Nexia
Singapore PAC

MONTFORT CARE

Company Registration No.: 200814118E
Institutions of a Public Character Number: IPC000638

(Registered under the Charities Act 1994 and
Incorporated in the Republic of Singapore)

Directors' Statement
and Financial Statements for the
Financial Year Ended 31 March 2025

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DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

The directors are pleased to present their statement to the members together with the audited financial statements of Montfort Care (the "Company") for the financial year ended 31 March 2025.

1. Opinion of directors

In the opinion of the directors,

(a) 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 31 March 2025 and the financial performance, changes in funds and cash flows of the Company for the financial year ended on that date; and

(b) 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.

2. Directors

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

Chow Ling Charmaine Anne (Cao Ling Charmaine Anne)	
Han Jing Xieng (Han Jingxian)	(Appointed on 1 October 2024)
Jonathan Peter Lau	(Appointed on 1 April 2024)
Lee Kim Hua	(Appointed on 1 April 2024)
Lim Ting Hong (Lin Tingfang)	(Appointed on 1 April 2024)
Samuel Ng Beng Teck	
Tay Teck Shong	
Teo Hong Lim	
Yeo Koh Tuan Kiok Dominic	

3. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

The Company is a company limited by guarantee and has no share capital.

4. Directors' interests in shares and debentures

The Company is limited by guarantee and has no share capital or debenture. Therefore, there are no matters to be disclosed under Section 9, Twelfth Schedule of the Companies Act 1967.

5. Share options

The Company is a company limited by guarantee and has no share capital.

6. Independent auditors

The independent auditors, Nexia Singapore PAC, has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Teo Hong Lim
Director

Samuel Ng Beng Teck
Director

Date: 05 September 2025

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Chartered Accountants of Singapore
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTFORT CARE

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Montfort Care (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Companies Act"), the 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 31 March 2025 and of the financial performance, changes in the funds and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the 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 the other information. The other information comprises the information included in the Directors' Statement.

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

In preparing the financial statements, management is responsible for assessing the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MONTFORT CARE (CONTINUED)

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.

- 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 charge 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 TO THE MEMBERS OF MONTFORT CARE (CONTINUED)

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 Companies Act, the Charities Act and Regulations.

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

(a) the Company has not used the donation moneys in accordance with its objectives as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and

(b) the Company has not complied with the requirements of Regulation 15 of the Charities (Institutions of a Public Character) Regulations.

Nexia Singapore PAC.

NEXIA SINGAPORE PAC
Public Accountants and
Chartered Accountants
Singapore

Date: 5 September 2025

(Engagement partner: Chan Rouh Ting)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

		2025			2024
	Note	Unrestricted fund $	Restricted funds $	Total funds $	Total funds $
Income					
Care and Share funding		-	-	-	9,382
Community Silver Trust funding		437,367	-	437,367	819,363
Community Development Council funding		35,829	1,318	37,147	58,323
Caritas Singapore Community Council funding		1,462,500	-	1,462,500	1,166,200
Council for Third Age funding		180,139	-	180,139	363,544
Agency for Integrated Care funding		14,258,024	12,068	14,270,092	11,542,348
KidSTART Singapore Ltd		-	1,499,693	1,499,693	999,985
Ministry of Social and Family Development		67,885	20,213,849	20,281,734	18,313,477
Housing and Development Board		-	143,047	143,047	178,809
National Council of Social Services					
- Community Chest		-	99,211	99,211	53,861
- Tote Board Social Service Fund		-	2,689,867	2,689,867	2,313,651
- Others		-	-	-	123,699
Other agencies/organisations funding		634,008	480,329	1,114,337	545,969
Programme fees		197,787	9,045	206,832	157,274
Donations and sponsorship	5	446,128	61,556	507,684	399,526
Other income	6	632,389	150,764	783,153	350,855
Interest income – fixed deposits		868,817	-	868,817	965,241
		19,220,873	25,360,747	44,581,620	38,361,507
Less: Expenses					
Depreciation expenses	10	(1,235,454)	(423,561)	(1,659,015)	(1,197,367)
Staff costs	7	(13,744,574)	(18,536,980)	(32,281,554)	(30,830,227)
Programme expenses		(664,863)	(167,233)	(832,096)	(582,115)
Other operating expenses	8	(3,244,418)	(2,572,953)	(5,817,371)	(4,771,171)
		(18,889,309)	(21,700,727)	(40,590,036)	(37,380,880)
Surplus for the financial year		331,564	3,660,020	3,991,584	980,627
Income tax expense	9	-	-	-	-
Surplus for the financial year, representing total comprehensive income for the financial year		331,564	3,660,020	3,991,584	980,627

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

MONTFORT CARE

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025	2024
		$	$
Assets			
Non-current asset			
Property, plant and equipment	10	7,166,940	5,650,210
Current assets			
Receivables	11	5,325,122	4,344,811
Deposits and prepayments	12	362,338	261,852
Cash and cash equivalents	13	43,623,599	38,100,397
Total current assets		49,311,059	42,707,060
Total assets		56,477,999	48,357,270
Liabilities			
Current liabilities			
Payables	14	8,646,366	5,107,320
Deferred grants	15	2,142,748	2,579,411
Lease liabilities	17	767,765	735,018
		11,556,879	8,421,749
Non-current liabilities			
Deferred grants	15	2,222,473	1,163,146
Provision for restoration cost	16	509,263	494,623
Lease liabilities	17	1,364,169	1,454,993
		4,095,905	3,112,762
Total liabilities		15,652,784	11,534,511
Net assets		40,825,215	36,822,759
Funds			
Unrestricted fund		8,472,182	8,140,618
Restricted funds			
Accumulated funds	4	32,312,493	28,652,473
Building fund	18 (a)	5,691	5,691
Samaritan fund @ Family Service (Marine Parade)	18 (b)	601	601
Samaritan fund @ Family Service (Telok Blangah)	18 (c)	4	4
Economic downturn fund	18 (d)	42	42
Financial assistance fund	18 (e)	4,656	56
Family Service Centre ComCare fund	18 (f)	20,021	8,969
School pocket money fund	18 (g)	-	3,205
Roxy Mercure Children fund	18 (h)	(1,575)	-
Samaritan fund @ Child Protection Specialist Centre	18 (i)	11,100	11,100
Ngee Ann Cares	18 (j)	-	-
		32,353,033	28,682,141
Total funds		40,825,215	36,822,759

