities	(4,688)
Interest paid	(451)
Total changes from financing cash flows	(5,139)
Other changes	
Interest expense	451
Total liability-related charges	451
End of financial year	7,029

Notes to the Financial Statements

For the financial year ended 31 March 2026

21. Provision for reinstatement costs

	Group and Agency \$'000
2026	
Beginning of financial year	5,092
Provision made during the year	357
Reversal of provision during the year	(3)
Unwinding of discount	239
End of financial year	<u>5,685</u>
2025	
Beginning of financial year	6,562
Provision made during the year	210
Reversal of provision during the year	(1,908)
Unwinding of discount	228
End of financial year	<u>5,092</u>

	Group and Agency
	2026 2025
	\$'000 \$'000

Represented by:

Current portion

1,902 -

Non-current portion

3,783 5,092

5,685 5,092

Provision for reinstatement costs is the estimated costs to restore any or all parts of the Group's and the Agency's leased premises and land to their state and condition. Management's estimate for reinstatement costs of land included expenditures to carry out demolition works, distress prestressed tendon, imported earth backfilling and turfing. The provision is expected to be utilised upon return of the Group's and the Agency's leased premises and land.

Notes to the Financial Statements

For the financial year ended 31 March 2026

22. Deferred capital grants

	Note	Group and Agency \$'000
2026		
Beginning of financial year		167,026
Amounts transferred from government grants		16,299
Amounts paid by National Productivity Fund	28	366
Amortisation of deferred capital grants		(29,994)
End of financial year		<u>153,697</u>
2025		
Beginning of financial year		183,862
Amounts transferred from government grants		15,050
Amounts paid by National Productivity Fund	28	916
Amortisation of deferred capital grants		(32,802)
End of financial year		<u>167,026</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

23. Other payables

	Group		Agency	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Other payables				
- Related parties	10,418	24,288	14,330	24,231
- Third parties	7,117	6,764	3,430	3,458
Amount due to SDF	10,611	12,344	10,611	12,344
Accruals	23,081	14,708	20,391	11,910
Deferred revenue	2,159	2,816	318	422
	53,386	60,920	49,080	52,365
Less: Deposits due after 12 months	(1,901)	(1,104)	-	-
	51,485	59,816	49,080	52,365
Current portion	51,485	59,816	49,080	52,365
Non-current portion	1,901	1,104	-	-
	53,386	60,920	49,080	52,365

The amount due to subsidiaries and related parties are unsecured, interest-free and repayable within a credit period of 30 days.

24. Contribution to Consolidated Fund

The total contribution for the year can be reconciled to the net surplus as follows:

	Group and Agency	
	2026	2025
	\$'000	\$'000
Surplus of the Agency before contribution to Consolidated Fund	11,121	3,156
Contribution at 17% (2025: 17%)	1,891	537

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Government grants received in advance

	MOE - RF ⁽ⁱ⁾	MOE - TGS ⁽ⁱⁱ⁾	MOE - ATB ⁽ⁱⁱⁱ⁾	Operations funded by SDF ^(iv)	Operations funded by NPF ^(v)	MOE - SATB ^(vi)	Operating grant	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group								
2026								
Beginning of financial year	-	-	84	521	-	10	-	615
Grants received/(refunded) during the financial year, net	2,561	393	9,878	2,009	5,958	(96)	229,524	250,227
Grants receivable in the next financial year	-	3,135	-	-	-	-	-	3,135
Transfer to statement of comprehensive income	(2,561)	(3,525)	(9,946)	(178)	(5,592)	122	(211,002)	(232,682)
Transfer to other payables	-	-	(2)	-	-	(36)	-	(38)
Transfer to deferred capital grants	-	(3)	-	(2,000)	(366)	-	(14,296)	(16,665)
End of financial year	-	-	14	352	-	-	4,226	4,592
2025								
Beginning of financial year	-	-	8,813	1,340	-	17,486	-	27,639
Grants received/(refunded) during the financial year, net	1,794	7,565	3,011	(933)	7,422	(16,883)	208,480	210,456
Grants receivable in the next financial year	165	1,350	-	-	-	-	2,777	4,292
Transfer to statement of comprehensive income	(1,959)	(8,910)	3,859	174	(6,506)	(593)	(195,932)	(209,867)
Transfer to other payables	-	-	(15,599)	-	-	-	(340)	(15,939)
Transfer to deferred capital grants	-	(5)	-	(60)	(916)	-	(14,985)	(15,966)
End of financial year	-	-	84	521	-	10	-	615

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Government grants received in advance (continued)

	MOE - RF ⁽ⁱ⁾ \$'000	MOE - TGS ⁽ⁱⁱ⁾ \$'000	MOE - ATB ⁽ⁱⁱⁱ⁾ \$'000	Operations funded by SDF ^(iv) \$'000	Operations funded by NPF ^(v) \$'000	MOE - SATB ^(vi) \$'000	Operating grant \$'000	Total \$'000
Agency								
2026								
Beginning of financial year	-	-	84	-	-	10	-	94
Grants received/(refunded) during the financial year, net	2,561	393	9,878	786	5,958	(96)	229,524	249,004
Grants receivable in the next financial year	-	3,135	-	-	-	-	-	3,135
Transfer to statement of comprehensive income	(2,561)	(3,525)	(9,946)	1,214	(5,592)	122	(211,002)	(231,290)
Transfer to other payables	-	-	(2)	-	-	(36)	-	(38)
Transfer to deferred capital grants	-	(3)	-	(2,000)	(366)	-	(14,296)	(16,665)
End of financial year	-	-	14	-	-	-	4,226	4,240
2025								
Beginning of financial year	-	-	8,813	-	-	17,486	-	26,299
Grants received/(refunded) during the financial year, net	1,794	7,565	3,011	(333)	7,422	(16,883)	208,480	211,056
Grants receivable in the next financial year	165	1,350	-	-	-	-	2,777	4,292
Transfer to statement of comprehensive income	(1,959)	(8,910)	3,859	393	(6,506)	(593)	(195,932)	(209,648)
Transfer to other payables	-	-	(15,599)	-	-	-	(340)	(15,939)
Transfer to deferred capital grants	-	(5)	-	(60)	(916)	-	(14,985)	(15,966)
End of financial year	-	-	84	-	-	10	-	94

Notes to the Financial Statements

For the financial year ended 31 March 2026

25. Government grants received in advance (continued)

(i) MOE - Reinvestment Funds

Reinvestment Funds ("RF") are provided by Ministry of Finance ("MOF") through Ministry of Education ("MOE") to supplement the Agency's operating grant and/or project funds.

(ii) MOE - Training Grant System ("MOE - TGS")

Co-funding between Smart Nation and Digital Government Office and MOE to support the development of Whole-Of-Government Training Grant System.

(iii) MOE - Above-The-Block ("MOE - ATB")

MOE-ATB is a funding source for both operating and development budget, and jobs and skills programme budget. ATB is provided by MOF through MOE as a funding source to supplement the existing funds.

(iv) Operations funded by SDF

In areas permissible, the Agency taps on the SDF to meet the increasing demands and needs of the Agency's workforce development efforts. These expenditures pertain to manpower and operating overheads related to the delivery of specific CET programmes.

(v) Operations funded by NPF

National Productivity Fund ("NPF") is a government fund administered by Productivity Fund Administration Board ("PFAB") to fund initiatives related to productivity enhancement and continuing education.

The Agency taps on the NPF to deliver SkillsFuture initiatives limited to specific projects approved by PFAB.

(vi) MOE – Special Above-The-Block ("MOE - SATB")

Special Above-The-Block are provided by MOF through MOE to support the expenditures on training allowances, placement incentive and provision for skills and training advisory service, arising from the following programs:

- Enhanced Training Support Package;
- SG United Skills Programme; and
- SG United Mid-Career Pathways Programme-Company Training.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Net assets of Skills Development Fund

The Skills Development Fund ("SDF") was established in the Republic of Singapore on 1 October 1979 as a Government fund under the Skills Development Levy Act 1979. SDF was administered by WDA from 1 September 2003 to 2 October 2016. The administration of the SDF was transferred from WDA to the Agency with effect from 3 October 2016.

