

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]
[A company limited by guarantee and
not having share capital]
[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 SEPTEMBER 2024**

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Fiducia LLP

(UEN. T10LL0955L)
Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
T: (65) 6846.8376
F: (65) 6491.5218

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of **Clarity Singapore Limited** (the "Company") for the financial year ended 30 September 2024.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 30 September 2024 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; 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.

Directors

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

Staes Paul E
Koh Ngiap Hern Peter Kenson
Lam Kok Wai, Peter (Lin Guowei, Peter)
Chan Pee Teck, Peter
Yeo Yul Chuan, Benjamin (Yang Yaoquan)
Elizabeth Chia Wei Ling
Jerome Yuen Ka Lok
Lee Mei Ying Theresa (Li Meiyong)
Lee Houli
Loh Yong Chye
Chan Yit Foon Caroline

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 in, or debentures of the Company or any other body corporate.

Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures or share options are not applicable.

DIRECTORS' STATEMENT (CONT'D)

Independent Auditor

The independent auditor, Messrs. Fiducia LLP, Public Accountants and Chartered Accountants of Singapore, has expressed its willingness to accept re-appointment.

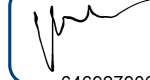
On behalf of the Board of Directors,

Signed by:



5B17DD03D1F84FC...
Lam Kok Wai, Peter
Director

Signed by:



646927906C9B479...
Chan Pee Teck, Peter
Director

Singapore, 20 February 2025

Fiducia LLPPublic Accountants and
Chartered Accountants of Singapore71 Ubi Crescent
#08-01 Excalibur Centre
Singapore 408571
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F: (65) 6491.5218

Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED[UEN. 201021634E]
[IPC No. IPC000714]
[A company limited by guarantee and not having share capital]
[Incorporated in the Republic of Singapore]**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **Clarity Singapore Limited** (the "Company"), which comprise the statement of financial position as at 30 September 2024, and the statement of financial activities, statement of changes in funds and statement of cash flows of the Company for the financial 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 30 September 2024, and of the financial performance, changes in the funds 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 the other information. The other information comprises the Directors' Statement (set out on pages 2 and 3), but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will 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 on the other information that we obtained prior to the date of this auditor's report, 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.

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(CONT'D)

Independent auditor's report to the members of:

CLARITY SINGAPORE LIMITED

[UEN. 201021634E]
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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.

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.

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Independent auditor's report to the members of:

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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, and 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 financial year:

- a) the Company has not used the donation moneys in accordance with the 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.

DocuSigned by:

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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 20 February 2025

Partner-in-charge: Gan Chek Huat
PAB. No.: 01939

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024**

	Note	Unrestricted Fund S\$	Restricted Funds S\$	Total Funds S\$
2024				
INCOME				
Income from generating funds		408,702	1,778,133	2,186,835
Income from charitable activities		38,680	133,530	172,210
Other income		119,905	0	119,905
TOTAL INCOME	4	<u>567,287</u>	<u>1,911,663</u>	<u>2,478,950</u>
LESS: EXPENDITURE				
Cost of charitable activities		41,005	1,447,953	1,488,958
Governance and other administrative costs		121,118	249,060	370,178
TOTAL EXPENDITURE	4	<u>157,260</u>	<u>1,697,430</u>	<u>1,854,690</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>405,164</u>	<u>214,650</u>	<u>619,814</u>
	Note	Unrestricted Fund S\$	Restricted Funds S\$	Total Funds S\$
2023				
INCOME				
Income from generating funds		377,850	1,676,789	2,054,639
Income from charitable activities		3,208	136,617	139,825
Other income		60,598	0	60,598
TOTAL INCOME	4	<u>441,656</u>	<u>1,813,406</u>	<u>2,255,062</u>
LESS: EXPENDITURE				
Cost of charitable activities		181,598	1,125,632	1,307,230
Governance and other administrative costs		80,582	483,110	563,692
TOTAL EXPENDITURE	4	<u>262,180</u>	<u>1,608,742</u>	<u>1,870,922</u>
SURPLUS FOR THE FINANCIAL YEAR		<u>179,476</u>	<u>204,664</u>	<u>384,140</u>

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

Clarity Singapore Limited

[UEN. 201021634E]

Audited Financial Statements
Financial Year Ended 30 September 2024**STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	Note	2024 S\$	2023 S\$ (Restated)
ASSETS			
Current assets			
Cash and bank balances	9	2,623,095	2,189,594
Other receivables	10	869,702	711,208
Other financial assets	13	982,550	982,150
		<u>4,475,347</u>	<u>3,882,952</u>
Non-current assets			
Property, plant and equipment	11	<u>39,089</u>	<u>25,063</u>
		<u>39,089</u>	<u>25,063</u>
Total assets		<u>4,514,436</u>	<u>3,908,015</u>
LIABILITIES			
Current liabilities			
Other payables	14	64,009	94,882
Lease liabilities	15	<u>11,405</u>	<u>10,411</u>
		<u>75,414</u>	<u>105,293</u>
Non-current liabilities			
Lease liabilities	15	<u>16,486</u>	<u>0</u>
Total liabilities		<u>91,900</u>	<u>105,293</u>
NET ASSETS		<u>4,422,536</u>	<u>3,802,722</u>
FUNDS			
Unrestricted fund			
General fund	16	<u>3,497,101</u>	<u>3,091,937</u>
Restricted funds			
Better and Happier Youth Fund	17.1	18,621	19,271
Comit (Combined) Fund	17.2	898,234	671,249
Goldman Sachs Gives Fund	17.6	0	20,265
NCSS Community Capability Trust Grant for HRMS	17.5	<u>8,580</u>	<u>0</u>
		<u>925,435</u>	<u>710,785</u>
TOTAL FUNDS		<u>4,422,536</u>	<u>3,802,722</u>

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

Clarity Singapore Limited

[UEN. 201021634E]

Audited Financial Statements
Financial Year Ended 30 September 2024**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024**