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

MONTFORT CARE

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

		Restricted Funds												
	Unrestricted accumulated fund	Accumulated fund	Building fund	Samaritan fund @ Family Service (Marine Parade)	Samaritan fund @ Family Service (Telok Blangah)	Economic downturn fund	Financial assistance fund	Family Service Centre ComCare fund	School pocket money fund	Roxy Mercure Children fund	Samaritan fund @ Child Protection Specialist Centre	Ngee Ann Cares	Sub-total	Total
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
2025														
At beginning of the year	8,140,618	28,652,473	5,691	601	4	42	56	8,969	3,205	-	11,100	-	28,682,141	36,822,759
Surplus for the year	331,564	3,660,020	-	-	-	-	-	-	-	-	-	-	3,660,020	3,991,584
Net change in funds	-	-	-	-	-	-	4,600	11,052	(3,205)	(1,575)	-	-	10,872	10,872
At end of the year	8,472,182	32,312,493	5,691	601	4	42	4,656	20,021	-	(1,575)	11,100	-	32,353,033	40,825,215
2024														
At beginning of the year	7,775,802	28,036,662	5,691	601	4	42	56	9,465	5,925	(3,486)	11,100	(708)	28,065,352	35,841,154
Surplus for the year	364,816	615,811	-	-	-	-	-	-	-	-	-	-	615,811	980,627
Net change in funds	-	-	-	-	-	-	-	(496)	(2,720)	3,486	-	708	978	978
At end of the year	8,140,618	28,652,473	5,691	601	4	42	56	8,969	3,205	-	11,100	-	28,682,141	36,822,759

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Surplus for the financial year		3,991,584	980,627
Adjustments for:			
Depreciation expenses	10	1,659,015	1,197,367
Finance expenses	8	57,571	49,344
Interest income		(868,817)	(965,241)
Gain on disposal of property, plant and equipment		(6,797)	18,941
Gain on derecognition of right-of-use assets		(18,061)	-
Loss on early termination and forfeiture of option		-	3,719
Operating cash flows before changes in working capital		4,814,495	1,284,757
Changes in working capital			
Receivables		(980,311)	447,642
Deposits and prepayments		(100,486)	110,570
Payables		3,539,046	(387,897)
Deferred grants / Changes in funds		1,123,884	1,395,279
Cash flows generated from operations		8,396,628	2,850,351
Interest income		868,817	965,241
Net cash flows generated from operating activities		9,265,445	3,815,592
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		42,000	-
Purchase of property, plant and equipment		(2,944,007)	(2,325,211)
Net cash flows used in investing activities		(2,902,007)	(2,325,211)
Cash flows from financing activities			
Payment on principal portion of lease liabilities		(782,665)	(605,900)
Interest paid		(57,571)	(49,344)
Net cash flows used in financing activities		(840,236)	(655,244)
Net increase in cash and cash equivalents		5,523,202	835,137
Cash and cash equivalents at beginning of the financial year		38,100,397	37,265,260
Cash and cash equivalents at end of the financial year	13	43,623,599	38,100,397

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

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

1 General information

Montfort Care (the "Company") is a company limited by guarantee which is incorporated and domiciled in Singapore with its registered office and principal place of business at 624 Upper Bukit Timah Road Boy's Town Singapore 678212.

The Company is a company limited by guarantee registered in the Republic of Singapore under the Companies Act 1967.The Company was granted the status of an Institution of a Public Character ("IPC") under the Charities Act 1994 until 31 July 2026, subject to renewal.

The principal activities of the Company are to provide casework and counselling information and referral, family life education and other services for the residents in the community, elderly wellness and outreach service, community college for seniors and child protection specialist centre.

Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time he is a member, or within one year afterwards for payment of debts and liabilities of the Company contracted before he ceases to be a member, and the costs, charges and expenses winding up the same, and adjusting the rights of the contributors among themselves, such amounts as may be required, not exceeding the sum of one Singapore dollar ($1.00) only. As at 31 March 2025, the Company has 4 members (2024: 4).

The financial statements for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on the date of Directors' Statement.

2 Basis of preparation

2.1 Statement of compliance and basis of measurement

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

2.2 Functional and presentation currency

The financial statements are presented in Singapore Dollars ($), which is the Company's functional currency. All financial information presented in Singapore Dollars has been rounded to the nearest dollar, unless otherwise indicated.

2.3 Adoption of new and revised Standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and amended standards which are effective for annual periods beginning on or after 1 April 2024. The adoption of these standards did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2 Basis of preparation (continued)

2.4 Standards issued but not yet effective

The Company has not adopted standards applicable to the Company 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
Amendments to FRS 109 and FRS 107: *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to FRS 109 and FRS 107: *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual improvements to FRS – Volume 11:	1 January 2026
Amendments to FRS 101: *First-Time Adoption of Financial Reporting Standards in Singapore*	
Amendments to FRS 107: *Financial Instruments: Disclosures and Amendments to Guidance on Implementing FRS 107 Financial Instruments: Disclosures*	
Amendments to FRS 109 *Financial Instruments*	
Amendments to FRS 110 *Consolidated financial statements*	
Amendments to FRS 7 *Statement of Cash Flows*	
FRS 118: *Presentation and Disclosure in Financial Statements*	1 January 2027
FRS 119: *Subsidiaries without Public Accountability: Disclosures*	1 January 2027

The Directors are in the process to assess the impact on the financial performance or financial position of the Company in the period of initial application.

<u>FRS 118: Presentation and Disclosure in Financial Statements</u>

FRS 118 sets out requirements on presentation and disclosures in financial statements and will replace FRS 1 "Presentation of Financial Statements". FRS 118 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to FRS 7 "Statement of Cash Flows" and FRS 33 "Earnings per Share" are also made.

FRS 118, and the consequential amendments to other FRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

2.5 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions about the future, including climate-related risks and opportunities that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Basis of preparation (continued)

2.5 Critical accounting judgements and key sources of estimation uncertainty (continued)

(a) Critical judgements in applying the accounting policies

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

(b) Key sources of estimation uncertainty

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Company's risk management and climate-related commitments where appropriate. Revisions to accounting estimates are recognised prospectively.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes.

(i) Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 1 to 10 years. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Company's property, plant and equipment at the reporting date is disclosed in Note 10 to the financial statements.

(ii) Lease liabilities

Estimating the lease term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Company reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The Company includes the extension option in the lease term for lease of leasehold properties because of the leasehold improvements made and the significant costs that would arise to replace the assets.

The Company has entered into several lease contracts with The Housing and Development Board ("HDB") which do not specifically state the tenure period but which requires both parties to provide reasonable notice in writing if the lease contracts were to be terminated. The management are of the view that the lease liabilities should be computed based on a lease term of 10 years from the initial application date of FRS 116 after considering the cost incurred for leasehold improvements, the estimated costs of relocation and service commitment to the local communities.

2 **Basis of preparation** (continued)

2.5 **Critical accounting judgements and key sources of estimation uncertainty** (continued)

(ii) Lease liabilities (continued)

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest for obtaining the required funding over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

The carrying amount of the right-of-use assets and lease liabilities at the reporting date is disclosed in Note 17 to the financial statements.

(iii) Allowance for expected credit losses of receivables.

The Company recognises loss allowances from expected credit losses on financial assets measured at amortised cost in accordance with accounting policy as disclosed in Note 3.3 (ii) to the financial statements.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The amount of expected credit loss is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the expected credit loss and the carrying amount on the Company's receivables are disclosed in Note 11 and Note 22 to the financial statements.

3 **Material accounting policies**

The accounting policies set out below have been consistently applied to all periods presented in these financial statements, except as disclosed in Note 2.3 on the new standards and amendments which addresses changes in accounting policies.