The Agency and WSG have established a mutually agreed allocation framework on the usage of SDF to fund programmes and projects that are consistent with the objects of SDF. As the Agency and WSG's activities and operations have expanded rapidly to react to greater economic downturns and uncertainties impacting the Singapore workforce, management has obtained approval from the Board of the Agency to fund expenditures on manpower, other operating expenditures and development costs for selected CET functions using SDF. Upon dissolution of SDF, the treatment of the remaining balance would be guided by the Government.

The SDF is established for the following purposes:

- (i) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons re-joining the workforce;
- (ii) the retraining of retrenched persons; and
- (iii) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

Notes to the Financial Statements

For the financial year ended 31 March 2026

26. Net assets of Skills Development Fund (continued)

The following financial information represents SDF as presented below, are prepared on an accrual basis.

	Group and Agency 2026 \$'000	2025 \$'000
Income		
Operating income	333,980	326,139
Interest income	35,520	47,287
Other income	11,086	11,566
Fair value gain	119,076	48,090
	499,662	433,082
Expenditure		
Net disbursements	(1,102,806)	(664,493)
Reversal of impairment loss on receivables	12	10,332
Bad debts recovered	2	3
	(1,102,792)	(654,158)
Grants from government	670,640	311,500
Surplus for the year	67,510	90,424
Accumulated surplus at the beginning of the year	622,763	532,339
Accumulated surplus at the end of the year	690,273	622,763
Represented by:		
Current assets		
Cash and cash equivalents	2,647,142	1,691,166
Levy and other receivables	60,367	174,605
Grants disbursed in advance	3,997	126
Financial assets, at FVTPL	-	1,471,001
	2,711,506	3,336,898
Current liabilities		
Trade and other payables	(71,923)	(94,185)
Grants received in advance	(323,900)	(559,000)
	(395,823)	(653,185)
Non-current liability		
Grants received in advance	(754,271)	(1,189,811)
Equity		
Capital account	871,139	871,139
Accumulated profits	690,273	622,763
	1,561,412	1,493,902
Net assets	1,561,412	1,493,902

Notes to the Financial Statements

For the financial year ended 31 March 2026

27. Net assets of Lifelong Learning Endowment Fund

The Lifelong Learning Endowment Fund ("LLEF") is set up by the Singapore Government under the Lifelong Learning Endowment Fund Act 2001 for the acquisition of skills and expertise by persons and the development and upgrading of skills and expertise of persons to enhance their employability; and the promotion of the acquisition, development and upgrading of skills and expertise to enhance the employability of persons. The distribution of any residual amounts in the fund would be guided by the Government.

The financial statements of LLEF, as presented below, are prepared by MOE on a cash basis.

	Group and Agency	
	2026	2025
	\$'000	\$'000
Receipts		
Refund of unused grant from programme manager	8,879	172
Interest income	297	513
	<u>9,176</u>	<u>685</u>
Expenditure		
Grants disbursed	(58,486)	(72,431)
Grants from government	51,566	71,864
Surplus for the year	2,256	118
Accumulated surplus at the beginning of the year	1,824	1,706
Accumulated surplus at the end of the year	<u>4,080</u>	<u>1,824</u>
Represented by:		
Current asset		
Cash and cash equivalents	4,145	1,864
Current liability		
Amount due to related parties	(65)	(40)
Net assets	<u>4,080</u>	<u>1,824</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

28. Net assets of National Productivity Fund

WDA administers the National Productivity Fund ("NPF") on behalf of Productivity Fund Administration Board ("PFAB"). The administration of NPF was transferred from WDA to the Agency with effect from 3 October 2016. NPF provides funding initiatives endorsed by the Future Economy Council ("FEC"), which could include sector-specific Industry transformation Maps ("ITM") to uplift productivity as well as initiatives and programmes supporting lifelong learning. The distribution of any residual amounts in the fund would be guided by the Government. Annual excess or shortfall in the fund after disbursing all expenditure will be refunded to or recovered from PFAB accordingly.

The following financial information represents NPF, as presented below, are prepared on an accrual basis.

	Note	Group and Agency	
		2026	2025
		\$'000	\$'000
Income			
Government grants received		297,761	79,782
Other income		-	4
		<u>297,761</u>	<u>79,786</u>
Expenditure			
Grants disbursements		(222,987)	(182,994)
Others		(4)	(3)
Purchase of plant and equipment	22	(366)	(916)
		<u>(223,357)</u>	<u>(183,913)</u>
Surplus/(deficit) for the year		74,404	(104,127)
Accumulated deficit at the beginning of the year		(104,339)	(212)
Accumulated deficit at the end of the year		<u>(29,935)</u>	<u>(104,339)</u>
Represented by:			
Current assets			
Cash and bank balances		13,816	45,812
Trade and other receivables		111	183
		<u>13,927</u>	<u>45,995</u>
Current liabilities			
Current payables		(43,862)	(150,334)
Net liabilities		<u>(29,935)</u>	<u>(104,339)</u>

NPF's most significant payable due to a counterparty amounts to \$30,508,000 (2025: \$136,878,000) which pertained to amounts to be paid to SDF.

Notes to the Financial Statements

For the financial year ended 31 March 2026

29. Net assets of SkillsFuture Jubilee Fund

The SkillsFuture Jubilee Fund ("SFJF") was established in the Republic of Singapore as part of the SDF established under section 5 of the Skills Development Levy Act 1979. SFJF was approved by the Cabinet on 11 February 2015 and was administered by WDA from 11 February 2015 to 2 October 2016. The administration of the SFJF was transferred from WDA to the Agency with effect from 3 October 2016. Upon dissolution of SFJF, the treatment of the remaining balance would be guided by the Government.

The financial statements of SFJF, as presented below, are prepared on an accrual basis:

	Group and Agency	
	2026	2025
	\$'000	\$'000
Income		
Interest income	448	703
Expenditure		
Grants disbursements	(200)	(125)
Surplus for the year	248	578
Accumulated surplus at the beginning of the year	21,790	21,212
Accumulated surplus at the end of the year	22,038	21,790
Represented by:		
Current assets		
Cash and cash equivalents	21,843	21,427
Interest receivables	195	363
	22,038	21,790
Net assets	22,038	21,790

30. Capital commitments

Capital expenditure contracted for at the end of each reporting period but not recognised in the financial statements are as follows:

	Group and Agency	
	2026	2025
	\$'000	\$'000
Commitments for the acquisition of:		
Intangible assets	34,060	19,620

Notes to the Financial Statements

For the financial year ended 31 March 2026

31. Leases

The Group as a lessee

The Group leases office premises and office equipment. The lease of office premises typically run for a period of 3 years with option to extend or renew the lease. Lease payments are renegotiated every three years to reflect market rentals.

The lease of office equipment typically run for a period of 1 to 5 years. For leases that are short-term and/or leases of low-value items, the Group has elected not to recognise right-of-use assets and lease liabilities.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

(a) Carrying amounts

Right-of-use assets related to leased office spaces and office equipment are presented as property, plant and equipment (see Note 10).

	Leasehold land \$'000	Building \$'000	Total \$'000
2026			
Group and Agency			
Cost			
Beginning of financial year	29,868	30,646	60,514
Additions of right-of-use assets	-	351	351
Disposal/Write-off	-	(4)	(4)
End of financial year	29,868	30,993	60,861
Accumulated depreciation			
Beginning of financial year	9,979	22,142	32,121
Depreciation charge for the year	1,193	4,908	6,101
Derecognition of right-of-use assets	-	(2)	(2)
End of financial year	11,172	27,048	38,220
Net book value			
End of financial year	18,696	3,945	22,641

Notes to the Financial Statements

For the financial year ended 31 March 2026

31. Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

(a) Carrying amounts (continued)

	Leasehold land \$'000	Building \$'000	Total \$'000
2025			
Group and Agency			
Cost			
Beginning of financial year	29,868	32,554	62,422
Disposal/Write-off	-	(1,908)	(1,908)
End of financial year	29,868	30,646	60,514
Accumulated depreciation			
Beginning of financial year	8,786	17,254	26,040
Depreciation charge for the year	1,193	4,888	6,081
End of financial year	9,979	22,142	32,121
Net book value			
End of financial year	19,889	8,504	28,393

(b) Amounts recognised in statement of comprehensive income

	Group \$'000	Agency \$'000
2026 – Leases under SB-FRS 116		
Interest on lease liabilities	226	226
Expenses relating to leases of low-value assets	470	470
Operating lease income from building	10,217	10,454
2025 – Leases under SB-FRS 116		
Interest on lease liabilities	451	451
Expenses relating to leases of low-value assets	496	496
Operating lease income from building	9,338	9,825

Notes to the Financial Statements

For the financial year ended 31 March 2026

31. Leases (continued)

The Group as a lessee (continued)

Right-of-use assets (continued)

(c) Total lease payments during the financial year

	Group 2026 \$'000	2025 \$'000
Low value leases	470	496
Principal and interest payments for lease liabilities	5,139	5,139
	5,609	5,635

(d) Extension options

The lease for office building contains extension options, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The extension options are exercisable by the Group and not by the lessor.