	Note	Beginning of the year S\$	Net (deficit)/ surplus S\$	Balance at end of year S\$
2024				
Unrestricted fund				
General fund		3,091,937	405,164	3,497,101
Restricted funds				
Better and Happier Youth fund	17.1	19,271	(650)	18,621
Comit (Combined) fund	17.2	671,249	226,985	898,234
Goldman Sachs Gives fund	17.6	20,265	(20,265)	0
NCSS Community Capability Trust Grant for HRMS	17.8	0	8,580	8,580
		710,785	214,650	925,435
Total funds		3,802,722	619,814	4,422,536
2023 (Restated)				
Unrestricted fund				
General fund		2,912,461	179,476	3,091,937
Restricted funds				
Better and Happier Youth	17.1	19,271	0	19,271
Comit (Combined)	17.2	444,911	226,338	671,249
Community Chest Charity Support Fund	17.3	41,939	(41,939)	0
Goldman Sachs Gives fund	17.6	0	20,265	20,265
		506,121	204,664	710,785
Total funds		3,418,582	384,140	3,802,722

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024**

	Note	2024 S\$	2023 S\$
Cash flows from operating activities			
Surplus for the financial year		619,814	384,140
Adjustments for:			
- Depreciation	11	28,932	40,021
- Interest income		(110,536)	(38,203)
- Interest expenses		459	814
- Loss on lease modification		521	0
- Gain on disposal of property, plant and equipment	4	(1,666)	0
Operating cash flow before working capital changes		537,524	386,772
Changes in working capital			
- Other receivables		(160,001)	(42,739)
- Other payables		(30,873)	10,866
Net cash generated by operating activities		<u>346,650</u>	<u>354,899</u>
Cash flows from investing activities			
Interest received		112,042	41,109
Proceeds from fixed deposits with maturity over 3 months		45,959	253,923
Proceeds from disposal of other financial assets		1,964,550	0
Purchases of property, plant and equipment	11	(13,826)	(15,629)
Proceeds from disposal of property, plant and equipment		1,700	0
Purchase of other financial assets	13	(1,964,950)	(982,150)
Net cash generated from/(used in) investing activities		<u>145,475</u>	<u>(702,747)</u>
Cash flows from financing activities			
Interest paid on lease liabilities	15	(459)	(814)
Payment of principal portion of lease liabilities		(12,206)	(10,937)
Net cash used in financing activities		<u>(12,665)</u>	<u>(11,751)</u>
Net cash increase/(decrease) in cash and cash equivalents		479,460	(359,599)
Cash and cash equivalents at beginning of financial year		<u>2,143,635</u>	<u>2,503,234</u>
Cash and cash equivalents at end of financial year	9	<u><u>2,623,095</u></u>	<u><u>2,143,635</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2024

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

1. General information

Clarity Singapore Limited (the "Company") was incorporated on 10 October 2010 as a company limited by guarantee and not having a share capital. Each member of the Company undertakes to meet the debts and liabilities of the Company, in the event of liquidation, to an amount not exceeding S\$10 per member. As at 30 September 2024, the Company has 11 members (2023: 11 members).

The Company registered as a Charity under the Charities Act 1994 on 03 December 2010. The Company has been accorded an Institutions of Public Character ("IPC") status from 1 September 2020 to 31 August 2023 and subsequently renewed from 1 September 2023 to 31 August 2026.

The Company's registered office is at 12 Tannery Road, #10-01 HB Centre 1, S347722 and subsequently changed to Block 854 Yishun Ring Road, #01-3511, Singapore 760854 on 21 September 2023. The principal places of the business are located at as follows:

- at Block 854, #01-3511, Yishun Ring Road, Singapore 760854.
- at Agape Village, 7A Lorong 8 Toa Payoh, #04-01 Singapore 319264.

The principal activities of the Company are:

- To alleviate distress amongst people suffering from mental problems or issues in the Republic of Singapore, in particular those who are poor, regardless of race, religion, sex or citizenship, by initiating, assisting and organising such form of relief and schemes of social services; and
- To better and more effectively serve the poor, the needy and especially people suffering from mental illnesses by researching, analysing the needs and developing the strategies and activities of various social and community organisations.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore ("FRS") and the disclosure requirements of the Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Singapore Dollar (S\$), which is the Company's functional and presentation currency. Functional currency is the currency of the primary economic environment in which the Company operates. All financial information presented are denominated in S\$ unless otherwise stated.

The preparation of these financial statements in conformity with FRSs requires management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The management has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.

2. Material accounting policy information (Cont'd)**2.1 Basis of preparation (Cont'd)****Interpretations and amendments to published standards effective in 2023**

In the current financial year, the Company adopted the new or amended FRSs and Interpretations of FRSs ("INT FRSs") that are relevant and mandatory to its operations and effective on 1 October 2023. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new or amended FRSs and INT FRSs 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.

Standards issued but not yet effective

The Company has not adopted the following relevant new/revised FRSs, INT FRSs and amendments to FRSs that were issued but not yet effective:

Descriptions	Effective for annual periods beginning on or after
Amendments to:	
- FRS 1: Classification of Liabilities as Current or Non-current	1 January 2024
- FRS 116: Lease Liability in a Sale and leaseback	
Amendments to FRS 21: Lack of Exchangeability	1 January 2025
Amendments to:	1 January 2026
- FRS 109 and FRS 107: Amendments to the Classification and Measurement of Financial Instruments	
- FRS 109 and FRS 107: Contracts Referencing Nature -dependent Electricity	
Annual Improvements to FRSs - Volume 11	1 January 2026
FRS 118: Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Directors expects that the adoption of the revised standards and interpretations will have no material impact on the financial statements in the period of initial application.

2.2 Income recognition

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

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

2. Material accounting policy information (Cont'd)**2.2 Income recognition (Cont'd)**

Income is recognised as follows:

2.2.1 Donations

Donations are recognised in the statement of financial activities upon receipt. Donations-in-kind are recognised when the fair value of the assets received can be reasonably ascertained.

2.2.2 Rendering of services

Revenue from services is recognised duration in which the services are rendered.

2.2.3 Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

2.2.4. Other income

Other income is recognised when earned.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants receivable are recognised as income in the statement of financial activities over the periods necessary to match them with the related costs which they intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Expenditure recognition

All expenditure are accounted for on an accrual basis, aggregated under the respective areas. Direct costs are attributed to the activity where possible. Where costs are not wholly attributable to an activity, they are apportioned on a basis consistent with the use of resources.

2.4.1 Cost of charitable activities

Cost of charitable activities comprises all costs incurred in the pursuit of the charitable objects of the Company. The total cost of charitable activities comprises of direct cost and apportionment of overhead and shared costs.

2.4.2 Governance and other administrative costs

Governance costs include the costs of governance arrangement, which relate to the general running of the Company, providing governance infrastructure and ensuring public accountability. These costs include costs related to constitutional and statutory requirements and an apportionment of overhead and shared costs.