3.1 **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 of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure on an item of property, plant and equipment is added to the carrying amount of the item if it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

3 Material accounting policies (continued)

3.1 Property, plant and equipment (continued)

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Renovation	1 to 10 years
Office equipment	5 years
Furniture and fittings	5 years
Computers	3 years
Motor vehicle	10 years
Right-of-use assets	1.5 to 10 years

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

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

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

3.2 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 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 Company of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

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

3.3 Financial assets

(i) Classification and measurement

The Company classifies its financial assets at amortised costs, fair value through other comprehensive income and fair value through profit or loss. The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets. The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3 **Material accounting policies** (continued)

3.3 **Financial assets** (continued)

(i) Classification and measurement (continued)

At initial and subsequent recognition

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, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company's debt instruments which mainly comprised of cash and cash equivalents and receivables are measured at amortised costs.

(ii) Impairment of financial assets

The Company recognises loss allowances from expected credit losses ("ECLs") on financial assets measured at amortised cost. Loss allowances of the Company are measured on either of 12-month ECLs resulting from possible default events within the 12 months after the reporting date or lifetime ECLs resulting from all possible default events over the expected life of a financial instrument.

The Company applies the simplified approach and records lifetime ECLs on all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition. At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls, which is the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive.

The Company considers a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full. The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal service where appropriate. Any recoveries are recognised in the profit or loss.

3 **Material accounting policies** (continued)

3.3 **Financial assets** (continued)

(ii) Impairment of financial assets (continued)

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes significant financial difficulty of a debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amounts of these assets.

(iii) Recognition and de-recognition

The Company recognises a financial asset when, and only when the Company becomes party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

3.4 **Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks, on hand and fixed deposits that are subject to an insignificant risk of changes in value.

3.5 **Financial liabilities**

Financial liabilities are classified as at fair value through profit or loss in either of the following circumstances: the liabilities are managed, evaluated and reported internally on a fair value basis; or the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

3.6 **Payables**

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received. Interest-bearing payables are recognised initially at cost less attributable transaction costs. Subsequent to initial recognition, interest-bearing payables are stated at amortised cost using the effective interest method.

3.7 **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.

3 Material accounting policies (continued)

3.8 Leases – when the Company is the lessee

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

For contract that contains both lease and non-lease components, the Company allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Company does not separate lease and non-lease component, if any, for all leases and account these as one single lease component.

The Company recognises right-of-use ("ROU") assets and lease liabilities at the date which the underlying assets become available for use. ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for re-measurement of lease liabilities. The cost of ROU assets includes the initial measurement of lease liabilities adjusted for any lease payment made at or before the commencement dates, plus any initial direct costs incurred less any lease incentives received. Any initial cost that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU assets. ROU asset is depreciated using the straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have lease term of 12 months or less and leases of low value assets. Lease payment relating to these leases are expensed to the profit or loss on a straight-line basis over the lease term.

ROU assets are presented within "Property, plant and equipment" in the statement of financial position.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If the rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payment included in the measurement of the lease liability comprise fixed payments (including in substance fixed payment), less any lease incentive receivables. Lease liabilities are subsequently measured at amortised cost, and are remeasured when there is a change in the Company's assessment of whether it will exercise lease extension and termination option, or there is a modification to the lease terms. Where lease liabilities are remeasured, corresponding adjustments are made against the ROU assets. If the carrying amount of the ROU assets have been reduced to zero, the adjustments are recorded in the profit or loss.

3.9 Fund structures

(i) Unrestricted fund

This represents fund that is expendable for any activities within the Company at the discretion of the Management in the furtherance of the Company's charitable objectives.

(ii) Restricted funds

Restricted funds are utilised in accordance with the purposes for which they are established. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expense if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

3 Material accounting policies (continued)

3.10 Revenue recognition

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

(i) Rendering of services

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

(ii) Donations and sponsorships

Income from donations and sponsorships are recognised at a point in time when received. Revenue from fundraising event is recognised when the event has occurred.

(iii) Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

The grant related to assets is presented in the statement of financial position by recognising the grant as deferred grant that is recognised in profit or loss on a systematic basis over the useful life of the assets and in the proportions in which depreciation expense on those assets is recognised.

(iv) Interest income

Interest income are recognised as income on an accrual basis.

(v) Other income

Other income is recognised upon receipts.

3.11 Employee benefits

(a) Defined contribution plans

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

(b) Short-term employees' benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company 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.

3 **Material accounting policies** (continued)

3.12 Related parties

A party is related to an entity if:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company;

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Company of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third party and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (viii) The entity, or any member of a Company of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

4. Restricted funds

2025	Family Service (Marine Parade)	Family Service (Telok Blangah)	Goodlife!	Child Protection Specialist Centre	Family Service (Kreta Ayer)	Safe and Strong Families Preservation	Parenting Support Programme	Caregiver Community Lab	Sub-total
	$	$	$	$	$	$	$	$	$
Income									
Early Childhood Development Agency	-	-	-	-	-	-	-	-	-
Ministry of Social and Family Development	3,134,405	2,856,620	-	6,184,860	1,847,127	653,065	378,608	-	15,054,685
National Council of Social Services:									
- Community Chest	-	-	-	-	-	-	-	-	-
- Tote Board Social Service Fund	832,938	763,279	-	-	496,633	-	100,962	-	2,193,812
Funding									
- Agency for Integrated Care funding	1,766	2,060	-	1,678	1,177	-	-	-	6,681
- Comlink+	76,023	67,556	-	-	66,115	-	-	-	209,694
- Community Development Council funding	1,318	-	-	-	-	-	-	-	1,318
- Housing and Development Board	-	-	-	-	-	-	-	-	-
- Others	18,629	23,886	-	26,437	-	-	-	-	68,952
Programme fees	9,045	-	-	-	-	-	-	-	9,045
Donations and sponsorship									
- Non-tax-deductible	8,028	18	-	3,312	3,300	-	-	-	14,658
- Tax-deductible	10,222	9,000	-	5,300	700	-	-	-	25,222
Other income	16,717	12,269	-	91,931	23,619	-	593	-	145,129
Total income	4,109,091	3,734,688	-	6,313,518	2,438,671	653,065	480,163	-	17,729,196
Less: Expenses									
Depreciation expenses									
- Renovation	13,162	13,723	-	119,456	-	-	-	-	146,341
- Office equipment	931	-	-	4,818	-	-	-	170	5,919
- Furniture & fittings	4,561	803	-	360	-	-	-	-	5,724
- Computers	-	-	-	11,433	-	-	-	-	11,433
- Right-of-use assets - Premises	6,668	7,594	-	72,668	-	-	1,428	-	88,358
- Right-of-use assets - Copier	1,390	811	-	1,628	-	-	116	7	3,952
	26,712	22,931	-	210,363	-	-	1,544	177	261,727