The Group as a lessor

The Group leases out its owned building (see Note 10) and has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. Rental income from the building recognised by the Group and the Agency during 2026 was \$10,217,000 (2025: \$9,338,000) and \$10,454,000 (2025: \$9,825,000).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	Group \$'000	Agency \$'000
2026 – Operating leases under SB-FRS 116		
Less than one year	17,300	11,127
One to two years	13,162	8,325
Two to three years	4,553	2,930
Total undiscounted lease receivable	35,015	22,382
2025 – Operating leases under SB-FRS 116		
Less than one year	13,024	8,797
One to two years	9,130	6,352
Two to three years	4,847	3,443
Three to four years	748	714
Total undiscounted lease receivable	27,749	19,306

Notes to the Financial Statements

For the financial year ended 31 March 2026

32. Related party transactions

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Other than disclosed in the respective notes to the financial statements, the following transactions took place between the Agency and related parties during the year:

	Parent Ministry \$'000	Other Ministries \$'000	Other Statutory Boards \$'000	Total \$'000
Group and Agency				
2026				
Operating income	-	-	(184)	(184)
Grant disbursement	340	-	1,597	1,937
Other expenditure	1,054	2,587	36,115	39,756
Payments made on behalf of WSG by the Agency:				
- Shared services ⁽¹⁾	-	-	14,085	14,085
- Other expenditure	-	-	730	730
Payments made on behalf of the Agency by WSG:				
- Shared services ⁽¹⁾	-	-	4,974	4,974
- Other expenditure	-	-	2,368	2,368
2025				
Operating income	-	-	(185)	(185)
Grant disbursement	-	-	3,765	3,765
Other expenditure	2,304	1,505	32,112	35,921
Payments made on behalf of WSG by the Agency:				
- Shared services ⁽¹⁾	-	-	14,334	14,334
- Other expenditure	-	-	1,186	1,186
Payments made on behalf of the Agency by WSG:				
- Shared services ⁽¹⁾	-	-	1,471	1,471
- Other expenditure	-	-	1,857	1,857

⁽¹⁾ The Agency and WSG have the shared goal of helping individuals grow their skills in the course of seeking fulfilling careers, and enabling Singapore's enterprises to develop their workforce to remain globally competitive. The Agency and WSG provide various services ("shared services") to each other at cost, including outsourcing, technological and facility services to deliver the shared goal.

Notes to the Financial Statements

For the financial year ended 31 March 2026

32. Related party transactions (continued)

Compensation of key management personnel

The remuneration of key management personnel during the financial year were as follows:

	2026 \$'000	2025 \$'000
Group and Agency		
Board of director fees	121	133
Wages and salaries	5,541	5,621
Employers' contribution to Central Provident Fund	221	210
	5,883	5,964

Wages and salaries and employer's contribution to Central Provident Fund include amounts for key management personnel seconded from other government bodies.

33. Dividends

	2026 \$'000	2025 \$'000
Group and Agency		
Dividend paid in respect of the previous financial year	-	3,952

The Group declared and paid a dividend of \$3,952,000 in 2025 in accordance with the Capital Management Framework for Statutory Boards outlined in Finance Circular Minute No. M2/2024.

34. Financial risk management

(a) Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(a) Overview (continued)

Risk management framework

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management objective seeks to minimise potential adverse effects on its financial performance.

It is the Group's policy not to hold derivative financial instruments for speculative purposes although such instruments may be used for hedging exposure.

The Group provides written principles for overall financial risk management, which covers specifically on market risk (including interest rate risk), credit risk and liquidity risk. Such written policies are reviewed periodically by the Group and periodic reviews are undertaken to ensure that the Group's policy is relevant and complied with.

The Group monitors its risk exposure regularly. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, as and when they fall due.

At the reporting date, the Group's credit risk is limited as the major classes of financial assets are cash and deposits with AGD and trade and other receivables. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments as presented on the statement of financial position, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets, except for balances with customers where security deposits are obtained.

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(b) Credit risk (continued)

Cash and cash at bank

The Group held cash and cash at bank of \$130,954,000 at 31 March 2026 (2025: \$125,505,000). The cash and cash at bank are held with AGD which has low credit risk based on external credit ratings of the counterparties.

Impairment on cash and cash at bank has been measured on the 12-months expected loss basis and reflects the short maturities of the exposures. The amount of allowance on cash and cash at bank was negligible. No forward-looking factors are used in the computation as the balances are measured on the 12-months expected loss basis (i.e. short-term).

Trade receivables

The Group and the Agency has applied the simplified approach to measure the loss allowance based on lifetime expected credit losses. The Group and the Agency considers the differences between economic conditions during the period over which the probabilities of default are computed mainly based on actual historical credit experience and expected future economic conditions, along with a consideration of the amount of security deposits obtained, if any. The residual outstanding exposure primarily relates to a government agency, with low credit risk. The loss allowance has been determined to be immaterial as at 31 March 2026 and 2025.

Amount due from related parties and subsidiaries

Impairment on amount due from related parties and subsidiaries has been measured on a 12-months expected loss. The Group and the Agency considers that the amount due from related parties and subsidiaries have low credit risk based on the credit standing of the counterparties.

Other receivables

The other receivables is not considered to be material and the amount of the allowances on these balances is expected to be insignificant. Forward-looking factors are used in the computation. The amount of allowance on other receivables was negligible.

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by receiving grants from the Government to finance its operations and to mitigate the effects of fluctuations in cash flows.

The following are the expected undiscounted contractual cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Cash flows			
	Carrying amount \$'000	Contractual cash flows \$'000	Within 1 year \$'000	Between 2 to 5 years \$'000
Group				
31 March 2026				
Non-derivative financial liabilities				
Lease liabilities	2,116	2,142	2,142	-
Other payables*	51,227	51,227	49,326	1,901
	53,343	53,369	51,468	1,901
31 March 2025				
Non-derivative financial liabilities				
Lease liabilities	7,029	7,280	5,138	2,142
Other payables*	58,104	58,104	57,000	1,104
	65,133	65,384	62,138	3,246
Agency				
31 March 2026				
Non-derivative financial liabilities				
Lease liabilities	2,116	2,142	2,142	-
Other payables*	48,762	48,762	48,762	-
	50,878	50,904	50,904	-
31 March 2025				
Non-derivative financial liabilities				
Lease liabilities	7,029	7,280	5,138	2,142
Other payables*	51,943	51,943	51,943	-
	58,972	59,223	57,081	2,142

* Excludes deferred revenue

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(d) Market risk

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

Interest rate risk

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

The Group has cash balances placed with reputable banks and financial institutions and deposits held with AGD and are variable rate interest-bearing.

Sensitivity analysis

A change of 100 basis points in interest rates would have increased or decreased surplus and deficit by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group		Agency	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Centralised Liquidity Management ("CLM") deposits held with AGD	1,310	1,255	433	439

(e) Fair value measurement

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, deposits, cash and cash at bank, and other payables) approximate their fair values because of the short period to maturity.

