

LASALLE College of the Arts Limited

Company Registration No:
199202950W

Annual Financial Statements
30 June 2025



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LASALLE College of the Arts Limited

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LASALLE College of the Arts Limited

Directors' statement

The directors are pleased to present their statement to the members together with the audited financial statements of LASALLE College of the Arts Limited (the "Company") for the financial year ended 30 June 2025.

Opinion of the directors

In the opinion of the directors,

- (i) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2025, and of the financial performance, changes in equity and cash flows of the Company for the year then ended in accordance with the provisions of the Singapore Companies Act 1967, the Charities Act 1994 and other relevant regulations and Singapore Financial Reporting Standards; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The names of the directors in office at the date of this statement are:

Peter Seah
Professor Stephen Robert Dixon
Robert Michael Tomlin
Kirtida Mekani
Lee Suan Hiang
Brother Paul Ho Kok Chee
Brother Edmundo Adolfo Fernandez
Lam Hock Choon
Leow Siew Jin
Tay Cheng Kim Karen
Ang Cheng Ling, Jenny

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

As the Company is a Company limited by guarantee and has no share capital, the statutory information required to be disclosed by the directors under paragraph 9, Twelfth Schedule of the Singapore Companies Act 1967 does not apply.

LASALLE College of the Arts Limited

Directors' statement

Share options

As the Company is limited by guarantee, the statutory information required to be disclosed under paragraph 2, Twelfth Schedule of the Singapore Companies Act 1967 does not apply.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:



PETER SEAH
Director



PROFESSOR STEPHEN ROBERT DIXON
Director

14 November 2025

LASALLE College of the Arts Limited

Independent auditor's report For the financial year ended 30 June 2025

Independent auditor's report to the members of LASALLE College of the Arts Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of LASALLE College of the Arts Limited (the "Company"), which comprise the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), the Singapore Charities Act 1994 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 30 June 2025 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Basis for opinion

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

Other information

Management is responsible for other information. The other information comprises the Directors' statement set out on pages 1 to 2.

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

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

LASALLE College of the Arts Limited

Independent auditor's report For the financial year ended 30 June 2025

Independent auditor's report to the members of LASALLE College of the Arts Limited

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 SFRS, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company'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 Company to cease to continue as a going concern.

LASALLE College of the Arts Limited

**Independent auditor's report
For the financial year ended 30 June 2025**

Independent auditor's report to the members of LASALLE College of the Arts Limited

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

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

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

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Act and the Charities Act and Regulations.

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

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



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

14 November 2025

LASALLE College of the Arts Limited

**Statement of comprehensive income
For the financial year ended 30 June 2025**

	Note	2025 \$	2024 \$
Fee income	15	31,546,720	28,689,860
Other operating income	18	1,942,775	2,017,484
		33,489,495	30,707,344
Operating expenses			
Staff costs		37,799,072	34,894,758
Depreciation and amortisation expense	4,5,6	8,524,456	8,329,141
Other operating expenses		15,542,587	15,539,982
		61,866,115	58,763,881
Operating deficit	16	(28,376,620)	(28,056,537)
Non-operating income			
Interest income		871,264	806,392
Donation income		970,343	671,088
		1,841,607	1,477,480
Deficit before government grants and government credits		(26,535,013)	(26,579,057)
Government grants			
Amortisation of deferred capital grants and deferred income for donations	13,14	6,267,963	6,619,446
Government grants	19	19,551,578	19,993,160
		25,819,541	26,612,606
Net (deficit)/surplus before government credits		(715,472)	33,549
Government credits	22	958,315	-
Net surplus for the financial year		242,843	33,549
Total comprehensive surplus for the financial year		242,843	33,549

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

LASALLE College of the Arts Limited**Statement of financial position
As at 30 June 2025**

	Note	2025 \$	2024 \$
ASSETS			
Non-current assets			
Property, plant and equipment	4	37,953,312	41,850,602
Intangible assets	5	326,615	204,175
Right-of-use assets	6	9,313,160	9,960,040
Investment securities	7	250,228	250,558
		47,843,315	52,265,375
Current assets			
Trade and other receivables	8	4,069,976	4,388,694
Prepayments		376,890	420,259
Investment securities	7	6,660,218	8,647,812
Cash and cash equivalents	9	68,768,246	62,485,783
		79,875,330	75,942,548
Total assets		127,718,645	128,207,923
EQUITY AND LIABILITIES			
Equity			
Members' guarantee, subscribed in Accordance with Article 5 of the Articles of Association subscriptions of \$10 each	10	920	920
General fund		35,868,868	35,662,451
Contingency reserve		3,918,410	3,881,984
Funds managed on behalf of others	21	379,121	-
Net assets of funds managed on behalf of others	21	(379,121)	-
Total equity		39,788,198	39,545,355
Current liabilities			
Other payables and accruals	11	9,914,946	8,848,890
Other liabilities	12	790,140	544,530
Deferred fee income	17	7,269,348	6,092,124
Lease liabilities	6	1,307,402	1,026,371
		19,281,836	16,511,915
Non-current liabilities			
Other payables	11	1,700,000	1,800,000
Deferred income for donations	13	17,285,189	17,176,395
Deferred government capital grants	14	48,596,177	52,134,410
Lease liabilities	6	977,245	989,848
Provision for reinstatement cost	6	90,000	50,000
		68,648,611	72,150,653
Total liabilities		87,930,447	88,662,568
Total equity and liabilities		127,718,645	128,207,923