4. Restricted funds (continued)

2025 (continued)	Family Service (Marine Parade)	Family Service (Telok Blangah)	Goodlife!	Child Protection Specialist Centre	Family Service (Kreta Ayer)	Safe and Strong Families Preservation	Parenting Support Programme	Caregiver Community Lab	Sub-total
	$	$	$	$	$	$	$	$	$
Less: Expenses (continued)									
Staff costs									
- Salaries	1,711,781	1,194,620	-	2,421,368	989,208	276,930	253,344	(89)	6,847,162
- Bonuses	624,510	373,842	-	462,871	295,263	89,793	84,002	(11,345)	1,918,936
- Contribution to defined contribution plan	409,339	284,087	-	562,502	225,146	68,115	63,064	-	1,612,253
- SDL	3,867	2,702	-	5,710	2,144	632	529	-	15,584
- Foreign worker levy	-	-	-	1,190	3,300	-	-	-	4,490
- Secondments fee	-	-	-	148,548	-	-	-	-	148,548
- Staff benefits	32,346	13,973	-	224,967	31,571	7,863	9,650	-	320,370
- Shared cost - EOM	602,829	550,196	-	658,337	360,962	68,098	50,069	-	2,290,491
- Contract for service	1,657	2,560	-	243,171	62,656	7,975	1,369	-	319,388
- Staff medical and dental expenses	15,655	8,021	-	15,326	6,330	1,845	1,058	-	48,235
	3,401,984	2,430,001	-	4,743,990	1,976,580	521,251	463,085	(11,434)	13,525,457
Training – Program	27,315	11,471	-	30,800	13,917	4,842	-	46	88,391
Training – MFC level	482	54,405	-	179	660	-	-	-	55,726
Programme expenses	29,340	5,606	-	4,412	10,117	85	741	421	50,722
Other operating expenses	386,878	337,713	-	579,498	209,190	50,349	31,012	(10,407)	1,584,233
Total expenses	3,872,711	2,862,127	-	5,569,242	2,210,464	576,527	496,382	(21,197)	15,566,256
Surplus / (Deficit) for the financial year	236,380	872,561	-	744,276	228,207	76,538	(16,219)	21,197	2,162,940
Accumulated fund brought forward	6,538,419	6,163,900	405,427	6,808,151	2,703,848	370,288	703,121	109,477	23,802,631
Accumulated fund carried forward	6,774,799	7,036,461	405,427	7,552,427	2,932,055	446,826	686,902	130,674	25,965,571

4. **Restricted funds** (continued)

2025 (continued)	Problem Gambling Prevention Ambassadors	Fresh Start Support	KidStart	Central Triage Agency	Strengthening Families	MeToYou	Care Navigator	Sub-total	Total
	$	$	$	$	$	$	$	$	$
Income									
Early Childhood Development Agency	-	-	1,499,693	-	-	-	-	1,499,693	1,499,693
Ministry of Social and Family Development	-	-	-	3,090,140	1,859,330	-	-	4,949,470	20,004,155
National Council of Social Services:									
- Community Chest	-	-	-	-	99,211	-	-	99,211	99,211
- Tote Board Social Service Fund	-	-	-	-	496,055	-	-	496,055	2,689,867
Funding									
- Agency for Integrated Care funding	-	-	-	-	5,387	-	-	5,387	12,068
- Comlink+	-	-	-	-	-	-	-	-	209,694
- Community Development Council funding	-	-	-	-	-	-		-	1,318
- Housing and Development Board	-	143,047	-	-	-	-	-	143,047	143,047
- Others	-	-	4,326	31,416	-	-	375,635	411,377	480,329
Programme fees	-	-	-	-	-	-	-	-	9,045
Donations and sponsorship									
- Non-tax-deductible	-	-	-	-	-	-	-	-	14,658
- Tax-deductible	-	9,176	-	-	-	-	12,500	21,676	46,898
Other income	-	79	1,909	1,228	2,057	-	362	5,635	150,764
Total income	-	152,302	1,505,928	3,122,784	2,462,040	-	388,497	7,631,551	25,360,747
Less: Expenses									
Depreciation expenses									
- Renovation	-	-	21,506	36,034	13,896	-	115	71,551	217,892
- Office equipment	-	-	345	-	161	-	-	506	6,425
- Furniture & fittings	-	-	-	-	636	-	-	636	6,360
- Computers	-	-	-	-	-	-	-	-	11,433
- Right-of-use assets - Premises	-	-	38,483	36,412	11,273	-	1,876	88,044	176,402
- Right-of-use assets - Copier	-	-	272	-	761	-	64	1,097	5,049
	-	-	60,606	72,446	26,727	-	2,055	161,834	423,561

4. Restricted funds (continued)

	Problem Gambling Prevention Ambassadors	Fresh Start Support	KidStart	Central Triage Agency	Strengthening Families	MeToYou	Care Navigator	Sub-total	Total
2025 (continued)	$	$	$	$	$	$	$	$	$
Less: Expenses (continued)									
Staff costs									
- Salaries	-	103,641	619,118	1,199,231	485,647	-	92,608	2,500,245	9,347,407
- Bonuses	-	15,336	186,799	410,261	155,721	-	45,180	813,297	2,732,233
- Contribution to defined contribution plan	-	21,733	143,943	310,826	112,877	-	23,662	613,041	2,225,294
- SDL	-	243	1,494	3,105	1,101	-	240	6,183	21,767
- Foreign worker levy	-	-	-	-	-	-	-	-	4,490
- Secondments fee	-	-	-	-	95,544	-	-	95,544	244,092
- Staff benefit	-	3,000	11,445	81,040	5,709	-	6,900	108,094	428,464
- Shared cost - EOM	-	15,881	166,530	325,626	256,727	-	40,510	805,274	3,095,765
- Contract for service	-	-	1,024	5,999	21,058	-	24,467	52,548	371,936
- Staff medical and dental expenses	-	860	4,943	7,918	2,246	-	1,330	17,297	65,532
	-	160,694	1,135,296	2,344,006	1,136,630	-	234,897	5,011,523	18,536,980
Training – Program	-	320	2,702	1,194	20,864	-	20	25,100	113,491
Training – MFC level	-	-	-	-	-	-	-	-	55,726
Programme expenses	-	-	4,799	-	11,145	-	100,567	116,511	167,233
Other operating expenses	-	8,424	173,494	254,581	256,943	-	126,061	819,503	2,403,736
Total expenses	-	169,438	1,376,897	2,672,227	1,452,309	-	463,600	6,134,471	21,700,727
(Deficit) / Surplus for the financial year	-	(17,136)	129,031	450,557	1,009,731	-	(75,103)	1,497,080	3,660,020
Accumulated fund brought forward	(67,820)	71,496	1,079,919	1,952,600	1,372,581	281,213	159,853	4,849,842	28,652,473
Accumulated fund carried forward	(67,820)	54,360	1,208,950	2,403,157	2,382,312	281,213	84,750	6,346,922	32,312,493

4. **Restricted funds** (continued)