2. Material accounting policy information (Cont'd)

2.5 Property, plant and equipment

2.5.1 Measurement

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal and restoration is included as a consequence of acquiring or using the property, plant and equipment.

2.5.2 Depreciation

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

	<u>Useful lives</u>
Computers	2 years
Furniture	5 years
Fixtures and Fittings	3 years
Office equipment	3 years
Website development	3 years
Renovation	3 years
Rights of use assets	Over the remaining lease term

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in statement of financial activities when the changes arise.

Fully depreciated assets are retained in the financial statement until they are no longer in use.

2.5.3 Subsequent expenditure

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

2.5.4 Disposal

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

2. Material accounting policy information (Cont'd)

2.6 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of the assets, recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in the statement of financial activities, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in the statement of financial activities.

2.7 Financial assets

(a) Classification and measurement

The Company classifies its financial assets into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income ("FVOCI"); and
- Fair value through profit or loss ("FVPL").

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 asset.

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

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

At initial 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 the statement of financial activities.

2. Material accounting policy information (Cont'd)

2.7 Financial assets (Cont'd)

(a) Classification and measurement (Cont'd)

At subsequent measurement

Debt instruments

Debt instruments of the Company mainly comprise of cash and bank balances, fixed deposits, other receivables and financial assets, at FVPL.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- *Amortised cost* : Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of financial activities when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.
- *FVOCI*: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in statement of financial activities. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of financial activities and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".
- *FVPL*: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in the statement of financial activities in the period in which it arises and presented in "other gains and losses".

(b) Impairment

The Company assess on a forward-looking basis the expected credit loss ("ECLs") associated with its debt financial assets carried at amortised cost and FVOCI.

For cash and cash equivalents, other receivables, the general 3 stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers the 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 that includes forward-looking information.

2. Material accounting policy information (Cont'd)

2.7 Financial assets (Cont'd)

(c) Recognition and derecognition

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.

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

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

2.8 Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with financial institutions, which are subject to an insignificant risk of change in value.

Fixed deposits that have short maturities of three months or less from the date of acquisition are reported as cash and cash equivalents. All other fixed deposits are reported separately in the statement of financial position.

2.9 Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument and are classified according to the substance of the contractual arrangements entered into. All interest related charges are recognised in statement of financial activities. Financial liabilities include "Other payables" and "Lease liabilities".

Financial liabilities which are due to be settled within 12 months after the reporting date are presented as current liabilities in the statement of financial position even though the original term was for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting date and before the financial statements are authorised for issue. Other financial liabilities due to be settled more than 12 months after the reporting date are presented as non-current liabilities in the statement of financial position.

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

2.10 Other payables

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

2. Material accounting policy information (Cont'd)

2.10 Other payables (Cont'd)

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

Other payables excluding accruals, are recognised at their transaction price, excluding transaction cost, if any, both at initial recognition and at subsequent measurement. Transaction costs are recognised as expenditure in the statement of comprehensive income as incurred. Accruals are recognised at the best estimate of the amount payable.

2.11 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation 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.

2.12 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of financial activities in the period in which they are incurred. Borrowing costs are recognised in the statement of financial activities using the effective interest method. Borrowing costs may include interest in respect of lease liability recognised in accordance with FRS 116.

2.13 Leases

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.

When the Company is the 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 representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

- **Right-of-use assets**

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

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. 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 accounting policy for impairment is disclosed in Note 2.6.

The Company's right-of-use assets are presented within "Property, plant and equipment" as disclosed in Note 11.

2. Material accounting policy information (Cont'd)

2.13 Leases (Cont'd)

When the Company is the lessee: (Cont'd)

- Lease liabilities

The initial measurement of lease liability 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 that rate cannot be readily determined, the Company shall use its incremental borrowing rate.

Lease payments include the following:

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

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.

For contract that contain 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 has elected to not separate lease and non-lease component for property lease and account these as one single lease component.

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

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

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in the statement of financial activities if the carrying amount of the right-of-use asset has been reduced to zero.

The Company's lease liabilities are disclosed in Note 15.

- Short-term and low-value leases

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option and leases of low value leases, except for sublease arrangements. Lease payments relating to short term leases and leases of low-value assets are expensed to the statement of financial activities on a straight-line basis over the lease term.

2. Material accounting policy information (Cont'd)

2.13 Leases (Cont'd)

When the Company is the lessee: (Cont'd)

- Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in the statement of financial activities in the periods that triggered those lease payments.

2.14 Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the Board of directors. Externally restricted funds may only be utilised in accordance with the purposes for which they are established. The Board of directors retains full control over the use of unrestricted funds for any of the Company's purposes.

2.15 Employee compensation

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund ("CPF"), on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to defined contribution plans are recognised as employee compensation expense when they are due.

Employee leave entitlement

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

2.16 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Where the possibility of an outflow of resources is not remote, the Company shall disclose for each class of contingent liability at the reporting date, a brief description of the nature of the contingent liability and, where practicable:

- a) an estimate of its financial effect;
- b) an indication of the uncertainties relating to the amount or timing of any outflow; and
- c) the possibility of any reimbursement.

A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.17 Events after the reporting date

Events after the reporting period that provide additional information about the Company's position at the reporting date (adjusting events) are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

3. Critical accounting estimates, assumptions and judgments

Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1.1 Estimated useful lives of property, plant and equipment

The Company reviews annually the estimated useful lives of property, plant and equipment based on factors such as business plans and strategies, expected level of usage and future technological developments. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. The carrying amount of property, plant and equipment and the depreciation charge for the financial year are disclosed in Note 11.

3.1.2 Impairment of property, plant and equipment

Property, plant and equipment are reviewed for impairment whenever there is any indication that the assets are impaired. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and value in use) of the assets is estimated to determine the impairment loss. The key assumptions for the value in use calculation are those regarding the growth rates, and expected change to selling price and direct costs during the year and a suitable discount rate

3.2 Critical judgements in applying the entity's accounting policies

In the process of applying the Company's accounting policies, the management has made certain judgements, apart from those involving estimations, which have significant effect on the amounts recognised in the financial statements.

Government grants

Government grants to meet operating expenses are recognised as income in the statement of comprehensive income on the accrual basis in the financial year these operating expenses were incurred and there is reasonable assurance that the Company will comply with the conditions attached to it. For certain grants, the government agencies reserve the right to withdraw, withhold or reduce the amount of any funds approved but not yet disbursed or to call for the refund of all funds which have been disbursed to the Company if the conditions are not met.