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

LASALLE College of the Arts Limited**Statement of changes in equity
For the financial year ended 30 June 2025**

	Members' guarantee	General fund	Contingency reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2023	920	35,633,934	3,876,952	39,511,806
Net surplus for the financial year	–	33,549	–	33,549
Transfer to reserve	–	(5,032)	5,032	–
	–	28,517	5,032	33,549
Balance at 30 June 2024	920	35,662,451	3,881,984	39,545,355
Balance at 1 July 2024	920	35,662,451	3,881,984	39,545,355
Net surplus for the financial year	–	242,843	–	242,843
Transfer to reserve	–	(36,426)	36,426	–
	–	206,417	36,426	242,843
Balance at 30 June 2025	920	35,868,868	3,918,410	39,788,198

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

LASALLE College of the Arts Limited**Statement of cash flows
For the financial year ended 30 June 2025**

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Net surplus for the financial year		242,843	33,549
Adjustments for:			
Allowance for expected credit loss on trade receivables	8	33,096	70,534
Reversal of expected credit loss on investment securities	7	(7,912)	(550)
Depreciation of property, plant and equipment	4	6,236,026	6,364,554
Amortisation of intangible assets	5	157,699	67,267
Depreciation of right-of-use assets	6	2,130,731	1,897,320
Amortisation of deferred capital grants and deferred income for donations	13,14	(6,267,963)	(6,619,446)
Government grants	19	(19,551,578)	(19,993,160)
Gain on disposal of property, plant and equipment		(2,148)	(25,646)
Loss on disposal of intangible assets		2,916	4,639
Donation income		(970,343)	(671,088)
Interest income from banks		(863,471)	(783,167)
Interest income from treasury bills		(7,793)	(23,225)
Lease interest expense	6	103,644	77,673
Reversal of provision for reinstatement costs		-	(32,000)
Premium amortisation of investment securities		404	5,846
		(18,763,849)	(19,626,900)
Changes in working capital:			
Increase in trade and other receivables		(150,953)	(767,264)
Decrease in prepayments		43,369	204,887
Increase in other liabilities, other payables and accruals		1,536,431	491,363
Increase in deferred fee income		1,177,224	1,731,566
Net cash used in operating activities		(16,157,778)	(17,966,348)
Cash flows from investing activities			
Purchase of property, plant and equipment	4	(2,340,012)	(2,009,773)
Proceeds from disposal of property, plant and equipment		3,424	30,973
Purchase of intangible assets	5	(283,055)	(333,913)
Proceeds from disposal of intangible assets		-	23
Purchase of investment securities		(5,158,500)	(5,888,500)
Decrease in fixed deposit		-	6,000,000
Proceeds from maturity of investment securities		7,161,725	1,500,000
Interest received		958,726	987,254
Net cash generated from investing activities		342,308	286,064

LASALLE College of the Arts Limited

**Statement of cash flows
For the financial year ended 30 June 2025**

	Note	2025 \$	2024 \$
Cash flows from financing activities			
Donation income received on bursaries, scholarships and others		800,769	906,512
Development, furniture and equipment and IT government grants received	19	2,683,333	2,536,496
Operating grants received	19	19,892,898	19,630,444
Lease interest expense	6	(103,644)	(77,673)
Principal repayment of lease liabilities	6	(1,175,423)	(998,376)
Net cash generated from financing activities		22,097,933	21,997,403
Net increase in cash and cash equivalents		6,282,463	4,317,119
Cash and cash equivalents at 1 July	9	62,485,783	58,168,664
Cash and cash equivalents at 30 June	9	68,768,246	62,485,783

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

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

1. Corporate information

LASALLE College of the Arts was incorporated in Singapore on 5 June 1992 as a public company limited by guarantee under the Singapore Companies Act.

The Company is a registered Institute of Public Character, approved by the Commissioner of Charities.

The Company's registered office and principal place of business is located at 1 McNally Street, Singapore 187940.

The principal activities of the Company are to advance, develop, encourage and promote education in the arts. The Company operates LASALLE College of the Arts, providing full-time and part-time courses in the various disciplines of fine art, design, media arts and performing arts.

There has been no change in the Company's principal activities during the financial year.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

2.2 Adoptions of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 July 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1 January 2025

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)

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

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

Description	Effective for annual periods beginning on or after
Amendments to FRS109 Financial Instruments and FRS107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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

FRS 118 Presentation and Disclosure in Financial Statements

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

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

In addition, narrow-scope amendments have been made to FRS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. FRS 118, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. FRS 118 will apply retrospectively.

The directors are currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.4 Foreign currency transactions and balances**

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the financial period are recognised in the statement of comprehensive income.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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

Computers	- 3 years
Office equipment and furniture	- 5 years
Teaching equipment and storage facilities	- 5 years
Renovations to institution campus	- 2 to 7 years
Building	- 26.7 years
Art works	- 3 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

LASALLE College of the Arts Limited

Notes to the financial statements For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.5 *Property, plant and equipment (cont'd)*

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment 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 profit or loss in the year the asset is derecognised.