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total carrying amount \$'000
Group			
31 March 2026			
Cash and cash at bank	130,954	-	130,954
Trade and other receivables [#]	25,558	-	25,558
Deposits	1,497	-	1,497
	158,009	-	158,009
Lease liabilities	-	2,116	2,116
Other payables [*]	-	51,227	51,227
	-	53,343	53,343
31 March 2025			
Cash and cash at bank	125,505	-	125,505
Trade and other receivables [#]	23,102	-	23,102
Deposits	1,511	-	1,511
	150,118	-	150,118
Lease liabilities	-	7,029	7,029
Other payables [*]	-	58,104	58,104
	-	65,133	65,133

[#] Excludes grants disbursed in advance

^{*} Excludes deferred revenue

Notes to the Financial Statements

For the financial year ended 31 March 2026

34. Financial risk management (continued)

(f) Financial instruments by category (continued)

	Financial assets at amortised cost \$'000	Financial liabilities at amortised cost \$'000	Total carrying amount \$'000
Agency			
31 March 2026			
Cash and cash at bank	43,287	-	43,287
Trade and other receivables [#]	29,059	-	29,059
Deposits	1,419	-	1,419
	73,765	-	73,765
Lease liabilities	-	2,116	2,116
Other payables [*]	-	48,762	48,762
	-	50,878	50,878
31 March 2025			
Cash and cash at bank	43,903	-	43,903
Trade and other receivables [#]	28,293	-	28,293
Deposits	1,419	-	1,419
	73,615	-	73,615
Lease liabilities	-	7,029	7,029
Other payables [*]	-	51,943	51,943
	-	58,972	58,972

[#] Excludes grants disbursed in advance

^{*} Excludes deferred revenue

(g) Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while fulfilling its objective as a statutory board.

The capital structure of the Group consists of accumulated surplus, capital reserves and share capital. The overall strategy remains unchanged from the previous financial period.

Notes to the Financial Statements

For the financial year ended 31 March 2026

35. Events occurring after statement of financial position date

The Agency and WSG officially merged on 1 July 2026 to form a single statutory board known as Skills and Workforce Development Agency ("SWDA"), jointly overseen by Ministry of Manpower ("MOM") and MOE.

This merger will strengthen the integration of Singapore's jobs-skills ecosystem. SWDA will focus on better serving individuals and employers and better partnering the broader ecosystem of providers of career and employment services and training.

Pursuant to the Skills and Workforce Development Agency Act 2026, all assets and liabilities of the Agency have been transferred to SWDA.

Upon establishment of SWDA, the administration of the LLEF will be transferred from MOE to MOM and the administration of the SDF and the SFJF will be transferred from the Agency to SWDA.

36. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions, except for the standard below, which is relevant for the Group's accounting periods beginning on or after 1 January 2027 and has not been early adopted.

SB-FRS 118 - Presentation and Disclosure in Financial Statements (effective for annual reporting periods beginning on or after 1 January 2027)

Even though SB-FRS 118 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive. Management is currently assessing the detailed implications of applying the new standard on the Group's financial statements.

37. Authorisation of financial statements

These financial statements were authorised for issue by the former Board Chairman and former Chief Executive of the Agency on 30 July 2026.

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Skills Development Fund

128

Statement by SkillsFuture Singapore Agency,
which administers Skills Development Fund

129

Independent Auditor's Report

134

Statement of Comprehensive Income

135

Statements of Financial Position

136

Statement of Changes in Equity

137

Statement of Cash Flows

138

Notes to the Financial Statements



Statement by SkillsFuture Singapore Agency, which administers Skills Development Fund

For the financial year ended 31 March 2026

In our opinion:

- (a) the accompanying financial statements of Skills Development Fund (“the Fund”), set out on pages 134 to 157 are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the “Act”) and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to present fairly, in all material respects, the financial position of the Fund as at 31 March 2026, and the financial performance, changes in equity and cash flows of the Fund for the financial year ended on that date;
- (b) the receipts, expenditure and investment of moneys of the Fund and the acquisition and disposal of assets by the Fund during the financial year have been in accordance with the provisions of the Act; and
- (c) proper accounting and other records have been kept in accordance with the provisions of the Act.

SkillsFuture Singapore Agency (“SSG”) and Workforce Singapore Agency (WSG”) were merged to form Skills and Workforce Development Agency (“SWDA”) with effect from 1 July 2026. Following the formation of SWDA, pursuant to Part 9 of the Skills and Workforce Development Agency Act 2026, all assets and liabilities of SSG were transferred to, and will continue to exist under SWDA, being the merged statutory board. On 1 July 2026, SSG ceased to exist.

The Board of SWDA has authorised the former Board Chairman and former Chief Executive of SSG to approve these financial statements for issue.

On behalf of SkillsFuture Singapore Agency, which administers the Fund



Tan Kai Hoe
Former Board Chairman of
SkillsFuture Singapore Agency

30 July 2026



Tan Kok Yam (Chen Guyan)
Former Chief Executive of
SkillsFuture Singapore Agency

Independent Auditor’s Report

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements of Skills Development Fund (“the Fund”) are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the “Act”) and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to give a true and fair view of the financial position of the Fund as at 31 March 2026 and the financial performance, changes in equity and cash flows of the Fund for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the statement of comprehensive income for the financial year ended 31 March 2026;
- the statement of financial position as at 31 March 2026;
- the statement of changes in equity for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 Fund in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund 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.

Other Information

Management is responsible for the other information. The other information comprises the Statement by SkillsFuture Singapore Agency which administers the Fund but does not include the financial statements and our auditor’s report thereon.

Independent Auditor's Report

Other Information (continued)

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and SB-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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Fund'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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Fund during the year are, in all material respects, in accordance with the provisions of the Act and the requirements of any other written law applicable to moneys of or managed by the Fund; and
- (b) proper accounting and other records have been kept, including records of all assets of the Fund whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the compliance audit* section of our report. We are independent of the Fund in accordance with the 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 on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act and the requirements of any other written law applicable to moneys of or managed by the Fund. This responsibility includes monitoring related compliance requirements relevant to the Fund, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements (continued)**Auditors' Responsibility for the Compliance Audit**

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act and the requirements of any other written law applicable to moneys of or managed by the Fund.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

The engagement partner on the audit resulting in this independent auditor's report is Maurice Loh Seow Wee.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 30 July 2026

Statement of Comprehensive Income

For the financial year ended 31 March 2026

	Note	2026 \$'000	2025 \$'000
Operating income	3	333,980	326,139
Interest income	4	35,520	47,287
Other income	5	11,086	11,566
Fair value gain		119,076	48,090
		499,662	433,082
Expenditure			
Net disbursements		(1,102,806)	(664,493)
Disbursements		(1,105,151)	(669,250)
Less: Disbursement refunds		2,345	4,757
		12	10,332
Reversal of impairment loss on receivables		2	3
Bad debts recovered		(1,102,792)	(654,158)
		(603,130)	(221,076)
Deficit before government grant			
Add			
Grants from government	6	670,640	311,500
Surplus for the year, representing total comprehensive income for the year		67,510	90,424

Statement of Financial Position

As at 31 March 2026

	Note	2026 \$'000	2025 \$'000
Asset			
Cash and cash equivalents	7	2,647,142	1,691,166
Levy and other receivables	8	60,367	174,605
Grants disbursed in advance	9	3,997	126
Financial assets, at fair value through profit or loss	10	-	1,471,001
Current assets		2,711,506	3,336,898
Total assets		2,711,506	3,336,898
Equity			
Capital account	11	871,139	871,139
Accumulated profits		690,273	622,763
Total equity		1,561,412	1,493,902
Liabilities			
Grants received in advance	6	754,271	1,189,811
Non-current liability		754,271	1,189,811
Trade and other payables	12	71,923	94,185
Grants received in advance	6	323,900	559,000
Current liabilities		395,823	653,185
Total liabilities		1,150,094	1,842,996
Total equity and liabilities		2,711,506	3,336,898

Statement of Changes in Equity

For the financial year ended 31 March 2026

	Capital account \$'000	Accumulated profits \$'000	Total \$'000
2026			
Beginning of financial year	871,139	622,763	1,493,902
Surplus for the year, representing total comprehensive income for the year	-	67,510	67,510
End of financial year	871,139	690,273	1,561,412
2025			
Beginning of financial year	871,139	532,339	1,403,478
Surplus for the year, representing total comprehensive income for the year	-	90,424	90,424
End of financial year	871,139	622,763	1,493,902