4. Detailed statement of financial activities

		Unrestricted fund	Restricted funds									
	Note	General fund S\$	Better and Happier Youth S\$	Comit (Combined) fund S\$	Community Silver Trust S\$	NCSS Community Capability Trust S\$	Goldman Sachs Gives S\$	Community Care Training Grant S\$	Community Care Day Grant S\$	NCSS Community Capability Trust Grant for HRMS S\$	Total restricted funds S\$	Total funds S\$
2024												
INCOME												
<u>Income from generating funds</u>												
Donations												
- Tax exempt	6	130,820	0	0	0	0	0	0	0	0	0	130,820
- Non-tax exempt		11,882	0	0	0	0	0	0	0	0	0	11,882
Grants												
- Grant from AIC		0	0	0	0	0	0	2,545	1,000	0	3,545	3,545
- Grant from Caritas		266,000	0	0	0	0	0	0	0	0	0	266,000
- Grant from CST		0	0	0	203,911	0	0	0	0	0	203,911	203,911
- Grant from MOH		0	0	1,494,304	0	0	0	0	0	0	1,494,304	1,494,304
- Grant from NCSS		0	0	0	0	0	0	0	0	8,580	8,580	8,580
- Grant from GSG		0	0	0	0	0	67,793	0	0	0	67,793	67,793
		<u>408,702</u>	<u>0</u>	<u>1,494,304</u>	<u>203,911</u>	<u>0</u>	<u>67,793</u>	<u>2,545</u>	<u>1,000</u>	<u>8,580</u>	<u>1,778,133</u>	<u>2,186,835</u>
<u>Income from charitable activities</u>												
Counselling fees		5,240	0	133,530	0	0	0	0	0	0	133,530	138,770
Clinical Supervision fee		8,700	0	0	0	0	0	0	0	0	0	8,700
Holy Cross - Project G.O.D		23,315	0	0	0	0	0	0	0	0	0	23,315
Psycho-education sessions		<u>1,425</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,425</u>
		<u>38,680</u>	<u>0</u>	<u>133,530</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>133,530</u>	<u>172,210</u>
<u>Other income</u>												
Government-paid childcare leave		1,231	0	0	0	0	0	0	0	0	0	1,231
Gain on disposal of property, plant and equipment		1,666	0	0	0	0	0	0	0	0	0	1,666
Interest income		110,536	0	0	0	0	0	0	0	0	0	110,536
Special Employment Credit (MOM)		671	0	0	0	0	0	0	0	0	0	671
Wage Credit Scheme (IRAS)		<u>5,801</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,801</u>
		<u>119,905</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>119,905</u>
TOTAL INCOME		<u>567,287</u>	<u>0</u>	<u>1,627,834</u>	<u>203,911</u>	<u>0</u>	<u>67,793</u>	<u>2,545</u>	<u>1,000</u>	<u>8,580</u>	<u>1,911,663</u>	<u>2,478,950</u>

4. Detailed statement of financial activities (Cont'd)

		Unrestricted fund	Restricted funds									

4. Detailed statement of financial activities (Cont'd)

		Unrestricted fund	Restricted funds									
		General fund S\$	Better and Happier Youth S\$	Comit (Combined) fund S\$	Community Silver Trust S\$	NCSS Community Capability Trust S\$	Goldman Sachs Gives S\$	Community Care Training Grant S\$	Community Chest Charity Support Fund S\$	Tech- and-Go fund S\$	Total restricted funds S\$	Total funds S\$
	Note											
<u>2023 (Restated)</u>												
<u>INCOME</u>												
<u>Income from generating funds</u>												
Donations												
- Tax exempt	6, 19	142,035	0	0	0	0	0	0	0	0	0	142,035
- Non-tax exempt	19	20,815	0	0	0	0	0	0	0	0	0	20,815
Grants												
- Grant from AIC		0	0	0	0	0	0	7,509	0	0	7,509	7,509
- Grant from Care & Share		0	0	0	0	0	0	0	0	0	0	0
- Grant from Caritas		215,000	0	0	0	0	0	0	0	0	0	215,000
- Grant from CST		0	0	0	155,315	0	0	0	0	0	155,315	155,315
- Grant from MOH		0	0	1,372,797	0	0	0	0	0	0	1,372,797	1,372,797
- Grant from NCSS		0	0	0	0	8,451	0	0	0	5,680	14,131	14,131
- Grant from GSG		0	0	0	0	0	131,927	0	0	0	131,927	131,927
- Refund to Community Chest Charity		0	0	0	0	0	0	0	(4,890)	0	(4,890)	(4,890)
		377,850	0	1,372,797	155,315	8,451	131,927	7,509	(4,890)	5,680	1,676,789	2,054,639
<u>Income from charitable activities</u>												
Counselling fees		2,858	0	136,617	0	0	0	0	0	0	136,617	139,475
Placement admin fee revenue		50	0	0	0	0	0	0	0	0	0	50
Psycho-education sessions		300	0	0	0	0	0	0	0	0	0	300
		3,208	0	136,617	0	0	0	0	0	0	136,617	139,825
<u>Other income</u>												
Government-paid childcare leave		2,962	0	0	0	0	0	0	0	0	0	2,962
Government job growth incentive (JGI)		13,686	0	0	0	0	0	0	0	0	0	13,686
Interest income		38,203	0	0	0	0	0	0	0	0	0	38,203
Special Employment Credit (MOM)		5,280	0	0	0	0	0	0	0	0	0	5,280
Wage Credit Scheme (IRAS)		467	0	0	0	0	0	0	0	0	0	467
		60,598	0	0	0	0	0	0	0	0	0	60,598
TOTAL INCOME		441,656	0	1,509,414	155,315	8,451	131,927	7,509	(4,890)	5,680	1,813,406	2,255,062