2.6 *Intangible assets*

Intangible assets acquired separately are measured on initial recognition at cost. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible assets.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Software

Software was acquired separately and is amortised on a straight line basis over its estimate useful life of 3 years.

Software-development in progress is stated at cost. Expenditure relating to software-development in progress are capitalised when incurred. Assets under Software-development in progress included in intangible assets are not amortised as these assets are not yet available for use.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.7 Impairment of non-financial assets**

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

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

Impairment losses are recognised in profit or loss.

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

2.8 Financial instruments**(a) Financial assets****Initial recognition and measurement**

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

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

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.8 Financial instruments (cont'd)****(a) Financial assets (cont'd)****Subsequent measurement (cont'd)****(i) Amortised cost**

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

Derecognition

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

(b) Financial liabilities**Initial recognition and measurement**

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

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

Subsequent measurement

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the respective carrying amounts is recognised in profit or loss.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.9 Impairment of financial assets**

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

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

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company considers factors such as historical credit loss experience and forward-looking factors specific to the debtors.

All impairment losses are recognised in the statement of profit or loss and other comprehensive income.

Impairment losses in respect of financial assets measured at amortised cost is reversed if the subsequent increase in fair value can be related objectively to an event occurring after the impairment loss was recognised. Any subsequent reversal of an impairment loss is recognised in statement of profit or loss and comprehensive income, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and short-term fixed deposits which are subject to an insignificant risk of changes in value.

2.11 Provisions

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

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

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.12 Government grants and contributions from other organisations**

Government grants and contributions from other organisations are recognised at their fair value where there is reasonable assurance that the grant will be received and all required conditions will be complied with.

Development grants from government and contributions from other organisations utilised for the purchase of depreciable assets or to finance capital projects are taken to the Deferred government capital grants and Deferred income for donations if the assets are capitalised, or taken to the statement of comprehensive income if the assets purchased are written off in the year of purchase.

Deferred capital grants are recognised in the statement of comprehensive income over the periods necessary to match the depreciation of the assets with the related grants. On disposal of the property, plant and equipment, the balance of the related grants is recognised in the statement of comprehensive income to match the net book value of property, plant and equipment written off.

Government grants to meet the current year's operating expenses are taken to the statement of comprehensive income for the year. Government grants are accounted for on the accrual basis.

2.13 Employee benefits**(a) Defined contribution plans**

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

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.14 Leases

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

As a lessee

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

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.14 Leases (cont'd)****As a lessee (cont'd)****(a) Rights-of-use assets**

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

Teaching spaces	–	2 to 6 years
Land premium	–	30 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.7 Impairment of non-financial assets.

(b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)

2.14 Leases (cont'd)

As a lessee (cont'd)

(c) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of event venue and leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Company's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.15 Revenue

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

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

Rendering of education services

Revenue represents tuition and other course fees and are recognised when the services have been performed and rendered over the period of course delivery.

2.16 Other operating income

(a) Professional development fees income

Professional development fee income represents income generated from provision of short courses. Such income are recognised over the period of course delivery.

(b) Rental income

Rental income is recognised on a straight-line basis over the lease term.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025**

2. Material accounting policy information (cont'd)**2.17 Non-operating income****(a) Donation income**

Donations for operations and activities are included in the statement of comprehensive income or in the fund accounts on a cash basis, except for donations specifically designated for future events or expenditure which are included in the statement of comprehensive income in the same period as the designated expenditure.

(b) Interest income

Interest income is recognised as it accrues, using the effective interest method.

2.18 Taxes**Goods and Services Tax (GST)**

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

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

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.19 Members' guarantee

Members' contribution which is subscribed in accordance with Article 5 of the Articles of Association are classified as equity.

2.20 Contingency reserve

Contingency reserve are funds transferred from the General Funds to meet any unforeseen contingency in the future, including but not limited to provision for sinking fund to meet future maintenance of the building. The funds transferred are based on a certain percentage on the net surplus for the financial year.

2.21 Funds managed on behalf of others

Funds are set up to account for contributions received from external sources for specific purposes.

This relates to funds that are managed on behalf of others by the Company. The funds comprise of tuition fee loans and Opportunity Fund managed on behalf of Ministry of Education ("MOE"). The assets and liabilities of these managed funds are presented as a line item under the funds managed on behalf of others section on the face of statement of financial position of the financial statements. Income and expenditure relating to these funds are accounted for directly in these funds. Details of income, expenditure, net assets relating to these funds are disclosed in Note 21.

LASALLE College of the Arts Limited

Notes to the financial statements For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company;
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities and assets are not recognised on the statement of financial position of the Company, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

3. Significant accounting judgments and estimates

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

3.1 Judgements made in applying accounting policies

In the process of applying the Company's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the financial statements:

Dismantle, removal or reinstatement costs for property, plant and equipment

The Company has entered into lease agreements for its teaching space and school campus. The agreements with the landlords have indicated that if the landlords require the Company to restore the premises to its original condition, the Company is obliged to do so. For certain premises, the Company has assessed and concluded that the cost required to reinstate the premises is not expected to be significant.