2024	Family Service (Marine Parade)	Family Service (Telok Blangah)	Goodlife!	Child Protection Specialist Centre	Family Service (Kreta Ayer)	Safe and Strong Families Preservation	Parenting Support Programme	Caregiver Community Lab	Sub-total
	$	$	$	$	$	$	$	$	$
Income									
Early Childhood Development Agency	-	-	-	-	-	-	-	-	-
Ministry of Social and Family Development	2,628,688	2,261,570	-	6,215,411	1,762,337	628,132	399,999	-	13,896,137
National Council of Social Services:									
- Community Chest	-	-	-	(4,008)	(372)	-	-	-	(4,380)
- Tote Board Social Service Fund	700,895	603,020	-	(20,001)	469,906	-	106,666	-	1,860,486
Funding									
- Agency for Integrated Care funding	1,080	2,800	-	8,913	2,800	3,218	-	-	18,811
- Community Development Council funding	(1,471)	-	-	-	-	-	-	-	(1,471)
- Housing and Development Board	-	-	-	-	-	-	-	-	-
- Others	35,396	15,663	-	41,146	3,168	-	-	-	95,373
Programme fees	9,215	-	-	-	-	-	-	-	9,215
Donations and sponsorship									
- Non-tax-deductible	320	180	-	141,955	-	-	-	-	142,455
- Tax-deductible	940	3,000	-	5,096	5,000	-	-	-	14,036
Other income	128,651	23,073	-	33,190	6,585	13,842	582	2,484	208,407
Total income	3,503,714	2,909,306	-	6,421,702	2,249,424	645,192	507,247	2,484	16,239,069
Less: Expenses									
Depreciation expenses									
- Renovation	17,847	12,921	-	14,530	-	-	-	14,084	59,382
- Office equipment	1,569	223	-	4,818	387	-	-	347	7,344
- Furniture & fittings	4,513	1,354	-	360	-	-	-	-	6,227
- Computers	-	-	-	26,943	-	-	-	-	26,943
- Right-of-use assets - Premises	7,306	7,864	-	90,999	-	-	5,957	3,600	115,726
- Right-of-use assets - Copier	1,319	541	-	1,085	-	-	-	99	3,044
	32,554	22,903	-	138,735	387	-	5,957	18,130	218,666

4. **Restricted funds** (continued)

2024	Family Service (Marine Parade)	Family Service (Telok Blangah)	Goodlife!	Child Protection Specialist Centre	Family Service (Kreta Ayer)	Safe and Strong Families Preservation	Parenting Support Programme	Caregiver Community Lab	Sub-total
	$	$	$	$	$	$	$	$	$
Less: Expenses (continued)									
Staff costs									
- Salaries	1,917,860	1,469,976	-	3,120,619	1,151,988	315,435	241,085	82,900	8,299,863
- Bonuses	500,371	479,778	-	987,853	354,242	93,384	85,444	32,649	2,533,721
- Contribution to defined contribution plan	371,416	287,694	-	646,972	217,241	65,850	51,712	17,932	1,658,817
- SDL	4,084	3,160	-	7,455	2,648	747	555	207	18,856
- Foreign worker levy	-	-	-	-	6,550	-	-	-	6,550
- Secondments fee	-	-	-	193,667	-	-	-	-	193,667
- Staff benefits	14,391	10,668	-	32,560	12,774	2,611	2,100	450	75,554
- Shared cost - EOM	443,974	367,414	-	810,992	284,078	81,481	64,060	314	2,052,313
- Contract for service	-	-	-	5,618	-	-	-	-	5,618
- Other staff welfare	-	294	-	200	1,230	-	-	-	1,724
- Staff medical and dental expenses	11,636	6,992	-	18,354	6,046	1,896	872	946	46,742
	3,263,732	2,625,976	-	5,824,290	2,036,797	561,404	445,828	135,398	14,893,425
Training – Program	26,188	30,159	-	26,441	25,864	5,944	3,200	205	118,001
Training – MFC level	6,022	10,131	-	20,005	234	-	39	426	36,857
Programme expenses	84,592	12,898	-	118,889	3,127	180	1,917	7,616	229,219
Other operating expenses	351,343	283,033	-	669,046	207,734	44,068	24,805	128,982	1,709,011
Total expenses	3,764,431	2,985,100	-	6,797,406	2,274,143	611,596	481,746	290,757	17,205,179
(Deficit) / surplus for the financial year	(260,717)	(75,794)	-	(375,704)	(24,719)	33,596	25,501	(288,273)	(966,110)
Accumulated fund brought forward	6,799,136	6,239,694	405,427	7,183,855	2,728,567	336,692	677,620	397,750	24,768,741
Accumulated fund carried forward	6,538,419	6,163,900	405,427	6,808,151	2,703,848	370,288	703,121	109,477	23,802,631

4. Restricted funds (continued)

	Problem Gambling Prevention Ambassadors	Fresh Start Support	KidStart	Central Triage Agency	Strengthening Families	MeToYou	Care Navigator	Sub-total	Total
2024 (continued)	$	$	$	$	$	$	$	$	$
Income									
Early Childhood Development Agency	-	-	999,985	-	-	-	-	999,985	999,985
Ministry of Social and Family Development	-	-	-	2,687,152	1,698,494	-	-	4,385,646	18,281,783
National Council of Social Services:									
- Community Chest	-	11,921	-	-	46,320	-	-	58,241	53,861
- Tote Board Social Service Fund	-	-	-	-	453,165	-	-	453,165	2,313,651
Funding									
- Agency for Integrated Care funding	-	-	-	495	3,951	-	-	4,446	23,257
- Community Development Council funding	-	-	-	-	-	-	-	-	(1,471)
- Housing and Development Board	-	178,809	-	-	-	-	-	178,809	178,809
- Others	-	-	-	10,889	-	-	269,726	280,615	375,988
Programme fees	-	-	-	-	2,000	-	-	2,000	11,215
Donations and sponsorship									
- Non-tax-deductible	-	-	-	-	-	-	-	-	142,455
- Tax-deductible	-	12,561	-	-	-	-	-	12,561	26,597
Other income	-	65	1,684	326	22,019	-	-	24,094	232,501
Total income	-	203,356	1,001,669	2,698,862	2,225,949	-	269,726	6,399,562	22,638,631
Less: Expenses									
Depreciation expenses									
- Renovation	-	-	-	26,179	12,028	-	-	38,207	97,589
- Office equipment	-	-	-	-	215	-	-	215	7,559
- Furniture & fittings	-	-	-	-	1,912	-	-	1,912	8,139
- Computers	-	457	416	-	337	-	-	1,210	28,153
- Right-of-use assets - Premises	-	-	-	9,059	22,526	-	-	31,585	147,311
- Right-of-use assets - Copier	-	-	-	-	348	-	-	348	3,392
	-	457	416	35,238	37,366	-	-	73,477	292,143