4. Detailed statement of financial activities (Cont'd)

		Unrestricted fund	Restricted funds									
						NCSS						
		General fund	Better and	Comit	Community	Community	Goldman	Community	Community	Tech-	Total	Total funds
		S\$	Happier	(Combined)	Silver Trust	Capability	Sachs	Care Training	Chest Charity	and-Go	restricted	S\$
	Note		Youth	fund		Trust	Gives	Grant	Support Fund	fund	funds	
		S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
2023 (Restated) – Cont’d												
EXPENDITURE												
Cost of charitable activities												
CFS YES!		507	0	0	0	0	0	0	0	0	0	507
Programme expenses		265	0	0	0	0	0	0	0	0	0	265
Provision for unutilised leaves		21,230	0	0	0	0	0	0	0	0	0	21,230
Staff costs	8	159,596	0	838,734	155,315	0	111,662	7,509	12,412	0	1,125,632	1,285,228
		181,598	0	838,734	155,315	0	111,662	7,509	12,412	0	1,125,632	1,307,230
Governance and other administrative costs												
Advertising		707	0	0	0	0	0	0	0	0	0	707
Accounting/Payroll System Subscription		4,101	0	6,202	0	0	0	0	0	0	6,202	10,303
Audit fee		8,580	0	0	0	0	0	0	0	0	0	8,580
Bank charge		324	0	0	0	0	0	0	0	0	0	324
Depreciation of property, plant and equipment	11	5,869	0	14,892	0	0	0	0	19,258	0	34,150	40,019
Entertainment expenses		418	0	0	0	0	0	0	0	0	0	418
Fund-raising expenses	19	16,369	0	0	0	0	0	0	0	0	0	16,369
Insurance		3,628	0	2,506	0	0	0	0	0	0	2,506	6,134
Internet		0	0	2,011	0	0	0	0	0	0	2,011	2,011
Interest expense on lease liabilities		280	0	534	0	0	0	0	0	0	534	814
Local transport		118	0	207	0	0	0	0	0	0	207	325
Membership		125	0	0	0	0	0	0	0	0	0	125
Office supplies		45	0	343	0	0	0	0	0	0	343	388
Platform transaction fees		804	0	0	0	0	0	0	0	0	0	804
Postage and courier		2	0	155	0	0	0	0	0	0	155	157
Printing		1,262	0	369	0	0	0	0	0	0	369	1,631
Professional fee		3,697	0	0	0	8,451	0	0	0	0	8,451	12,148
Property insurance		105	0	0	0	0	0	0	0	0	0	105
Recruitment expenses		546	0	0	0	0	0	0	0	0	0	546
Operating lease expense												
– rental of premise		60	0	13,436	0	0	0	0	0	0	13,436	13,496
– service & conservancy charges		0	0	183	0	0	0	0	0	0	183	183
Repairs and maintenance		50	0	2,173	0	0	0	0	728	0	2,901	2,951
Secretarial fee		1,955	0	0	0	0	0	0	0	0	0	1,955
Software subscriptions		2,319	0	4,044	0	0	0	0	0	0	4,044	6,363
Staff costs	8	28,046	0	347,697	0	0	0	0	0	0	347,697	375,743
Staff Supervision fee		0	0	39,780	0	0	0	0	0	0	39,780	39,780
Telephone		1,165	0	4,290	0	0	0	0	0	0	4,290	5,455
Utilities		0	0	5,520	0	0	0	0	0	0	5,520	5,520
Volunteer allowance		7	0	0	0	0	0	0	0	0	0	7
Website/IT fee		0	0	0	0	0	0	0	4,651	5,680	10,331	10,331
		80,582	0	444,342	0	8,451	0	0	24,637	5,680	483,110	563,692
TOTAL EXPENDITURE		262,180	0	1,283,076	155,315	8,451	111,662	7,509	37,049	5,680	1,608,742	1,870,922
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR												
		179,476	0	226,338	0	0	20,265	0	(41,939)	0	204,664	384,140

5. Revenue from contracts with customers

Disaggregation of revenue from contracts with customers:

	2024 S\$	2023 S\$
<u>Revenue from</u>		
Counselling fees	138,770	139,475
Clinical Supervision fee	8,700	0
Psycho-education sessions	1,425	0
Public education revenue	0	50
Honorarium for practicum placements	0	300
Holy Cross – Project G.O.D	23,315	0
	<u>172,210</u>	<u>139,825</u>
 <u>Timing of transfer of services:</u>		
At a point in time	<u>172,210</u>	<u>139,825</u>

At the reporting date, there is no contract liabilities balances.

6. Tax deductible donations

During the financial year, the Company issued tax-deductible receipts for donations totalling S\$130,820 (2023: S\$142,035) pursuant to its Institutions of a Public Character ("IPC") status. They are recorded as follows:

	2024 S\$	2023 S\$
<u>Statement of financial activities</u>		
General fund:		
- Donations - tax exempt	<u>130,820</u>	<u>142,035</u>

7. Income tax

The Company is registered as a charity under the Charities Act since 3 December 2010. Consequently, the income of the Company is exempted from tax under the provisions of Section 13 of the Income Tax Act 1994.

8. Staff costs

	Note	2024 S\$	2023 S\$
Salaries		1,267,306	1,220,927
Annual leave pay		3,613	509
AWS/Bonus		159,526	167,554
Contractor fess		1,500	0
Employer CPF		235,903	225,463
SDF		2,903	2,839
Medical		3,428	3,833
Dental		2,152	1,071
Staff insurance		26,657	15,161
Staff welfare		9,331	9,274
Training and development		13,399	14,340
		<u>1,725,718</u>	<u>1,660,971</u>

Staff costs were allocated into the following:

Cost of charitable activities:

- General Fund		63,313	126,508
- Comit (Combined)		1,190,997	838,734
- Community Silver Trust		168,248	155,315
- Community Chest Charity Support Fund		0	37,049
- Community Capability Trust		0	8,451
- Goldman Sachs Gives		88,058	111,662
- Community Care Training		0	7,509
	4	<u>1,510,616</u>	<u>1,285,228</u>

Governance and other administrative costs:

- General Fund		79,700	28,046
- Comit (Combined)		96,194	347,697
- Community care training grant		2,545	0
-Community Care Day Grant		1,000	0
- Community Silver Trust		35,663	0
	4	<u>215,102</u>	<u>375,743</u>
		<u>1,725,718</u>	<u>1,660,971</u>

9. Cash and bank balances

	2024 S\$	2023 S\$
Cash on hand	0	600
Cash at banks	247,995	543,035
Fixed deposits	507,332	1,645,959
Short-term bank deposits	1,867,768	0
	<u>2,623,095</u>	<u>2,189,594</u>

Fixed deposits at the reporting date had maturity period of 2 months (2023: 3 to 6 months) and had an effective interest rate of 3.20% to 3.30% (2023: 2.00% to 3.30%) per annum.