Statement of Cash Flows

For the financial year ended 31 March 2026

	Note	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Deficit before government grant		(603,130)	(221,076)
Adjustments for:			
Reversal of impairment loss on receivables		(12)	(10,332)
Bad debts recovered		(2)	(3)
Fair value gain		(119,076)	(48,090)
Interest income	4	(35,520)	(47,287)
Operating cash flow before movements in working capital		(757,740)	(326,788)
Changes in:			
Levy and other receivables		107,704	(98,319)
Grants disbursed in advance		(3,871)	(126)
Trade and other payables		(22,262)	(56,743)
Net cash used in operating activities		(676,169)	(481,976)
Cash flows from investing activities			
Proceeds on maturity of financial assets, at amortised cost		-	800,000
Proceeds on maturity of financial assets, at fair value through profit or loss		1,590,077	102,994
Interest received		42,068	43,899
Net cash generated from investing activities		1,632,145	946,893
Cash flows from financing activity			
Grants received from government	6	-	500,000
Net cash generated from investing activity		-	500,000
Net increase in cash and cash equivalents		955,976	964,917
Cash and cash equivalents at beginning of the year		1,691,166	726,249
Cash and cash equivalents at end of the year	7	2,647,142	1,691,166

Notes to the Financial Statements

For the financial year ended 31 March 2026

1. General information

The Skills Development Fund ("the Fund") was established in the Republic of Singapore on 1 October 1979 as a Government fund under the Skills Development Levy Act 1979. The Fund was administered by Singapore Workforce Development Agency ("WDA") from 1 September 2003 to 2 October 2016. The administration of the Fund was transferred from WDA to SkillsFuture Singapore Agency ("SSG") with effect from 3 October 2016. The registered office and principal place of operations of SSG, being the administrator of the Fund, is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533.

The Fund was established for the following purposes:

- (a) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons re-joining the workforce;
- (b) the retraining of retrenched persons; and
- (c) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

The Fund is exempted from income tax under Section 13(1)(e) of the Income Tax Act.

SSG provides Workforce Singapore Agency ("WSG") grants from the Fund to finance programmes and projects that are consistent with the objects of the Fund. SSG and WSG have established a mutually agreed allocation framework on the share of grants disbursed from the Fund to be managed by SSG and WSG respectively. Upon dissolution of the Fund, the treatment of the remaining balance would be guided by the Government.

2. Material accounting policy information**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the provisions of the Act, and Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes as promulgated by the Accountant-General. The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

The preparation of the financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Fund's accounting policies. It also requires the use of accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.1 Basis of preparation (continued)****Interpretations and amendments to published standards effective in 2025**

On 1 April 2025, the Fund adopted the new or amended SB-FRS and Interpretations of SB-FRS ("INT SB-FRS") that are mandatory for application for the financial year. Changes to the Fund's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

The adoption of these new or amended SB-FRS and INT SB-FRS did not result in substantial changes to the Fund's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Functional and presentation currency**(a) Functional and presentation currency**

These financial statements are presented in Singapore dollars ("SGD" or "\$"), which is the Fund's functional currency. All information presented in Singapore dollars have been rounded to the nearest thousand, unless otherwise stated.

(b) Transactions and balances

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

2.3 Government grants received

The Fund receives various types of grants to meet its operating expenditure.

Government grants are not recognised until there is reasonable assurance that the Fund will comply with the conditions attaching to them and the grants will be received. 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 Fund with no future related costs are recognised in income or expenses in the period in which they become receivables.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.4 Finance Income

The Fund's finance income comprises interest income on deposits held with Accountant-General's Department ("AGD") and financial assets measured at amortised cost. Interest income is recognised as it accrues in the statement of comprehensive income, using the effective interest rate method.

2.5 Grant disbursement

Grant disbursements are recognised as an expense in the statement of comprehensive income when there is an obligation to disburse.

2.6 Revenue

Income from Skills Development Levy ("SDL") is recognised on a monthly basis, in accordance to the month that SDL is paid for and payable by the employers.

2.7 Financial instruments

Financial assets

(a) Classification and measurement

The Fund classifies its financial assets in the following measurement category:

- Amortised cost; and
- Fair value through profit or loss

The classification is based on the Fund's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.7 Financial instruments (continued)

Financial assets (continued)

(b) At initial recognition

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of comprehensive income.

(c) At subsequent measurement

Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, levy and other receivables.

There are 2 subsequent measurement categories based on the Fund's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- FVTPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income ("FVOCI") are classified as FVTPL. Movement in fair values and interest income is recognised in the statement of comprehensive income in the period in which it arises and presented in "Fair value gain".

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.7 Financial instruments** (continued)Financial assets (continued)

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Fund commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

(e) Impairment

The Fund assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 15 details how the Fund determines whether there has been a significant increase in credit risk.

For trade receivables, the Fund applies the simplified approach permitted by the SB-FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

(a) Recognition and derecognition

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognised in the statement of comprehensive income.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)**2.7 Financial instruments** (continued)Financial liabilities (continued)

(b) Initial and subsequent measurement

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

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

2.8 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the AGD which are subject to an insignificant risk of changes in value, and are used by the Fund in the management of its short-term commitments.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Operating income

	2026 \$'000	2025 \$'000
SDL from:		
- Private sector	308,586	301,758
- Statutory boards	9,318	8,644
- Ministries and Organs of State	16,075	15,541
Others	1	196
	333,980	326,139

SDL contribution is payable by employers for all employees up to the first \$4,500 (2025: \$4,500) of gross monthly wages at the rate of 0.25% or \$2 (2025: 0.25% or \$2), whichever is higher.

Recovery actions are taken on employers who have estimated outstanding SDL collections and this may allow the Fund to recover additional operating income in future years.

4. Interest income

	2026 \$'000	2025 \$'000
Interest income from:		
- Centralised Liquidity Management ("CLM") deposits held with AGD	35,520	39,927
- Financial assets, at amortised cost	-	7,360
	35,520	47,287

5. Other income

The Fund provided a grant for the development of two Continuing Education and Training ("CET") campuses. Rental income collected from the operation of the CET campuses, after deduction of relevant costs, have been given back to the Fund.

Notes to the Financial Statements

For the financial year ended 31 March 2026

6. Grants received in advance

	Grants received from Ministry of Finance ⁽ⁱ⁾	
	2026 \$'000	2025 \$'000
Beginning of financial year	1,748,811	1,560,311
Grants received during the financial year	-	500,000
Transfer to statement of comprehensive income	(670,640)	(311,500)
End of financial year	1,078,171	1,748,811
Classified as		
- Current	323,900	559,000
- Non-current	754,271	1,189,811
	1,078,171	1,748,811

⁽ⁱ⁾ The Fund has obtained a grant from Ministry of Finance to scale up the Jobs and Skills Programmes and SkillsFuture Work-Study Programmes, as part of the Next Bound of SkillsFuture. In areas permissible, the Fund taps on the grant to meet the increasing demands and needs of the Fund's skills development efforts.

7. Cash and cash equivalents

	2026 \$'000	2025 \$'000
CLM deposits held with AGD ⁽ⁱ⁾	2,647,142	1,691,166

⁽ⁱ⁾ The Fund participates in the CLM by the AGD under AGD Circular 4/2009. Deposits, which are interest-bearing, are centrally managed by AGD and are available to the Fund upon request and earn interest at the average rate of 2.06% (2025: 3.09%) per annum.

Notes to the Financial Statements

For the financial year ended 31 March 2026

8. Levy and other receivables

	2026 \$'000	2025 \$'000
Levy receivables	2,815	2,423
Interest receivables from CLM	16,377	22,925
Other receivables		
- National Productivity Fund	30,508	136,878
- SSG	10,611	12,344
- Others	56	35
	<u>60,367</u>	<u>174,605</u>

Other receivables, which are with related parties, are unsecured, interest-free and repayable within 12 months from balance sheet date.

Credit risk and impairment losses

The Fund's exposure to credit risk and impairment losses for interest and other receivables, are disclosed in Note 15.

9. Grants disbursed in advance

	2026 \$'000	2025 \$'000
Workforce Singapore Agency	3,996	-
Third parties	1	126
	<u>3,997</u>	<u>126</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

10. Financial assets, at fair value through profit or loss

	2026 \$'000	2025 \$'000
Fund investments	-	1,471,001

Information about fair value measurement of fund investments is included in Note 15.

11. Capital account

The capital account represents the Singapore Government's capital contribution for the establishment of the Skills Development Fund.