4. Restricted funds (continued)

	Problem Gambling Prevention Ambassadors	Fresh Start Support	KidStart	Central Triage Agency	Strengthening Families	MeToYou	Care Navigator	Sub-total	Total
2024 (continued)	$	$	$	$	$	$	$	$	$
Less: Expenses (continued)									
Staff costs									
- Salaries	(409)	105,766	301,360	1,059,897	588,665	-	13,825	2,069,104	10,368,967
- Bonuses	-	33,247	110,102	317,049	172,844	-	2,638	635,880	3,169,601
- Contribution to defined contribution plan	-	22,617	64,021	228,597	109,492	-	2,549	427,276	2,086,093
- SDL	-	259	774	2,645	1,272	-	36	4,986	23,842
- Foreign worker levy	-	-	-	959	-	-	-	959	7,509
- Secondments fee	-	-	-	-	90,055	-	-	90,055	283,722
- Staff benefits	-	900	3,169	80,917	7,630	-	450	93,066	168,620
- Shared cost - EOM	-	25,682	126,500	360,657	281,114	-	34,064	828,017	2,880,330
- Contract for service	-	-	-	6,812	11,775	-	-	18,587	24,205
- Other staff welfare	-	-	60	-	-	-	-	60	1,784
- Staff medical and dental expenses	-	730	2,659	4,864	2,875	-	170	11,298	58,040
	(409)	189,201	608,645	2,062,397	1,265,722	-	53,732	4,179,288	19,072,713
Training – Program	-	869	4,166	2,122	14,837	-	-	21,994	139,995
Training – MFC level	-	-	73	704	-	-	-	777	37,634
Programme expenses	-	406	3,458	644	5,909	-	135	10,552	239,771
Other operating expenses	265	17,268	62,521	183,649	211,844	-	56,006	531,553	2,240,564
Total expenses	(144)	208,201	679,279	2,284,754	1,535,678	-	109,873	4,817,641	22,022,820
Surplus / (Deficit) for the financial year	144	(4,845)	322,390	414,108	690,271	-	159,853	1,581,921	615,811
Accumulated fund brought forward	(67,964)	76,341	757,529	1,538,492	682,310	281,213	-	3,267,921	28,036,662
Accumulated fund carried forward	(67,820)	71,496	1,079,919	1,952,600	1,372,581	281,213	159,853	4,849,842	28,652,473

4. **Restricted funds** (continued)

Apportionment of staff costs

In determining the apportionment of corporate service manpower cost between the respective funds categories, management has apportioned and allocated the costs to the respective programmes/department based on the proportion of income contribution from each of the programmes/department. The bases for apportionment adopted by the Company were consistent between financial periods.

5. **Donations and sponsorships**

	2025	2024
	$	$
Donations – Non-tax-deductible	213,899	248,308
Donations – Tax-deductible	293,785	151,218
	507,684	399,526

6. **Other income**

	2025	2024
	$	$
Government grants	691,571	183,453
Miscellaneous income	91,582	167,402
	783,153	350,855

7. **Staff costs**

	2025	2024
	$	$
Salaries and bonuses (1)	26,758,497	26,318,005
Contribution to defined contribution plan	4,485,802	3,867,875
Short-term employee benefits expense	1,037,255	644,347
	32,281,554	30,830,227

(1) Salaries for one (2024: two) employee amounting to $118,127 (2024: $143,725) of which $94,502 (2024: $41,468) is claimed under the Transformation Sustainability Scheme ("TSS") that transitioned from MSF Corporate Capability Expansion Grant ("CCEG").

8. Other operating expenses

	2025 $	2024 $
Emergency expenses	6,899	18,226
IT expenses	1,187,431	275,461
(Gain)/loss on disposal of property, plant and equipment	(6,797)	18,941
Professional fees	850,360	960,549
Rental of premises expense	63,931	6,347
Training and course fees	524,736	833,824
Transportation expense	542,679	672,273
Upkeep of building expense	486,496	395,446
Finance expenses	57,571	49,344
Business processing services	367,518	-
Low value assets expensed off	389,806	-
Other expenses	1,346,741	1,540,760
	5,817,371	4,771,171

9. Income tax expense

The Company is an approved charity under the Singapore Charities Act 1994 ("Charities Act") and an Institution of a Public Character under the Income Tax Act 1947. No provision for taxation has been made in the financial statements as the Company is a registered charity with income tax exemption. As required by the Charities Act, the total fund-raising and sponsorship expenses of the Company for the financial years did not exceed 30% of the total gross receipts from fund-raising and sponsorship for the respective financial years.

10. Property, plant and equipment

	Renovation	Office equipment	Furniture and fittings	Computers	Motor vehicle	Right of use assets	Total
	$	$	$	$	$	$	$
2025							
Cost							
At 1 April 2024	5,069,059	356,789	252,150	780,077	214,587	3,181,568	9,854,230
Additions	2,436,444	391,519	102,753	27,931	-	889,501	3,848,148
Disposals	-	(56,710)	(9,728)	(165,462)	(87,699)	-	(319,599)
De-recognition of lease	-	-	-	-	-	(524,550)	(524,550)
At 31 March 2025	7,505,503	691,598	345,175	642,546	126,888	3,546,519	12,858,229
Less: Accumulated depreciation							
At 1 April 2024	1,861,625	278,024	201,588	718,423	50,653	1,093,707	4,204,020
Depreciation for the year	1,179,502	63,197	33,870	53,637	15,612	803,338	2,149,156
Disposals	-	(56,480)	(9,728)	(165,462)	(52,519)	-	(284,189)
De-recognition of lease	-	-	-	-	-	(377,698)	(377,698)
At 31 March 2025	3,041,127	284,741	225,730	606,598	13,746	1,519,347	5,691,289
Net book value							
At 31 March 2025	4,464,376	406,857	119,445	35,948	113,142	2,027,172	7,166,940

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 17.

10. Property, plant and equipment (continued)

	Renovation	Office equipment	Furniture and fittings	Computers	Motor vehicle	Right of use assets	Total
	$	$	$	$	$	$	$
2024							
Cost							
At 1 April 2023	3,593,023	328,236	255,369	823,673	87,699	3,009,475	8,097,475
Additions	2,196,018	34,736	-	-	126,888	808,930	3,166,572
Disposals	(719,982)	(6,183)	(3,219)	(43,596)	-	-	(772,980)
De-recognition of lease	-	-	-	-	-	(636,837)	(636,837)
At 31 March 2024	5,069,059	356,789	252,150	780,077	214,587	3,181,568	9,854,230
Less: Accumulated depreciation							
At 1 April 2023	1,882,549	243,279	173,036	651,650	40,826	934,705	3,926,045
Depreciation for the year	679,164	40,928	30,177	110,369	9,827	647,788	1,518,253
Disposals	(700,088)	(6,183)	(1,625)	(43,596)	-	-	(751,492)
De-recognition of lease	-	-	-	-	-	(488,786)	(488,786)
At 31 March 2024	1,861,625	278,024	201,588	718,423	50,653	1,093,707	4,204,020
Net book value							
At 31 March 2024	3,207,434	78,765	50,562	61,654	163,934	2,087,861	5,650,210

10. Property, plant and equipment (continued)

Depreciation of property, plant and equipment are charged to the following accounts:

	2025 $	2024 $
Charged to statement of comprehensive income (profit or loss)	1,659,015	1,197,367
Capitalised to statement of financial position - Deferred grants (Note 15)	490,141	320,886
	2,149,156	1,518,253

The depreciation of property, plant and equipment relating to those property, plant and equipment acquired by government grants were offset against the amortisation of deferred grants as disclosed in Note 15.