Short-term bank deposits are those flexi yield deposits held with finance institutions at the reporting date that come with no maturity period but requires 1 month notice prior to withdrawal and bear an effective interest rate from 3.21% to 3.47% (2023: Nil) per annum.

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following:

	2024 S\$	2023 S\$
Cash and bank balances (as above)	2,623,095	2,189,594
Less: fixed deposits with maturity over 3 months	<u>0</u>	<u>(45,959)</u>
	<u>2,623,095</u>	<u>2,143,635</u>

At the reporting date, the carrying amounts of cash and cash equivalents approximate their fair values.

10. Other receivables

	2024 S\$	2023 S\$
Deposits	4,021	3,212
Interest receivables	1,400	2,906
Prepayments	36,262	8,566
Grant receivables	827,174	696,524
Other debtors	845	0
	<u>869,702</u>	<u>711,208</u>

At the reporting date, the carrying amounts of other receivables approximate their fair values.

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11. Property, plant and equipment

	Computer equipment S\$	Furniture and fittings S\$	Fixture and fittings S\$	Office equipment S\$	Renovation S\$	Website development S\$	Rights-of- use assets - Office units S\$	Rights-of- use assets - Copier S\$	Total S\$
Cost									
At 01 Oct 2023	106,871	12,012	700	29,258	256,929	7,300	18,966	7,840	439,876
Additions	9,772	3,074	0	980	0	0	21,244	7,957	43,027
Disposal	(77,861)	(4,623)	0	(3,452)	(34,037)	0	0	0	(119,973)
Written off	0	0	0	0	0	0	(18,966)	(7,840)	(26,806)
At 30 Sep 2024	38,782	10,463	700	26,786	222,892	7,300	21,244	7,957	336,124
Accumulated depreciation									
At 01 Oct 2023	103,188	11,876	700	20,882	256,914	4,465	10,273	6,515	414,813
Additions	8,519	1,157	0	5,023	0	2,835	9,822	1,576	28,932
Disposal	(77,827)	(4,623)	0	(3,452)	(34,037)	0	0	0	(119,939)
Written off	0	0	0	0	0	0	(19,210)	(7,561)	(26,771)
At 30 Sep 2024	33,880	8,410	700	22,453	222,877	7,300	885	530	297,035
Carrying Amount									
At 30 Sep 2023	3,683	136	0	8,376	15	2,835	8,693	1,325	25,063
At 30 Sep 2024	4,902	2,053	0	4,333	15	0	20,359	7,427	39,089

Assets acquired under leasing arrangements

Right-of-use assets acquired under leasing arrangements are office units and copier and presented under the category of "Right-of-use assets". Details of such leased assets are disclosed in Note 12.

The company's cash outflows on acquisition of property, plant and equipment amounted S\$13,827 (2023: S\$15,629) was made to purchase property, plant and equipment.

12. Leases – The Company as a lesseeNature of the Company's leasing activities

The Company leases office units and copier for the purpose of office operation.

(a) Carrying amounts

Right-of-use ("ROU") assets classified within property, plant, and equipment

	Note	2024 S\$	2023 S\$
Office units	11	20,359	8,693
Copier	11	7,426	1,325
		<u>27,785</u>	<u>10,018</u>

(b) Amount recognised in profit or loss during the financial year:

	Note	2024 S\$	2023 S\$
Depreciation			
- Office units	11	9,822	9,483
- Copier	11	1,576	1,568
		<u>11,398</u>	<u>11,051</u>
Interest expense			
- Office units	15	297	692
- Copier	15	162	122
		<u>459</u>	<u>814</u>
Lease expense not capitalised in lease liabilities			
- short-term leases	4	<u>13,348</u>	<u>13,679</u>

(c) Total cash outflows for all the leases in 2024 was S\$26,048 (2023: S\$24,839).

13. Other financial assets

	2024 S\$	2023 S\$
<u>Financial assets, at amortised cost</u>		
Beginning of financial year	982,150	0
Additions	1,964,950	982,150
Disposals	(1,964,550)	0
End of financial year	<u>982,550</u>	<u>982,150</u>

The details of the financial assets, at amortised are as follows:

	2024 S\$	2023 S\$
<u>Quoted debt instruments:</u>		
Treasury bills S\$98.2550 maturity of 7 January 2025	982,550	0
Treasury bills S\$98.2150 maturity of 14 November 2023	0	982,150
	<u>982,550</u>	<u>982,150</u>

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	2024 S\$	2023 S\$
Third parties	22,460	360
Accruals	12,834	41,698
Provision for unutilised leaves	28,715	52,824
	<u>64,009</u>	<u>94,882</u>

At the reporting date, the carrying amounts of other payables approximate their fair values.

15. Lease liabilities

	2024 S\$	2023 S\$
Current	11,405	10,411
Non-current	16,486	0
	<u>27,891</u>	<u>10,411</u>

A reconciliation of liabilities arising from financing activities is as follows:

	01.10.2023 S\$	Addition S\$	Cash flows S\$	Non – cash change			30.09.2024 S\$
				Accretion of interest S\$	Lease modification S\$	Other S\$	
Lease liabilities							
- Current	10,411	12,714	(12,665)	459	486	0	11,405
- Non-current	0	16,486	0	0	0	0	16,486
	<u>10,411</u>	<u>29,200</u>	<u>(12,665)</u>	<u>459</u>	<u>486</u>	<u>0</u>	<u>27,891</u>

	01.10.2022 S\$	Addition S\$	Cash flows S\$	Non – cash change			30.09.2023 S\$
				Accretion of interest S\$	Other S\$		
Lease liabilities							
- Current	10,931	6	(11,751)	814	10,411		10,411
- Non-current	10,388	23	0	0	(10,411)		0
	<u>21,319</u>	<u>29</u>	<u>(11,751)</u>	<u>814</u>	<u>0</u>		<u>10,411</u>

16. Unrestricted general fund

This fund represents accumulated surplus and is for the purpose of meeting operating expenses incurred by the Company.

17. Restricted funds

Fund balances restricted by outside sources are indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its company purposes.