LASALLE College of the Arts Limited

Notes to the financial statements For the financial year ended 30 June 2025

3. Significant accounting judgments and estimates (cont'd)

3.2 *Key sources of estimation uncertainty*

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

Impairment of building construction-in-progress

Plant, property and equipment are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired or a reversal of previously recognised impairment charge may be required. If any such indication exists, the Company will estimate the recoverable amount of the plant, property and equipment and write-down the cost to the recoverable amount.

The Company has capitalised work-in-progress expenditures for the construction of the new campus building. The Company has assessed the recoverable amount based on the fair value of the building construction-in-progress on the basis of the highest and best use. The cost approach is used to determine the fair value which reflects the cost that would be required to replace the building construction-in-progress.

As a result of management's assessment, no impairment has been recognised against the building construction-in-progress as at 30 June 2025.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

4. Property, plant and equipment

	Computers	Office equipment and furniture	Teaching equipment and storage facilities	Renovations to institution campus	Building	Art works	Construction-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
As at 1 July 2023	5,632,751	5,229,090	20,426,346	12,679,165	95,403,981	995,225	1,676,468	142,043,026
Additions	617,879	26,078	797,903	78,010	–	–	489,903	2,009,773
Disposals/written off	(618,644)	(37,723)	(972,284)	(103,713)	–	–	–	(1,732,364)
Transfers	–	–	253,884	505,320	–	–	(759,204)	–
As at 30 June 2024 and 1 July 2024	5,631,986	5,217,445	20,505,849	13,158,782	95,403,981	995,225	1,407,167	142,320,435
Additions	710,723	12,371	1,289,436	182,492	–	–	144,990	2,340,012
Disposals/written off	(1,048,180)	(185,662)	(336,491)	(235,505)	–	–	–	(1,805,838)
Transfers	–	–	3,240	105,000	–	–	(108,240)	–
As at 30 June 2025	5,294,529	5,044,154	21,462,034	13,210,769	95,403,981	995,225	1,443,917	142,854,609
Accumulated depreciation								
As at 1 July 2023	4,826,265	5,127,747	16,448,161	11,192,528	57,242,390	995,225	–	95,832,316
Depreciation charge for the financial year	461,957	57,233	1,633,194	634,522	3,577,648	–	–	6,364,554
Disposals/written off	(618,216)	(37,138)	(967,970)	(103,713)	–	–	–	(1,727,037)
As at 30 June 2024 and 1 July 2024	4,670,006	5,147,842	17,113,385	11,723,337	60,820,038	995,225	–	100,469,833
Depreciation charge for the financial year	528,583	27,911	1,579,651	522,232	3,577,649	–	–	6,236,026
Disposals/written off	(1,047,949)	(185,662)	(335,446)	(235,505)	–	–	–	(1,804,562)
As at 30 June 2025	4,150,640	4,990,091	18,357,590	12,010,064	64,397,687	995,225	–	104,901,297
Net carrying amount								
As at 30 June 2025	1,143,889	54,063	3,104,444	1,200,705	31,006,294	–	1,443,917	37,953,312
As at 30 June 2024	961,980	69,603	3,392,464	1,435,445	34,583,943	–	1,407,167	41,850,602

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****5. Intangible assets**

	Software \$
Cost	
As at 1 July 2023	2,086,487
Additions	333,913
Disposals/written off	(121,208)
	<hr/>
As at 30 June 2024 and 1 July 2024	2,299,192
Additions	283,055
Disposals/written off	(63,569)
	<hr/>
As at 30 June 2025	2,518,678
	<hr/>
Accumulated amortisation	
As at 1 July 2023	2,052,910
Amortisation charge for the financial year	67,267
Disposals/written off	(25,160)
	<hr/>
As at 30 June 2024 and 1 July 2024	2,095,017
Amortisation charge for the financial year	157,699
Disposals/written off	(60,653)
	<hr/>
As at 30 June 2025	2,192,063
	<hr/>
Net carrying amount	
As at 30 June 2025	326,615
	<hr/>
As at 30 June 2024	204,175
	<hr/>

During the previous year, intangible assets have been disposed for cash consideration of \$91,409. As at 30 June 2025, balance of \$91,386 (2024: \$91,386) remains in other receivables.

6. Right-of-use assets/lease liabilities**As a lessee**

The Company has lease contracts for teaching spaces. The Company is restricted from assigning and subleasing the leased assets.

The Company also has prepayment of land use right. The land use right relates to the leasehold land that was acquired for the construction of the city campus. The lease term is for the period of 30 years which commenced from 10 March 2004 and expires on 9 March 2034.

The acquisition of land premium was financed by City Campus Development grant of \$23,868,905.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****6. Right-of-use assets/lease liabilities (cont'd)****As a lessee (cont'd)**

The Company also has certain leases of event venue and leases of equipment with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemption for these leases.

(a) Carrying amounts of right-of-use assets recognised and the movements during the period:

	Teaching spaces	Land premium	Total
	\$	\$	\$
As at 1 July 2023	1,123,587	8,861,033	9,984,620
Addition	1,872,740	–	1,872,740
Depreciation expense	(1,011,216)	(886,104)	(1,897,320)
As at 30 June 2024 and 1 July 2024	1,985,111	7,974,929	9,960,040
Addition	1,483,851	–	1,483,851
Depreciation expense	(1,244,627)	(886,104)	(2,130,731)
As at 30 June 2025	2,224,335	7,088,825	9,313,160

Provision for reinstatement cost of S\$90,000 (2024: S\$50,000) is included in the right-of-use assets for the additions on lease of teaching spaces.