12. Trade and other payables

	2026 \$'000	2025 \$'000
Related parties	28,992	39,810
Third parties	42,931	54,375
	<u>71,923</u>	<u>94,185</u>

The amounts due to related parties are unsecured, interest-free and repayable within a credit period of 30 days.

13. Related party transactions

Other related party transactions

Related companies in these financial statements refer to members of SSG's group of companies, or where the parties are subject to common control or common significant influence.

Some of the transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Notes to the Financial Statements

For the financial year ended 31 March 2026

13. Related party transactions (continued)

Other related party transactions (continued)

Other than disclosed in the respective notes to the financial statements, the Fund entered into the following significant transactions with its related parties during the year:

	2026 \$'000	2025 \$'000
Disbursements to related parties	252,381	187,497
Disbursements to WSG	120,484	37,547
Receipts from related parties in relation to payments made on behalf of related parties by the Fund	-	(10)
	2026 \$'000	2025 \$'000
Beginning of financial year	473	68
Grants disbursed to WSG	120,484	37,547
Amount utilised/returned by WSG	(116,961)	(37,142)
Unutilised grant held by WSG as at end of financial year	3,996	473

Key management personnel compensation

The Fund relies on SSG for management and administrative support.

None of the key management personnel earned any fees or other remuneration in respect of their appointment for the Fund during the current year and prior year. The key management personnel are not paid directly by the Fund but receive remuneration from SSG, in respect of their services to the larger group which includes the Fund. No consideration was paid to SSG for the service rendered by the key management personnel to the Fund.

Notes to the Financial Statements

For the financial year ended 31 March 2026

14. Commitments

The following represents the training assistance grants committed by the Fund at the end of the financial reporting period. The actual disbursement of the training assistance grant commitments are subject to the fulfilment of the agreed conditions by the grant recipients.

	2026 \$'000	2025 \$'000
Training assistance committed for disbursement	1,716,883	2,038,793

Training assistance grant commitment are administered through Training Grants System and are derived from gross commitments less grant disbursed.

15. Financial risk management

Financial risk factors

The Fund has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

The Fund has adopted risk management practices, which set out its general risk management framework as discussed below. In addition, the SSG Investment Committee is also involved in formulating investment policies and guidelines, reviewing investment strategy and performance of the fund managers and monitoring the results of the investments. The investment report is also reviewed on a monthly basis by the SSG Chief Executive.

Fund investments

In connection with the funds placed with fund managers, the funds were exposed to a variety of financial risk: credit risk, liquidity risk and market risk (including fair value interest rate risk, cash flow interest rate risk and price risk).

The fund managers appointed were held responsible in achieving the investment objectives set forth in their respective investment management agreements. All income and realised capital gains were to be reinvested by the fund managers unless otherwise instructed by SSG.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

Risk management framework (continued)

Fund investments (continued)

These financial assets were invested through the AGD Demand Aggregation Scheme, which consists of funds placements with five (2025: five) fund managers under the AGD panel of approved fund managers. The underlying financial assets of these funds include fixed income instruments, equities and commodities which are of high credit ratings as determined by recognised rating agencies. All fund investments have been redeemed in 2026.

The Fund manages risk via investments with fund managers under the AGD Demand Aggregation Scheme. The investment mandates, which include the investment objective, investment universe, asset allocation and risk tolerance, are set by the AGD, and as such the Fund did not have control over these investments. The investment managers were required to submit a monthly report to the Fund and ongoing monitoring is undertaken by the Fund to ensure that all investment activities are in compliance with the guidelines.

(a) Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Fund's receivables from customers.

The Fund's major classes of financial assets are cash and deposits with AGD, interest and other receivables. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the statement of financial position.

Cash and cash equivalents

The Fund held cash and cash equivalents of \$2,647,142,000 as at 31 March 2026 (2025: \$1,691,166,000). The cash and cash equivalents are held with AGD, which relates to a government agency, and financial institutions that have low credit risk based on the external credit ratings of the counterparties.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Forward-looking factors are used in the computation. The amount of allowances on cash and cash equivalents was negligible.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

(a) Credit risk (continued)

Interest and other receivables

The Fund's most significant receivables due from a counterparty amounts to \$30,508,000 (2025: \$136,878,000) which pertained to amounts to be received from National Productivity Fund (2025: National Productivity Fund).

A breakdown of the Fund's interest and other receivables are disclosed under Note 8. Apart from the significant receivables above, the Fund believes the concentration of credit risk in interest and other receivables are mitigated.

The Fund does not obtain or hold collaterals in respect of interest and other receivables.

Impairment on interest and other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. Interest and other receivables are considered to have low credit risk as there have been no significant increase in the risk of default on the receivables since initial recognition. The amount of the allowance was assessed to be immaterial.

(b) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Fund manages liquidity risk by maintaining sufficient funds from collection of SDL to enable it to meet its operational requirements.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

(b) Liquidity risk (continued)

The non-derivative financial liabilities of the Fund are presented in the statement of financial position. The undiscounted cash flows of the Fund's non-derivative financial liabilities (comprising trade payables) at the reporting approximate their carrying amounts and are expected to be settled within the next 12 months and are classified as current liabilities.

Capital management

The Fund's objectives when managing capital are to ensure that it is adequately capitalised and that it fulfils the objects for which moneys of the Fund may be applied under the Skills Development Levy Act 1979.

The Fund is not subject to any capital requirements under the Skills Development Levy Act 1979 or any other externally imposed capital requirements.

(c) Market risk

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

Price risk
Risk management policy

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate arising from changes in market prices (other than those arising from interest rate risk or currency risk, which are further discussed below), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market.

The Fund was exposed to price risk arising from its investments with fund managers. The management monitors the price fluctuations of the investments and assesses the valuation on a monthly basis.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

(c) Market risk (continued)

Price risk (continued)
Sensitivity analysis
Investments at fair value through profit or loss

There were no investments at fair value through profit or loss for the year ended 31 March 2026. If prices of fund investments had been 10% higher with all other variables held constant, the fair value of these financial instruments for the year ended 31 March 2025 would have been higher by \$147,100,000. Correspondingly, the surplus would have been higher by \$147,100,000 for the year ended 31 March 2025. Conversely, if prices of fund investments had been 10% lower with all other variables held constant, the fair value of the financial instruments and the surplus would have been lower by an equal amount for the year ended 31 March 2025.

The 10% represents management's assessment of the possible change in market prices. The sensitivity analysis is for illustrative purposes only. In practice, prices rarely change in isolation and are likely to be interdependent with other market variables.

Interest rate risk

The Fund does not account for any fixed rate financial assets and liabilities at FVTPL. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

The Fund's exposure to changes in interest rates relates primarily to deposits held with AGD. Surplus funds are placed with AGD as disclosed in Note 7.

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	2026 \$'000	2025 \$'000
Variable rate instruments		
CLM deposits held with AGD	<u>2,647,142</u>	<u>1,691,166</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

(c) Market risk (continued)

Interest rate risk (continued)

As at 31 March 2026, if the interest rates had increased/decreased by 1% per annum (2025: 1% per annum), with all other variables including tax rate being held constant, the profit after tax for the year would have been higher/lower by \$26,471,000 (2025: \$16,912,000) as a result of higher/lower interest income on these cash and cash equivalents.

(d) Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities are as follows. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount			
	Note	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Fair value \$'000
2026					
Financial assets not measured at fair value					
Cash and cash equivalents	7	2,647,142	-	2,647,142	-
Interest and other receivables	8	57,552	-	57,552	-
		2,704,694	-	2,704,694	-
Financial liabilities					
Trade payables	12	-	71,923	71,923	-

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

(d) Accounting classifications and fair values (continued)

		Carrying amount				
	Note	Mandatory at FVTPL \$'000	Financial assets at amortised cost \$'000	Other financial liabilities \$'000	Total carrying amount \$'000	Fair value \$'000
2025						
Financial assets measured at fair value						
Fund investments at FVTPL	10	1,471,001	-	-	1,471,001	1,471,001
Financial assets not measured at fair value						
Cash and cash equivalents	7	-	1,691,166	-	1,691,166	-
Interest and other receivables	8	-	172,182	-	172,182	-
		-	1,863,348	-	1,863,348	-
Financial liabilities						
Trade payables	12	-	-	94,185	94,185	-

The following methods and assumptions are made to estimate the fair value of each class of financial instruments (where it is practicable to estimate that value):

Fund investments at FVTPL

The Fund's investments at fair value through profit or loss represent financial assets carried at fair value through profit or loss on inception. The Fund's investments at fair value through profit or loss were managed externally by professional fund managers within discretion of the investment guidelines mandated by AGD under the Demand Aggregation Scheme. The Fund manages and evaluates the performance of such investments on a fair value basis in accordance with the Fund's investment policy and strategies.