17.1 Better and Happier Youth Fund

This is a component of YES Initiative which seeks to transform philanthropy by being a trusted bridge to impact communities.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	19,271	19,271
Less: Utilisation	(650)	0
Balance at end of financial year	<u>18,621</u>	<u>19,271</u>

17.2 Comit (Combined) Fund

This project is merged from Comit@North and Comit@Central, effective from 1 April 2022. The project aims to develop a community-based Allied Health-led, Community Intervention Team to provide psycho-social therapies, rehabilitation, counselling and case management for clients with mental health issues. The project also supports the primary care physicians in managing clients with mental health needs in the community and provides education, training and support to the clients and their caregivers to equip and enable them to live well in the community.

Movement of this fund is as follows:

	Note	2024 S\$	2023 S\$ (Restated)
Balance at beginning of financial year		671,249	444,911
Add: Grants received		1,627,834	1,509,414
Less: Utilisation		(1,401,849)	(1,283,076)
Balance at end of financial year		<u>897,234</u>	<u>671,249</u>

17.3 Community Chest Charity Support Fund

Community Chest Fund is administered by NCSS - Funding of Capital Expenditure for enhancement to premises.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	41,939
Add: Grants received	0	(4,890)
Less: Utilisation	0	(37,049)
Balance at end of financial year	<u>0</u>	<u>0</u>

17. Restricted funds (Cont'd)**17.4 Community Silver Trust Fund**

Trust managed by Ministry of Health (MOH) on behalf of the Board of Trustees - The objective of the CST is to encourage donations and provide additional resources for the service providers in the intermediate and long-term care ("ILTC") sector to enhance their capabilities, provide value-added services to achieve higher quality care, and enhance the affordability of step down care for service users and patients. The ILTC sector provides a variety of services that meet both medical and non-medical needs of people with chronic diseases or disability who cannot care for themselves for long periods of time.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	0
Add: Grants received	203,911	155,315
Less: Utilisation	(203,911)	(155,315)
Balance at end of financial year	<u>0</u>	<u>0</u>

17.5 NCSS Community Capability Trust Fund

The fund is used to enhance premises. The sub-tasks applicable under that are physical infrastructure development involving repair of walls, toilets and carpets, renovation of existing training room and partitioning another counselling room to increase client service capability.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	0
Add: Grants received	0	8,451
Less: Utilisation	0	(8,451)
Balance at end of financial year	<u>0</u>	<u>0</u>

17.6 Goldman Sachs Gives Fund

Goldman Sachs Gives Fund is committed to fostering innovative ideas, solving economic and social issues, and enabling progress in underserved communities globally. Through a donor-advised fund, Goldman Sachs' senior employees work together to recommend grants to qualifying nonprofit organizations to help them achieve their goals. This is in support of Clarity's salaries and staff costs related to clinical psychologists.

Movement of this fund is as follows:

	2024 S\$	2023 S\$ (Restated)
Balance at beginning of financial year	20,265	0
Add: Grants received	67,793	131,927
Less: Utilisation	(88,058)	(111,662)
Balance at end of financial year	<u>0</u>	<u>20,265</u>

17. Restricted funds (Cont'd)**17.7 Community Care Training Grant**

Community Care Training Grant (CCTG) supports eligible Community Care organisations' staff learning needs on courses that are not offered by any of the Learning Institutes under the AIC Learning Network. This is in support of Clarity's training and development courses for staff.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	0
Add: Grants received	2,545	7,509
Less: Utilisation	(2,545)	(7,509)
Balance at end of financial year	<u>0</u>	<u>0</u>

17.8 NCSS Community Capability Trust Grant for HRMS

Tech-and-Go is a dedicated technology hub, providing grants, advisory services and IT consultancy to empower Charities in their digital journey. This is in support of Clarity's IT costs.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	0
Add: Grants received	8,580	5,680
Less: Utilisation	0	(5,680)
Balance at end of financial year	<u>8,580</u>	<u>0</u>

17.9 Community Care Day Grant

Community Care Day Grant is dedicated to staff as a token of appreciation and gratitude for their contributions.

Movement of this fund is as follows:

	2024 S\$	2023 S\$
Balance at beginning of financial year	0	0
Add: Grants received	1,000	0
Less: Utilisation	(1,000)	0
Balance at end of financial year	<u>0</u>	<u>0</u>

Net assets of the restricted funds:

	Cash and bank balance S\$	Trade and other receivables S\$	Property, plant and equipment S\$	Other payable S\$	Total S\$
<u>2024</u>					
Better and Happier Youth	18,621	0	0	0	18,621
Comit (Combined) fund	71,060	827,174	0	0	898,234
NCSS Community Trust fund	8,580	0	0	0	8,580
	<u>98,261</u>	<u>827,174</u>	<u>0</u>	<u>0</u>	<u>925,435</u>

17. Restricted funds (Cont'd)**Net assets of the restricted funds: (Cont'd)**

	Cash and bank balance S\$	Trade and other receivables S\$	Property, plant and equipment S\$	Other payable S\$	Total S\$
<u>2023 (Restated)</u>					
Better and Happier Youth	19,271	0	0	0	19,271
Comit (Combined) fund	0	671,239	10	0	671,249
Goldman Sachs Give fund	20,265	0	0	0	20,265
	<u>39,536</u>	<u>671,239</u>	<u>10</u>	<u>0</u>	<u>710,785</u>

18. Related party transactions

There were no related party transactions during the financial year ended 30 September 2024 and 2023.

The Company is governed by the Board of Directors who are volunteers and receive no monetary remuneration for their contributions.

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

	2024 S\$	2023 S\$
<u>Key Executive</u>		
Salaries and other short-term benefits	114,858	109,700
Post-employment benefits – contribution to CPF	<u>19,260</u>	<u>11,921</u>
	2024 No. of key management personnel	2023 No. of key management personnel
Remuneration band (S\$)		
- Below S\$100,000	1	1
- Between S\$100,001 to S\$150,000	<u>1</u>	<u>1</u>

The remuneration of key management personnel is determined by the Board of Directors.

19. Fund-raising events

	Note	2024 S\$	2023 S\$
<i>Income from generating funds</i>			
Donation			
- Tax-exempt	4	33,881	142,035
- Non-tax exempt	4	<u>9,514</u>	<u>20,815</u>
		<u>43,395</u>	<u>162,850</u>
<i>Cost of fund-raising expenses</i>	4	<u>4,480</u>	<u>16,369</u>
Net proceeds		<u>38,915</u>	<u>146,481</u>
Percentage of fund-raising expenses over income from fund-raising event		<u>10%</u>	<u>10%</u>

20. Management of conflict of interest

As part of the Management of Conflict-of-Interest policy of the Company, Members are required to disclosure any real, potential or perceived conflicts of interest at the earliest opportunity to the relevant governing body/persons within Clarity.