(b) Lease liabilities

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

	2025	2024
	\$	\$
As at 1 July	2,016,219	1,191,855
Addition	1,443,851	1,822,740
Accretion of interest	103,644	77,673
Payments:		
- Lease interest expense	(103,644)	(77,673)
- Principal repayment	(1,175,423)	(998,376)
As at 30 June	2,284,647	2,016,219
Current	1,307,402	1,026,371
Non-current	977,245	989,848
	2,284,647	2,016,219

The liquidity analysis of lease liabilities is disclosed in Note 26.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

6. Right-of-use assets/lease liabilities (cont'd)

As a lessee (cont'd)

(c) Amounts recognised in profit or loss:

	2025	2024
	\$	\$
Depreciation expense of right-of-use assets	2,130,731	1,897,320
Interest expense on leases liabilities	103,644	77,673
Expenses relating to short-term leases (included in other operating expenses)	359,592	304,902
Total amount recognised in profit or loss	2,593,967	2,279,895

(d) Total cash outflow

The Company had total cash outflows for leases of \$1,638,659 in 2025 (2024: \$1,380,951).

A reconciliation of liabilities arising from the Company's financing activities are as follows:

	1 July 2024	Additions	Non-cash changes		Cash flows	30 June 2025
	\$	\$	Interest	Other*	\$	\$
Lease liabilities						
Current	1,026,371	1,443,851	103,644	12,603	(1,279,067)	1,307,402
Non-current	989,848	-	-	(12,603)	-	977,245
Total lease liabilities	2,016,219	1,443,851	103,644	-	(1,279,067)	2,284,647
	1 July 2023	Additions	Non-cash changes		Cash flows	30 June 2024
	\$	\$	Interest	Other*	\$	\$
Lease liabilities						
Current	743,621	1,822,740	77,673	(541,614)	(1,076,049)	1,026,371
Non-current	448,234	-	-	541,614	-	989,848
Total lease liabilities	1,191,855	1,822,740	77,673	-	(1,076,049)	2,016,219

* The "Other" column relates to reclassification of non-current portion of obligations under lease liabilities to passage of time and lease modification that is arising from a change in rental rate.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

7. Investment securities

Financial instruments

	2025	2024
	\$	\$
Non-current assets		
At amortised cost		
- Quoted debt instruments	251,241	251,645
- Allowance for expected credit losses	(1,013)	(1,087)
	250,228	250,558
Current assets		
At amortised cost		
- Quoted debt instruments	6,666,293	8,661,725
- Allowance for expected credit losses	(6,075)	(13,913)
	6,660,218	8,647,812
Total	6,910,446	8,898,370

Expected credit losses

The movement in allowance for expected credit losses of investment securities computed based on 12-month expected credit losses are as follows:

	2025	2024
	\$	\$
At 1 July	15,000	15,550
Reversal made for the financial year	(7,912)	(550)
At 30 June	7,088	15,000

The quoted debt instruments comprise of corporate bonds \$1,750,000 (2024: \$3,000,000) and short-term government securities \$5,213,000 (2024: \$6,000,000) have effective interest rate ranging 1.98% to 5% per annum (2024: 2.95% to 5%) with maturity date range between 11 November 2025 and 28 July 2028 (2024: 4 September 2024 and 28 July 2028).

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****8. Trade and other receivables**

	2025	2024
	\$	\$
Fees receivables (net of expected credit loss)	13,110	4,761
Other receivables	614,834	494,834
Operating grants receivable	1,268,343	1,686,504
Development grants receivable	225,000	208,333
Other grants receivable	1,386,187	1,352,779
Deposits	562,502	641,483
	<hr/>	<hr/>
Total trade and other receivables	4,069,976	4,388,694
Add: Cash and cash equivalents (Note 9)	68,768,246	62,485,783
Add: Investment securities at amortised cost (Note 7)	6,910,446	8,898,370
Less: Operating grants receivable	(1,268,343)	(1,686,504)
Less: Development grants receivable	(225,000)	(208,333)
Less: Other grants receivable	(1,386,187)	(1,352,779)
	<hr/>	<hr/>
Total financial assets carried at amortised cost	76,869,138	72,525,231
	<hr/> <hr/>	<hr/> <hr/>

Fees receivables are non-interest bearing and are generally on 30 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Other receivables are non-trade in nature, non-interest bearing and are repayable on demand.

Trade and other receivables are denominated in Singapore dollars.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	2025	2024
	\$	\$
At 1 July	334,654	360,257
Allowance made for the financial year	33,096	70,534
Written off	(66,180)	(96,137)
	<hr/>	<hr/>
At 30 June	301,570	334,654
	<hr/> <hr/>	<hr/> <hr/>

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****9. Cash and cash equivalents**

	2025	2024
	\$	\$
Fixed deposits	37,358,440	37,634,189
Cash and bank balances	31,409,806	24,851,594
	<u>68,768,246</u>	<u>62,485,783</u>

Fixed deposits placed with financial institutions have maturity ranging from 1 to 3 months (2024: 1 to 3 months) from the end of the financial year, with interest rates ranging from 1.42% to 2.65% (2024: 3.35% to 3.75%) per annum.