The fair values of unquoted fund investments were determined based on the closing net asset value provided by the fund managers as at 31 March 2025.

Notes to the Financial Statements

For the financial year ended 31 March 2026

15. Financial risk management (continued)

- (d) Accounting classifications and fair values (continued)

Other financial assets and liabilities

The carrying amounts of interest and other receivables, cash and cash equivalents and trade payables approximate their respective fair values due to the short-term to maturity.

Fair value hierarchy

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table stipulates investments measured at fair value by fair value hierarchy:

	Level 2 \$'000	Total \$'000
2025		
Fund investments at FVTPL	1,471,001	1,471,001

The Fund does not have any investments in the Level 3 category and there were no transfers between Level 1 and Level 2 in 2025.

Valuation techniques and inputs used to derive Level 2 fair values

Level 2 fair values of the fund investments at FVTPL were derived using the net asset value approach.

Notes to the Financial Statements

For the financial year ended 31 March 2026

16. Events occurring after statement of financial position date

SSG and WSG officially merged on 1 July 2026 to form a single statutory board known as Skills and Workforce Development Agency ("SWDA"), jointly overseen by Ministry of Manpower and Ministry of Education.

This merger will strengthen the integration of Singapore's jobs-skills ecosystem. SWDA will focus on better serving individuals and employers and better partnering the broader ecosystem of providers of career and employment services and training.

Pursuant to the Skills and Workforce Development Agency Act 2026, the administration of the Fund was transferred from SSG to SWDA.

17. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting periods and have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

18. Authorisation of financial statements

These financial statements were authorised for issue by the former Board Chairman and former Chief Executive of SSG on 30 July 2026.

SkillsFuture Jubilee Fund

160

Statement by SkillsFuture Singapore Agency,
which administers SkillsFuture Jubilee Fund

161

Independent Auditor's Report

166

Statement of Comprehensive Income

167

Statements of Financial Position

168

Statement of Changes in
Accumulated Surplus

169

Statement of Cash Flows

170

Notes to the Financial Statements



Statement by SkillsFuture Singapore Agency, which administers SkillsFuture Jubilee Fund

For the financial year ended 31 March 2026

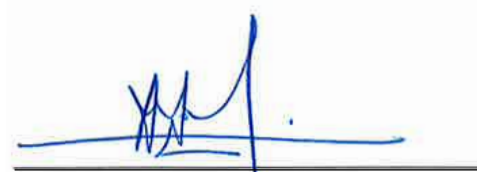
In our opinion,

- (a) the accompanying financial statements of SkillsFuture Jubilee Fund (“the Fund”), set out on pages 166 to 177 are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the “Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to present fairly, in all material respects, the financial position of the Fund as at 31 March 2026, and the financial performance, changes in accumulated surplus, and cash flows of the Fund for the financial year ended on that date;
- (b) the receipts and expenditure by the Fund during the financial year have been in accordance with the provisions of the Act;
- (c) proper accounting and other records have been kept in accordance with the provisions of the Act, the Charities Act and Regulations.

SkillsFuture Singapore Agency (“SSG”) and Workforce Singapore Agency (WSG”) were merged to form Skills and Workforce Development Agency (“SWDA”) with effect from 1 July 2026. Following the formation of SWDA, pursuant to Part 9 of the Skills and Workforce Development Agency Act 2026, all assets and liabilities of SSG were transferred to, and will continue to exist under SWDA, being the merged statutory board. On 1 July 2026, SSG ceased to exist.

The Board of SWDA has authorised the former Board Chairman and former Chief Executive of SSG to approve these financial statements for issue.

On behalf of SkillsFuture Singapore Agency, which administers the Fund


Tan Kai Hoe
Former Board Chairman of
SkillsFuture Singapore Agency

30 July 2026


Tan Kok Yam (Chen Guyan)
Former Chief Executive of
SkillsFuture Singapore Agency

Independent Auditor’s Report

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements of SkillsFuture Jubilee Fund (“the Fund”) are properly drawn up in accordance with the provisions of the Skills Development Levy Act 1979 (the “Act”), the Charities Act 1994 and other relevant regulations (the “Charities Act and Regulations”) and Statutory Board Financial Reporting Standards (“SB-FRS”) so as to give a true and fair view of the financial position of the Fund as at 31 March 2026, and the financial performance, changes in accumulated surplus and cash flows of the Fund for the financial year ended on that date.

What we have audited

The financial statements of the Fund comprise:

- the statement of comprehensive income for the financial year ended 31 March 2026;
- the statement of financial position as at 31 March 2026;
- the statement of changes in accumulated surplus for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Fund 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.

Other Information

Management is responsible for the other information. The other information comprises the Statement by SkillsFuture Singapore Agency which administers SkillsFuture Jubilee Fund but does not include the financial statements and our auditor’s report thereon.

Independent Auditor's Report

Report on the Audit of the Financial Statements (continued)**Other Information** (continued)

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

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

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and SB-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 Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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

Independent Auditor's Report

Report on the Audit of the Financial Statements (continued)**Auditor's Responsibilities for the Audit of the Financial Statements** (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 Fund's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Fund'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 Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements**Opinion**

In our opinion:

- (a) the receipts and expenditure by the Fund during the year are, in all material respects, in accordance with the provisions of the Act and the requirement of any other written law applicable to moneys of or managed by the Fund.
- (b) proper accounting and other records have been kept, including records of all assets of the Fund whether purchased, donated or otherwise.

Basis for Opinion

We conducted our audit in accordance with SSAs. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Compliance Audit* section of our report. We are independent of the Fund in accordance with the 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 on management's compliance.

Responsibilities of Management for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts and expenditure, are in accordance with the provision of the Act and the requirements of any other written law applicable to moneys of or managed by the Fund. This responsibility includes monitoring related compliance requirements relevant to the Fund, and implementing internal controls as management determines are necessary to enable compliance with the requirements.

Auditor's Responsibilities for the Compliance Audit

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts and expenditure, are in accordance with the provision of the Act and the requirements of any other written law applicable to moneys of or managed by the Fund.

Independent Auditor's Report

Report on Other Legal and Regulatory Requirements (continued)**Auditor's Responsibilities for the Compliance Audit (continued)**

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts and expenditure; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Because of the inherent limitations in any internal control system, non-compliances may nevertheless occur and not be detected.

The engagement partner on the audit resulting in this independent auditor's report is Maurice Loh Seow Wee.



PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 30 July 2026

Statement of Comprehensive Income

For the financial year ended 31 March 2026

	Note	2026 \$	2025 \$
Income			
Interest income		<u>448,212</u>	703,355
Expenditure			
Other expenses	3	<u>(200,000)</u>	(125,000)
Surplus for the year, representing total comprehensive income for the year		<u>248,212</u>	578,355

Statement of Financial Position

As at 31 March 2026

	Note	2026 \$	2025 \$
Current assets			
Other receivable	4	194,674	362,980
Cash and cash equivalents	5	<u>21,843,729</u>	21,427,211
		<u>22,038,403</u>	21,790,191
Total current assets representing total assets		<u>22,038,403</u>	21,790,191
Total accumulated surplus		<u>22,038,403</u>	21,790,191

Statement of Changes in Accumulated Surplus

For the financial year ended 31 March 2026

	Accumulated surplus \$
2026	
Beginning of financial year	21,790,191
Surplus for the year, representing total comprehensive income for the year	<u>248,212</u>
End of financial year	<u>22,038,403</u>
2025	
Beginning of financial year	21,211,836
Surplus for the year, representing total comprehensive income for the year	<u>578,355</u>
End of financial year	<u>21,790,191</u>

Statement of Cash Flows

For the financial year ended 31 March 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Surplus for the year		248,212	578,355
Adjustment for:			
Interest income		(448,212)	(703,355)
Net cash used in operating activities		<u>(200,000)</u>	<u>(125,000)</u>
Cash flows from investing activity			
Interest received		616,518	693,539
Net cash generated from investing activity		<u>616,518</u>	<u>693,539</u>
Net increase in cash and cash equivalents		416,518	568,539
Cash and cash equivalents at beginning of the year		<u>21,427,211</u>	<u>20,858,672</u>
Cash and cash equivalents at end of the year	5	<u>21,843,729</u>	<u>21,427,211</u>

Notes to the Financial Statements

For the financial year ended 31 March 2026

1. General information

The SkillsFuture Jubilee Fund ("the Fund") was established in the Republic of Singapore as part of the Skills Development Fund ("SDF") in accordance with Section 5 of the Skills Development Levy Act 1979. The Fund was administered by Singapore Workforce Agency ("WDA") from 11 February 2015 to 2 October 2016. The administration of the Fund was transferred from WDA to SkillsFuture Singapore Agency ("SSG") with effect from 3 October 2016. Upon dissolution of the Fund, the treatment of the remaining balance would be guided by the Government.