Reconciliation of cash flows from acquisition of property, plant and equipment:

	2025 $	2024 $
Total acquisition of property, plant and equipment (see above)	3,848,148	3,166,572
Capitalisation of right-of-use assets from lease contracts (Note 17(a))	(889,501)	(808,930)
Provision for restoration costs (Note 16)	(14,640)	(32,431)
Cash outflows from acquisition of property, plant and equipment	2,944,007	2,325,211

11. Receivables

	2025 $	2024 $
Grant receivables	4,889,939	3,829,438
Other receivables	435,183	515,373
	5,325,122	4,344,811

The carrying amounts of receivables approximate their fair values and are denominated in Singapore dollar.

12. Deposits and prepayments

	2025 $	2024 $
Deposits (refundable)	250,379	235,792
Prepayments	111,959	26,060
	362,338	261,852

The carrying amounts of deposits approximate their fair values and are denominated in Singapore dollar.

13. Cash and cash equivalents

	2025 $	2024 $
Cash on hand	5,200	3,165
Cash at bank	11,527,800	8,521,666
Fixed deposits	32,090,599	29,575,566
Cash and cash equivalents per statement of financial position and statement of cash flows	43,623,599	38,100,397

The fixed deposits have maturity of between one to twelve months. The approximate annual effective interest rates applicable for the financial year ranged from 2.00% to 3.83% (2024: 0.55% to 3.83%) per annum.

The carrying amounts of cash and cash equivalents approximate their fair values and are denominated in Singapore dollar.

14. Payables

	2025 $	2024 $
Trade payables	896,775	335,632
Other payables	556,717	-
Advance grants received (refundable)	62,080	83,770
Accrued operating expenses	661,416	655,905
Accrued employee benefit expenses	6,469,378	4,032,013
	8,646,366	5,107,320

The carrying amounts of payables approximate their fair values and are denominated in Singapore dollar.

15. Deferred grants

	2025 $	2024 $
Current		
Within one year	2,142,748	2,579,411
Non-current		
After one year but not more than five years	2,090,100	936,207
More than five years	132,373	226,939
	2,222,473	1,163,146
	4,365,221	3,742,557

Deferred grants consist of:

	2025 $	2024 $
Advance grants received (refundable)	3,230,133	2,498,180
Deferred grants assets	1,135,088	1,244,377
	4,365,221	3,742,557

15. Deferred grants (continued)

Advance grants received movements are as follows:

	2025 $	2024 $
Balance at beginning of year	2,498,180	1,813,460
Receipts during the year		
- Agency for Integrated Care	211,677	-
- Caritas Singapore Community Council Limited	1,060,770	1,462,500
- Community Silver Trust	752,994	392,374
- Lien Foundation	550,000	-
- MOH Holdings	192,475	-
- Ministry of Social and Family Development	3,219	
- MSF Development Project for CTA	-	156,937
- MSF Cyclical Maintenance for Family Service (Child Protection Specialist Centre)	103,035	-
- MSF Cyclical Maintenance for Family Service (Marine Parade)	26,158	260,776
- National Council of Social Service	620,573	-
	6,019,081	4,086,047
Less: Transferred to Deferred Grant Asset	(381,059)	(709,581)
Utilisation during the year		
- Agency for Integrated Care	(11,677)	-
- Caritas Singapore Community Council Limited	(1,462,500)	-
- Community Silver Trust	(437,366)	(819,362)
- ComChest President Challenge	(270,657)	-
- Lien Foundation	-	(58,924)
- MOH Holdings	(102,991)	-
- National Council of Social Service	(122,698)	-
Balance at end of year	3,230,133	2,498,180

Deferred grants assets movement are as follows:

	2025 $	2024 $
Balance at beginning of year (net)	1,244,377	858,229
Additions during the year	381,059	709,581
	1,625,436	1,567,810
Less: Amortisation for the year (Note 10)	(490,141)	(320,886)
Less: Disposals of property, plant and equipment	(207)	(2,547)
Balance at end of year	1,135,088	1,244,377

Deferred grants assets relate to the purchase of property, plant and equipment from the funds received and this is subject to the terms and conditions as prescribed in the respective funding agreements. Deferred grants relating to assets are recognised in the manner prescribed in Note 3.10 (iii).

The deferred grants assets is presented as a balance net of the amortisation expense in the statement of comprehensive income. The amortisation expense for the financial year is offset against depreciation expense of a similar amount of $490,141 (2024: $320,886).

16. Provision for restoration cost

	2025 $	2024 $
At beginning of year	494,623	462,192
Additions	14,640	58,471
Write-back	-	(26,040)
At end of year	509,263	494,623

The provision for restoration cost represents the estimated cost of removing and dismantling the leasehold improvements in its leased premises upon the termination of the leases.

17. Lease liabilities

	2025 $	2024 $
Current	767,765	735,018
Non-current	1,364,169	1,454,993
	2,131,934	2,190,011

The Company as a lessee

The Company has lease contracts for office premises and office equipment. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension options which are further discussed below.

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

	Leasehold buildings $	Office equipment $	Total $
At 1 April 2023	2,047,246	27,524	2,074,770
Additions	781,580	27,350	808,930
Depreciation expense	(634,107)	(13,681)	(647,788)
De-recognition of lease	(148,051)	-	(148,051)
At 31 March 2024/1 April 2025	2,046,668	41,193	2,087,861
Additions	853,297	36,204	889,501
Depreciation expense	(788,151)	(15,187)	(803,338)
De-recognition of lease	(146,852)	-	(146,852)
At 31 March 2025	1,964,962	62,210	2,027,172

(b) Lease liabilities

The maturity analysis of lease liabilities is disclosed in Note 22 (ii).

17. Leases liabilities (continued)

(c) Amounts recognised in profit or loss

	2025	2024
	$	$
Depreciation of right-of-use assets	803,338	647,788
(Gain)/loss on de-recognition of lease	(18,061)	3,719
Interest expense on lease liabilities	57,571	49,344
Lease expenses not capitalised in lease liabilities relating to leases of:		
- Low-value assets	7,562	7,727
- Short term lease	56,369	-
Total amount recognised in profit or loss	906,779	708,578

(d) Total cash outflows

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

	At 1 April	Addition	Cash flows	Non-cash De-recognition	Non-cash Accretion of interests	At 31 March
	$	$	$	$	$	$
Lease liabilities						
2025	2,190,011	889,501	(840,236)	(164,913)	57,571	2,131,934
2024	2,131,313	808,930	(655,244)	(144,332)	49,344	2,190,011

18. Restricted designated funds

The purpose of restricted funds are as follows:

(a) Building fund

	2025	2024
	$	$
Family Service (Marine Parade) (Note 18(a)(i))	522	522
GoodLife! (Note 18(a)(ii))	3,692	3,692
Family Service (Telok Blangah) (Note 18(a)(iii))	1,477	1,477
	5,691	5,691

i. This fund was established for the purpose of constructing, renovating and furnishing the social service centre. The centre is located at 1st storey void deck of Blk 53 Marine Terrace #01-215 and #01-227 Singapore 440053.

ii. This fund was established for building development and capital acquisition of equipment/ furniture and fittings for the senior activity centre. The centre is located at 1st storey void deck of Blk 15 Marine Terrace, #01-18 Singapore 440015.

iii. This fund was established for the purpose of constructing, renovating and furnishing the social service centre. The centre is located at 1st storey void deck of Blk 27 Telok Blangah Way #01-1004 and #01-1018 Singapore 090027.