Cash and cash equivalents are denominated in Singapore dollars.

10. Members' guarantee

The Company is limited by guarantee whereby each member of the Company undertakes to meet the debts and liabilities of the Company, in the event of its liquidation, to an amount not exceeding \$10 per member.

As at 30 June 2025, the Company has 71 (2024: 75) members.

11. Other payables and accruals

	2025	2024
	\$	\$
Other payables and accruals (current):		
Other payables	6,577	1,083,716
GST payable	72,590	122,687
Bursaries and scholarships	1,880,739	1,752,199
Accrued operating expenses	7,294,137	5,264,137
Provision for unutilised leave	660,903	626,151
	<u>9,914,946</u>	<u>8,848,890</u>
Other payables and accruals (non-current):		
Bursaries and scholarships	1,700,000	1,800,000
	<u>11,614,946</u>	<u>10,648,890</u>
Total other payables and accruals	11,614,946	10,648,890
Add: Deposits (Note 12)	140,965	81,416
Less: GST payable	(72,590)	(122,687)
Less: Bursaries and scholarships	(3,580,739)	(3,552,199)
Less: Provision for unutilised leave	(660,903)	(626,151)
	<u>7,441,679</u>	<u>6,429,269</u>
Total financial liabilities carried at amortised cost	7,441,679	6,429,269

Other payables are denominated in Singapore Dollars, unsecured, non-interest bearing and are normally settled on 30 days' term.

Bursaries and scholarships refer to donations received by the Company. In making the donations, the various individual and corporate donors had indicated that such donation monies are to be made to qualifying and deserving students in the form of bursaries or scholarships.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

12. Other liabilities

	2025	2024
	\$	\$
Advances received	150,858	63,183
Donations received	498,317	399,931
Deposits	140,965	81,416
	<hr/>	<hr/>
	790,140	544,530
	<hr/>	<hr/>

The donations received refer to the donations yet to be disbursed for future activities which the Company has the obligation to disburse these monies in accordance with the terms and conditions imposed by the respective donors.

13. Deferred income for donations

	2025	2024
	\$	\$
At 1 July	17,176,395	16,676,742
Interest received	138,524	529,384
Amortisation of donation	(29,730)	(29,731)
	<hr/>	<hr/>
At 30 June	17,285,189	17,176,395
	<hr/>	<hr/>

Deferred income for donations refers to donations for the purpose of capital expenditure and Campus Extension Building Fund.

14. Deferred government capital grants

	2025	2024
	\$	\$
At 1 July	52,134,410	56,224,125
Transferred from operating grant	2,700,000	2,500,000
	<hr/>	<hr/>
Amortisation of capital grant	54,834,410 (6,238,233)	58,724,125 (6,589,715)
	<hr/>	<hr/>
At 30 June	48,596,177	52,134,410
	<hr/>	<hr/>
Represented by:		
Utilised grant	34,726,689	38,246,381
Unutilised grant	13,869,488	13,888,029
	<hr/>	<hr/>
	48,596,177	52,134,410
	<hr/>	<hr/>

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****15. Fee income**

Fee income represents tuition and other course fees arising from the provision of educational services rendered by the Company and recorded over time.

16. Operating deficit

The following items have been included in arriving at operating deficit:

	2025 \$	2024 \$
(Reversal)/allowance for expected credit losses		
- Investment securities (Note 7)	(7,912)	(550)
- Fees receivables (Note 8)	33,096	70,534
Depreciation and amortisation expense:		
- Depreciation of property, plant and equipment (Note 4)	6,236,026	6,364,554
- Amortisation of intangible assets (Note 5)	157,699	67,267
- Depreciation of right-of-use assets (Note 6)	2,130,731	1,897,320
Staff costs:		
- Salaries and bonuses	27,270,127	28,701,426
- Contribution to Central Provident Fund	2,443,902	2,541,285
- Centralised staff costs*	8,085,043	3,652,047
Lease interest expense (Note 6)	103,644	77,673
Goldsmiths related expenses	1,300,996	1,700,783
Campus maintenance	2,151,888	1,997,438
Utilities	1,631,114	2,222,762
Short-term lease expenses (Note 6)	359,592	304,902
Consultant fees	1,557,331	1,383,551
Loss on disposal of property, plant and equipment and intangible assets	768	-

*With effect from 1 January 2024, certain functions of the Company have been centralised with an alliance partner following an alliance agreement. The alliance partner recharges the expenditure of manpower of the centralised staff back to the Company.

17. Contract balances

	30 June		1 July
	2025 \$	2024 \$	2023 \$
Trade receivables (Note 8)	13,110	4,761	6,097
Deferred fee income	7,269,348	6,092,124	4,360,558

Deferred fee income primarily relates to the Company's obligation to transfer services to customers for which the Company has received consideration.

Fee income recognised that was included in the deferred fee income balance as at the beginning of the year is \$6,092,124 (2024: \$4,360,558).