As the Fund will be administered and governed in accordance with the objects of the Skills Development Levy Act 1979, the objects for which moneys of the Fund may be applied are as follows:

- (a) the promotion, development and upgrading of skills and expertise of persons preparing to join the workforce, persons in the workforce and persons rejoining the workforce;
- (b) the retraining of retrenched persons; and
- (c) the provision of financial assistance by grants, loans or otherwise for the above-mentioned purposes.

The intent for the Fund is to use the moneys to administer SkillsFuture Fellowships and SkillsFuture Employer Awards. These are awards given to:

- (a) recognise and develop Singaporeans who embody characteristics aligned with the SkillsFuture objectives and support them in developing skills mastery in their respective fields of work; and
- (b) recognise employers who made significant effort to invest in employee training and supported the SkillsFuture effort to develop structured skills-based career pathways for their employees.

The Fund's registered office and principal place of operations is 1 Paya Lebar Link, #08-08 Paya Lebar Quarter 2, Singapore 408533. The Fund is a registered charity under the Charities Act 1994.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information**2.1 Basis of preparation**

These financial statements have been prepared in accordance with the Statutory Board Financial Reporting Standards ("SB-FRS"), including Interpretations of SB-FRS ("INT SB-FRS") and Guidance Notes as promulgated by the Accountant-General under historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with SB-FRS requires management to exercise its judgement in the process of applying the Fund's accounting policies. It also requires the use of certain accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

Interpretations and amendments to published standards effective in 2025

On 1 April 2025, the Fund has adopted the new or amended SB-FRS and INT SB-FRS that are mandatory for application for the financial year. Changes to the Fund's accounting policies have been made as required, in accordance with the transitional provisions in the respective SB-FRS and INT SB-FRS.

The adoption of these new or amended SB-FRS and INT SB-FRS did not result in substantial changes to the Fund's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Functional and presentation currency

- (a) Functional and presentation currency

The financial statements are presented in Singapore dollars ("SGD" or "\$"), which is the functional currency of the Fund.

- (b) Transactions and balances

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

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.3 Interest income

Interest income comprises interest income on deposits held with Accountant-General Department ("AGD"). Interest income is recognised using the effective interest method.

2.4 Financial instruments

Financial assets

(a) Classification and measurement

The Fund classifies its financial assets as measured at amortised cost.

The classification is based on the Fund's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

(b) At initial recognition

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset.

(c) At subsequent measurement

Debt instruments mainly comprise of cash and cash equivalents and other receivable.

There is one subsequent measurement category based on the Fund's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of comprehensive income when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 March 2026

2. Material accounting policy information (continued)

2.4 Financial instruments (continued)

Financial assets (continued)

(d) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Fund commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in the statement of comprehensive income.

(e) Impairment

The Fund assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 6 details how the Fund determines whether there has been a significant increase in credit risk.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and deposits held with the AGD which are subject to an insignificant risk of changes in value and are used by the Fund in the management of its short-term commitments.

Notes to the Financial Statements

For the financial year ended 31 March 2026

3. Other expenses

Other expenses pertain to disbursements for SkillsFuture Fellowship awards to citizens.

4. Other receivable

	2026 \$	2025 \$
Interest receivable from Centralised Liquidity Management ("CLM") deposits held with AGD	194,674	362,980

5. Cash and cash equivalents

	2026 \$	2025 \$
CLM deposits held with AGD ⁽ⁱ⁾	21,843,729	21,427,211

⁽ⁱ⁾ The Fund participates in the CLM by the AGD under AGD Circular 4/2009. Deposits, which are interest-bearing, centrally managed by AGD, available to the Fund upon request and earns interest at the average rate of 2.06% (2025: 3.09%) per annum.

6. Financial risk management

Financial risk factors

The Fund's activities expose it to a variety of financial risks: credit risk and market risk.

Risk management framework

The Fund has documented financial risk management policies. These policies set out the Fund's overall business strategies and its risk management philosophy. The Fund's overall financial risk management objective seeks to minimise potential adverse effects on its financial performance.

The Fund provides written principles for overall financial risk management, which covers specifically on market risk (including interest rate risk) and credit risk. Such written policies are reviewed periodically by the Fund and periodic reviews are undertaken to ensure that the Fund's policies are relevant and complied with.

Notes to the Financial Statements

For the financial year ended 31 March 2026

6. Financial risk management (continued)

The Fund monitors its risk exposure regularly. There has been no change to the Fund's exposure to these financial risks or the manner in which it manages and measures the risk.

(a) Credit risk

Credit risk is the risk of financial loss to the Fund if counterparty to a financial instrument fails to meet its contractual obligation, as and when they fall due.

At the reporting date, the Fund's credit risk is limited as the counterparty for cash and cash equivalents and other receivables is AGD which relates to a government agency. The loss allowance has been determined to be immaterial as at 31 March 2026 and 2025.

(b) Market risk

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

Interest rate risk

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

The Fund has cash balances placed with reputable banks and financial institutions and deposits held with AGD and are variable rate interest-bearing.

Sensitivity analysis

A change of 100 basis points in interest rates would have increased or decreased surplus by the amounts shown below. This analysis assumes that all other variables remain constant.

	2026 \$	2025 \$
CLM deposits held with AGD	218,000	214,000

Notes to the Financial Statements

For the financial year ended 31 March 2026

6. Financial risk management (continued)

(c) Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	2026 \$	2025 \$
Other receivable	194,674	362,980
Cash and cash equivalents	21,843,729	21,427,211
Financial assets, at amortised cost	22,038,403	21,790,191

The carrying amounts of financial assets with a maturity of less than one year (including other receivable and cash and cash equivalents) approximate their fair values because of the short period to maturity.

7. Related party transactions

Other than disclosed elsewhere in the financial statements, there were no other transactions that took place between the Fund and related parties during the year.

Compensation of key management personnel

The Fund relies on SSG for management and administrative support.

None of the key management personnel earned any fees or other remuneration in respect of their appointment for the Fund during the current year and prior year. The key management personnel are not paid directly by the Fund but receive remuneration from SSG, in respect of their services to the larger group which includes the Fund. No consideration was paid to SSG for the service rendered by the key management personnel to the Fund.

Notes to the Financial Statements

For the financial year ended 31 March 2026

8. Events occurring after statement of financial position date

SSG and Workforce Singapore Agency ("WSG") officially merged on 1 July 2026 to form a single statutory board known as Skills and Workforce Development Agency ("SWDA"), jointly overseen by Ministry of Manpower and Ministry of Education.

This merger will strengthen the integration of Singapore's jobs-skills ecosystem. SWDA will focus on better serving individuals and employers and better partnering the broader ecosystem of providers of career and employment services and training.

Pursuant to the Skills and Workforce Development Agency Act 2026, the administration of the Fund was transferred from SSG to SWDA.

9. New standards and interpretations not adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2026 reporting periods have not been early adopted by the Fund. These standards are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

10. Authorisation of financial statements

These financial statements were authorised for issue by the former Board Chairman and former Chief Executive of SSG on 30 July 2026.