18. **Restricted designated funds** (continued)

(b) Samaritan fund @ Family Service (Marine Parade)

This fund comprises donations from Catholic Welfare Services and individual donors. The Company acts as the disbursing agency for the fund. This fund is used to provide emergency financial assistance for the needy.

(c) Samaritan fund @ Family Service (Telok Blangah)

This fund comprises donations from Catholic Welfare Services and individual donors. The Company acts as the disbursing agency for the fund. This fund is used to provide emergency financial assistance for the needy.

(d) Economic downturn fund

The National Council of Social Services has established an Economic downturn fund. The Company acts as a disbursing agency for the fund. The fund is used to provide financial assistance to lower-income families who sole breadwinners have suffered from retrenchment or loss of jobs due to economic downturn.

(e) Financial assistance fund

The fund comprises of donations form Lee Foundation, Shaw Foundation Community Foundation and individual donors. The Company acts as the disbursing agency for the fund. The fund is used to provide financial assistance to lower income families.

(f) Family Service Centre ComCare fund

The Ministry of Social and Family Development has established a Family Service Centre ComCare Fund. The Company acts as a disbursing agency for the fund. The fund is used to assist needy Singaporeans who need immediate assistance to tide over their financial difficulties.

(g) School pocket money fund

The fund is a community project initiated by Straits Time, administered by National Council of Social Services, to provide pocket money to children from lower income families to help them through school. The Company acts as a disbursing agency for the fund.

(h) Roxy Mercure Children fund

The fund is a project initiated by the Company, Roxy-Pacific Holdings Limited and Grand Mercure Roxy Hotel Singapore, administered by South East Community Development Council, to provide financial assistance to low-income families. The Company acts as a disbursing agency for the fund.

(i) Samaritan fund @ Child Protection Specialist Centre

The fund comprises donation from Singapore Press Holdings Limited. The Company acts as a disbursing agency for the fund. This fund is used to provide financial assistance to low-income families served by Child Protection Specialist Centre.

(j) Ngee Ann Cares

Ngee Ann Primary School has established this fund which was matched by SE CDC to provide aid to less-privileged families served by MPFSC. The Company acts as the disbursing agency for SE CDC.

19. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2025 $	2024 $
Rental and utilities paid to a company where certain directors are deemed to have an interest	73,687	67,878

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. Directors together with Chief Executive Officer (CEO) and three other senior officers are considered key management personnel. No Director of the Company other than the Chief Executive Officer who is a Director has received remuneration for their services.

Compensation of key management personnel

	2025 $	2024 $
Salaries and bonuses	1,602,319	1,582,535
Contribution to defined contribution plan	56,799	62,421
Other staff related expense	80,640	82,762
	1,739,758	1,727,718

The breakdown of the number of the key management personnel and the respective remuneration band are as follows:

	2025 $	2024 $
Between $500,001 to $600,000	-	-
Between $400,001 to $500,000	3	3
Between $300,001 to $400,000	1	1
Between $200,001 to $300,000	-	-
Between $100,001 to $200,000	-	-
Between $1 to $100,000	-	-
	4	4

The Company has no paid staff, who are close members of the family of the Executive Head or Board members, who each receives total remuneration of more than $50,000 during the financial year ended 31 March 2025 and 31 March 2024.

20. Reserve policy

	2025 $	2024 $
Unrestricted fund	8,472,182	8,140,618
Ratio of reserves to annual operating expenditure (unrestricted)	0.45	0.53

The reserve of the Company provides financial stability and the means for the development of the Company's activities. The Company intends to maintain the reserve at a level sufficient for its operating needs. The Company reviews the level of reserve regularly for its continuing obligations.

21. Commitments

Operating leases agreements

The Company leases office equipment under operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

As at reporting date, the future minimum lease payable under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	2025 $	2024 $
Not later than one year	-	907

Capital commitments

At reporting date, capital expenditures contracted for but not recognised in the financial statements amounted to $312,916 (2024: $ Nil).

22. Financial risk management

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (such as interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, the Company's policy in the current and previous financial year that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the 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.

(i) 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 has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

22. Financial risk management (continued)

(i) Credit risk (continued)

Cash and bank balances and other financial assets

The cash and bank balances are entered into with banks and financial institutions that have high credit-ratings.

Impairment on cash and bank balances and other financial assets has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and bank balances and other financial assets have low credit risk based on the external credit ratings of the counterparties. The amount of the allowances on cash and bank balances and other financial assets were immaterial.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. As at reporting date, the Company has no significant concentration of credit risk.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's operations are funded mainly through donations and grants. The Company's operations are funded mainly through donations and grants. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

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

	2025			
	Contractual cash flows	**One year or less**	**Two to five years**	**More than five years**
	$	**$**	**$**	**$**
Financial assets				
Receivables	5,325,122	5,325,122	-	-
Deposits	250,379	250,379	-	-
Cash and cash equivalents	43,623,599	43,623,599	-	-
Total undiscounted financial assets	49,199,100	49,199,100	-	-
Financial liabilities				
Payables	8,646,366	8,646,366	-	-
Deferred grants	4,365,221	2,142,748	2,090,100	132,373
Lease liabilities	2,242,055	815,559	1,405,142	21,354
Total undiscounted financial liabilities	15,253,642	11,604,673	3,495,242	153,727
Total net undiscounted financial assets (liabilities)	33,945,458	37,594,427	(3,495,242)	(153,727)

22. Financial risk management (continued)

(ii) Liquidity risk (continued)

	2024			
	Contractual cash flows	**One year or less**	**Two to five years**	**More than five years**
	$	**$**	**$**	**$**
Financial assets				
Receivables	4,344,811	4,344,811	-	-
Deposits	235,792	235,792	-	-
Cash and cash equivalents	38,100,397	38,100,397	-	-
Total undiscounted financial assets	42,681,000	42,681,000	-	-
Financial liabilities				
Payables	5,107,320	5,107,320	-	-
Deferred grants	3,742,557	2,579,411	936,207	226,939
Lease liabilities	2,312,347	783,519	1,446,427	82,401
Total undiscounted financial liabilities	11,162,224	8,470,250	2,382,634	309,340
Total net undiscounted financial assets (liabilities)	31,518,776	34,210,750	(2,382,634)	(309,340)

(iii) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(iv) 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 primarily from their investment in bond and cash and cash equivalents.

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

	2025	**2024**
	$	**$**
Fixed rate instruments		
Fixed deposits	32,090,599	29,575,566

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.

23. Financial instruments by category

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

	2025 $	2024 $
Financial assets at amortised cost		
Receivables	5,325,122	4,344,811
Deposits	250,379	235,792
Cash and cash equivalents	43,623,599	38,100,397
Total financial assets measured at amortised cost	49,199,100	42,681,000
Financial liabilities measured at amortised cost		
Payables	8,646,366	5,107,320
Deferred grants	4,365,221	3,742,557
Lease liabilities	2,131,934	2,190,011
Total financial liabilities measured at amortised cost	15,143,521	11,039,888