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****18. Other operating income**

	2025	2024
	\$	\$
Professional development fees income	991,168	874,851
Rental income	393,323	373,649
Project income	119,185	216,508
Gain on disposal of property, plant and equipment and intangible assets	–	21,007
Others	439,099	531,469
	<u>1,942,775</u>	<u>2,017,484</u>

19. Government grants

	2025	2024
	\$	\$
Recurrent grants received during the financial year	22,576,231	22,166,940
Transferred to deferred capital grant	(2,683,333)	(2,536,496)
	<u>19,892,898</u>	<u>19,630,444</u>
Net recurrent grants received during the financial year	19,892,898	19,630,444
Recurrent grants accrued in prior year	(1,686,504)	(1,323,788)
Recurrent grants accrued in current year	1,345,184	1,686,504
	<u>19,551,578</u>	<u>19,993,160</u>
Recurrent grants taken to statement of comprehensive Income	19,551,578	19,993,160

20. Taxation

The Company is registered as a charity under the Charities Act 1994. With effect from the Year of Assessment 2008, all registered and exempt charities will enjoy automatic income tax exemption by virtue of Section 13(1)(zm) of the Income Tax Act 1947. Therefore, no provision for taxation has been made in the financial statements during the current financial year.

21. Funds managed on behalf of others

	2025	2024
	\$	\$
<u>Funds managed on behalf of MOE</u>		
Tuition fee loans	306,192	–
Opportunity Fund	72,929	–
	<u>379,121</u>	<u>–</u>
Total funds managed on behalf of others	379,121	–
Total net assets of funds managed on behalf of others	<u>379,121</u>	<u>–</u>

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

21. Funds managed on behalf of others (cont'd)

Tuition fee loans comprise advances from the MOE, which provides tuition fee loans to students. The tuition fee loans are administered by a financial institution. Loans given to students are interest-free until the year of their graduation, or for those with National Service obligation, in the year in which they finish their National Service. Thereafter, loans are repayable by monthly instalments with interest based on the sum of the 3-month compounded Singapore Overnight Rate Average (“SORA”) plus 1.5 percentage points. Repayment of the loans will eventually be returned to the MOE. Accordingly, the carrying amounts of student loans approximate their fair values.

The Opportunity Fund is provided to level up enrichment opportunities for Singapore Citizen students from lower income households. This includes assistance for overseas trips and purchase of computer devices.

	2025	2024
	\$	\$
Balance as at 1 July	–	–
Amount received during the year	490,407	–
Amount utilised during the year	(44,420)	–
Amount refunded during the year	(66,866)	–
	<hr/>	<hr/>
Balance as at 30 June	379,121	–
	<hr/>	<hr/>
Represented by:		
Student loans	223,960	–
Cash and cash equivalents	155,161	–
	<hr/>	<hr/>

The cash and cash equivalents of \$155,161 are held on behalf of MOE for the purpose of extending student loans and to level up enrichment opportunities for Singapore Citizen students from lower income threshold.

22. Government credits

Government credits include Progressive Wage Credit, Senior Employment Credit and Jobs Growth Incentive.

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****23. Compensation of key management personnel**

	2025	2024
	\$	\$
Short-term employee benefits (including CPF)	2,111,483	2,017,853
	Number of key management personnel	
Short-term employee benefits (including CPF) of: - \$200,000 and above	4	4

24. Commitments***Capital commitments***

At the end of reporting period, the Company had commitments of \$9,793,792 (2024: \$9,527,696) for capital expenditure not provided for in the financial statements in respect of contracts placed for the campus extension, acquisition of software application and equipment.

	2025	2024
	\$	\$
Contracted but not provided for	9,793,792	9,527,696

Other commitments

At the end of the reporting period, the Company has commitments for continuing validation expenditure with its partner university, Goldsmiths University of London ("Goldsmiths"), as follows:

	2025	2024
	\$	\$
Within one year	1,301,513	1,287,938
After one year but not more than five years	–	1,287,938
	1,301,513	2,575,876

The validation agreement with Goldsmiths covers a period of 6 years commencing 1 August 2017 to 31 July 2023. On 1 October 2022, a new agreement was signed with Goldsmiths, covering a period of 2 years and 11 months commencing 1 August 2023 to 30 June 2026.

LASALLE College of the Arts Limited

Notes to the financial statements For the financial year ended 30 June 2025

25. Donation received

As required for disclosure under Section 17(1) of the Charities (Institutions of a Public Character) Regulations 2010, the Company has received total tax-deductible donations of \$356,948 (2024: \$439,820) in the current financial year.

26. Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and interest rate risk.

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading of derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and objectives, policies and processes for the management of these risks.

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

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents and investment in debt instruments), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The following are qualitative information about the Company's expected credit loss model for significant class of financial assets.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

26. Financial risk management objectives and policies (cont'd)

(a) Credit risk (cont'd)

Financial asset class	Definitions of default	Basis for recognition of expected credit loss provision
Trade receivables	Course fees that are past due.	Simplified approach to recognise lifetime expected credit losses
Investment securities	Significant decline in credit rating of bonds, and interest and/or principal repayments that are past due and long outstanding.	12-month expected credit losses

Investment securities

For investment securities, the Company has measured the impairment loss allowance and have provided allowance for expected credit losses of \$7,088 (2024: \$15,000) at the end of the reporting date.