Whenever a Board member is in any way, directly or indirectly, has an interest in a transaction or project or other matter to be discussed at a meeting, the member shall disclose the nature of this interest before the discussion on the matter begins.

The Board member concerned should not participate in the discussion or vote on the matter and should also offer to withdraw from the meeting and the Board of Directors shall decide if this should be accepted. The declaration will be recorded.

21. Financial instruments

The carrying amounts of the financial assets and financial liabilities at the reporting date are as follows:

	2024 S\$	2023 S\$
Financial assets, at amortised cost		
Cash and bank balances	2,623,095	2,189,594
Other receivables (excluding prepayments)	833,440	702,642
Other financial assets	982,550	982,150
	<u>4,439,085</u>	<u>3,874,386</u>
Financial liabilities, at amortised cost		
Other payables (excluding provision for unutilised leaves)	35,294	42,058
Lease liabilities	27,891	10,411
	<u>63,185</u>	<u>52,469</u>

22. Financial risk management

The Company's activities expose it to minimal financial risks and overall risk management is determined and carried out by the Board of Directors of the Company on an informal basis.

Credit risk

Credit risk refers to the risk that counterparties will default on its contractual obligation, resulting in deficits in funds.

The Company has adopted the following policy to mitigate the credit risk.

For banks and financial institutions, the Company mitigates its credit risks by transacting only with counterparties who are rated "A" and above independent rating agencies.

For other receivables, the Company manages its credit risks by ensuring that the counterparty has sufficient financial assets and other committed credit lines to settle its financial and contractual obligations to the Company, as and when they fall due.

22. Financial risk management (Cont'd)**Liquidity risk**

Liquidity risk refers to the risk that the Company will have insufficient resources to meet its financial liabilities as and when they fall due.

The Board of Directors exercises prudent liquidity and cash flow risk management policies and aims at maintaining an adequate level of liquidity and cash flow at all times.

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

	Within one year S\$	Later than one year but not later than five years S\$	Total S\$
2024			
Financial assets, at amortised cost			
Cash and bank balances	2,623,095	0	2,623,095
Other receivables (excluding prepayments)	833,440	0	833,440
Other financial assets	982,550	0	982,550
	<u>4,439,085</u>	<u>0</u>	<u>4,439,085</u>
Financial liabilities, at amortised cost			
Other payables (excluding provision for unutilised leaves)	35,294	0	35,294
Lease liabilities	12,969	16,582	29,551
	<u>48,263</u>	<u>16,582</u>	<u>64,845</u>
2023			
Financial assets, at amortised cost			
Cash and bank balances	2,189,594	0	2,189,594
Other receivables (excluding prepayments)	702,642	0	702,642
Other financial assets	982,150	0	982,150
	<u>3,874,386</u>	<u>0</u>	<u>3,874,386</u>
Financial liabilities, at amortised cost			
Other payables (excluding provision for unutilised leaves)	42,058	0	42,058
Lease liabilities	10,637	0	10,637
	<u>52,695</u>	<u>0</u>	<u>52,695</u>

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 cash and cash equivalents and borrowings.

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

22. Financial risk management (Cont'd)

Interest rate risk (Cont'd)

Sensitivity analysis for interest rate risk

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

	2024 S\$	2023 S\$
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits	507,332	1,645,959
Short-term bank deposits	1,867,768	0
	<u>2,375,100</u>	<u>1,645,959</u>
 <u>Financial liabilities</u>		
Lease liabilities	<u>27,891</u>	<u>10,411</u>

Sensitivity analysis for interest rate risk is not presented as the Company do not have significant exposure to market risk for changes in interest rate.

At the reporting date, the Company does not have variable rate interest-bearing financial instruments.

23. Fair values

As at 30 September 2024, the carrying amounts of the financial assets and liabilities recorded in the financial statements of the Company approximate their fair values due to their short-term nature.

The fair values of non-current financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial liabilities.

24. Reserve policy and position

The Company's reserve position for financial year ended 30 September 2024 is as follows:

		2024	2023	Increase / (Decrease)
		S\$'000	S\$'000	%
			(Restated)	
A	Unrestricted funds			
	Accumulated general funds	3,497	3,092	13
B	Restricted or Designated funds			
	Designated funds	0	0	0
	Restricted funds	925	711	30
C	Endowment funds	0	0	0
D	Total funds	4,422	3,803	16
E	Average past 2 years' annual operating expenditure	1,868	1,479	26
F	Ratio of funds to average past 2 years' annual operating expenditure (A/E)	1.88	2.09	

Reference:

- C. An endowment fund consists of assets, funds or properties, which are held in perpetuity, which produce annual income flow for a company to spend as grants.
- D. Total funds include unrestricted, restricted / designated and endowment funds.
- E. Total annual operating expenditure includes expenses related to cost of charitable activities and governance and other operating and administration expenditure.

24. Reserve policy and position (Cont'd)

The Company's Reserve Policy is as follows:

The reserves that we have set aside provide financial stability and the means for the development of our principal activity. The Board intend to establish the reserves at a level equivalent to 2 years of operating expenditure through increasing awareness of our activities, seeking more donors both private and corporate and fund raising efforts. The Board reviews yearly the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

25. Restatement of FY2023 financial statements

The comparative figures in the Financial Statements for the financial year ended 30 September 2023 have been restated to correct errors in the classification of income and expenditure between the Unrestricted and Restricted Funds and to ensure the usage of fund is consistent with policy.

The effects of the restatement on the Financial Statements are disclosed below:

	As previously reported S\$	Restatement S\$	As restated S\$
30 September 2023			
Statement of financial activities			
<u>(Deficit)/surplus for the financial year</u>			
Unrestricted fund	(59,131)	238,607	179,476
Restricted fund	<u>443,271</u>	<u>(238,607)</u>	<u>204,664</u>
Statement of financial position			
<u>Funds</u>			
<u>Unrestricted fund</u>			
General fund	2,853,330	238,607	3,091,937
<u>Restricted funds</u>			
Comit (Combined) fund	930,121	(258,872)	671,249
Goldman Sachs Gives fund	<u>0</u>	<u>20,265</u>	<u>20,265</u>

26. Authorisation of financial statements

The financial statements for the financial year ended 30 September 2024 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 20 February 2025.