Information regarding the allowance movement for expected credit losses of investment securities is disclosed in Note 7 (Investment securities).

Exposure to credit risk

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

Credit risk concentration profile

At the end of the reporting date, other than disclosed in the following paragraph, there was no significant concentration of credit risk.

	2025	
	Percentage of balance	No. of counterparties/debtors
Cash and cash equivalents	100%	4
Trade and other receivables	78%	2
	2024	
	Percentage of balance	No. of counterparties/debtors
Cash and cash equivalents	100%	4
Trade and other receivables	70%	2

LASALLE College of the Arts Limited**Notes to the financial statements
For the financial year ended 30 June 2025****26. Financial risk management objectives and policies (cont'd)****(b) Liquidity risk**

Liquidity or funding risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations and to mitigate the effects of fluctuation in cash flows. The Company's activities are adequately funded by government grants and fee income.

Analysis of financial instruments by remaining contractual maturities

The table below analyses the maturity profile of the Company's financial assets and liabilities at the statement of financial position date based on contractual undiscounted repayment obligations:

	2025		
	1 year or less	2 to 5 Years	Total
	\$	\$	\$
Financial assets:			
Trade and other receivables*	1,190,446	–	1,190,446
Cash and cash equivalents	68,768,246	–	68,768,246
Investment securities	6,750,615	267,543	7,018,158
Total undiscounted financial assets	76,709,307	267,543	76,976,850
Financial liabilities:			
Other payables and accruals**	7,300,714	–	7,300,714
Lease liabilities	1,392,761	997,467	2,390,228
Deposits	140,965	–	140,965
Total undiscounted financial liabilities	8,834,440	997,467	9,831,907
Total net undiscounted financial assets/(liabilities)	67,874,867	(729,924)	67,144,943

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

26. Financial risk management objectives and policies (cont'd)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	2024		Total \$
	1 year or less \$	2 to 5 Years \$	
Financial assets:			
Trade and other receivables*	1,974,140	–	1,974,140
Cash and cash equivalents	62,485,783	–	62,485,783
Investment securities	8,797,521	275,772	9,073,293
<hr/>			
Total undiscounted financial assets	73,257,444	275,772	73,533,216
<hr/>			
Financial liabilities:			
Other payables and accruals**	6,347,853	–	6,347,853
Lease liabilities	1,110,053	1,036,252	2,146,305
Deposits	81,416	–	81,416
<hr/>			
Total undiscounted financial liabilities	7,539,322	1,036,252	8,575,574
<hr/>			
Total net undiscounted financial assets/(liabilities)	65,718,122	(760,480)	64,957,642

* Exclude GST receivable and grants receivables.

** Exclude GST payable, bursaries and scholarships, provision for unutilised leave and deferred grant income.

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

26. Financial risk management objectives and policies (cont'd)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises from cash in bank and fixed deposits.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the statement of financial position date, if interest rates had been 10 basis points (2024: 10 basis points) lower/higher with all other variables held constant, the Company's surplus/deficit would have been \$68,768 (2024: \$62,486) lower/higher, arising mainly as a result of lower/higher interest income from floating rate cash in bank and fixed deposits.

27. Fair values of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

(a) Fair value measurements

Fair value hierarchy

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

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

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

LASALLE College of the Arts Limited

**Notes to the financial statements
For the financial year ended 30 June 2025**

27. Fair values of financial instruments (cont'd)

(b) Financial instruments not measured at fair value, for which fair value is disclosed

The following table shows an analysis of the Company's assets not measured at fair value, for which fair value is disclosed.

	Fair Value: Quoted prices in active markets for identical instruments (Level 1)	Carrying amount
As at 30 June 2025		
Investment securities at amortised cost (Note 7)		
- Quoted debt instruments	6,932,851	6,910,446
As at 30 June 204		
Investment securities at amortised cost (Note 7)		
- Quoted debt instruments	8,867,433	8,898,370

Determination of fair value

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

(c) Financial instruments whose carrying amounts approximate fair value

Management has determined that the carrying amounts of trade and other receivables, cash and cash equivalents, other payables and accruals based on their nominal amounts, reasonably approximate their fair values because these are mostly short-term in nature or are repriced frequently.

The carrying amounts of lease liabilities approximate their fair values as its incremental borrowing rate ("IBR") used to measure lease liabilities is close to market rate of interest.

LASALLE College of the Arts Limited

Notes to the financial statements For the financial year ended 30 June 2025

28. Capital management

The Company's objectives when managing capital are:

- (a) To safeguard the Company's ability to continue as a going concern;
- (b) To support the Company's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Company's risk management capability.

The Company defines capital as all components of equity and deferred government capital grants. The Company monitors the capital structure regularly, taking into consideration the future requirements, prevailing and projected operating cash flows, projected capital expenditures and projected investment opportunities.

The Company monitors capital on the basis of the carrying amount of equity and deferred government capital grants plus its borrowings, less cash and cash equivalents presented on the face of the statement of financial position.

There were no changes in the Company's approach to capital management during the financial year.

The Company is not subject to externally imposed capital requirements.

29. Authorisation of financial statements

The financial statements for the financial year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 14 November 2025.