Nexia Singapore PAC

SPECIAL NEEDS TRUST COMPANY LIMITED
Company Registration No.: 200812120W

(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 2026

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SPECIAL NEEDS TRUST COMPANY LIMITED

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The directors are pleased to present their statement to the member together with the audited financial statements of Special Needs Trust Company Limited (the "Company") for the financial year ended 31 March 2026.

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 2026 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:

Moses Lee Kim Poo	
Prema Govindan	(appointed on 1 April 2025)
Low Guanming	(appointed on 1 April 2026)

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 and debentures.

4. Directors' interests in shares and debentures

The Company is limited by guarantee and has no share capital or debentures. 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,

Moses Lee Kim Poo
Director

Prema Govindan
Director

Date: 14 September 2026

Nexia Singapore PAC

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Chartered Accountants of Singapore
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SPECIAL NEEDS TRUST COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Special Needs Trust Company Limited (the "Company"), which comprise the statement of financial position as at 31 March 2026, 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 2026 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, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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 MEMBER OF SPECIAL NEEDS TRUST COMPANY LIMITED (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 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, the Charities Act and Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Chan Rouh Ting.

Nexia Singapore PAC.

NEXIA SINGAPORE PAC
Public Accountants and
Chartered Accountants
Singapore

Date: 14 September 2026

SPECIAL NEEDS TRUST COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Accumulated Fund	Financial Assistance Fund	Care and Share Fund	GOAL Sponsorship Fund	IT Security Operations Fund	2026 Total	2025 Total
		SGD	SGD	SGD	SGD	SGD	SGD	SGD
Income								
Trustee's fee		20,320	-	-	-	-	20,320	23,760
Tax-deductible donations		-	6,350	-	50	-	6,400	19,180
Non-tax-deductible donations		-	585	-	-	-	585	21,951
Jobs Growth Incentive [1]		(22,279)	-	-	-	-	(22,279)	-
Wage credit scheme		-	-	-	-	-	-	18,036
Manpower funding from SG Enable Ltd		-	-	-	-	-	-	291,608
Interest Income		68,206	-	-	-	-	68,206	157,245
Other Income		1,619	-	-	-	-	1,619	7,121
		67,866	6,935	-	50	-	74,851	538,901
Less: Expenses								
Auditors' remuneration		(20,967)	-	-	-	-	(20,967)	(48,728)
Communications		(18,302)	-	-	-	-	(18,302)	(25,740)
Community engagement		(7,721)	-	-	-	-	(7,721)	(9,694)
Depreciation of right-of-use assets		(2,448)	-	-	-	-	(2,448)	(2,449)
Depreciation of property, plant and equipment		(11,115)	-	-	-	(76,995)	(88,110)	(129,807)
Reversal of provision for reinstatement cost		32,000	-	-	-	-	32,000	-
Employee benefits expenses write back / (expenses)	4	70,581	-	-	-	-	70,581	(2,644,437)
Sponsorship of initial trust capital/matching top up		-	(50,000)	-	(71,850)	-	(121,850)	(161,273)
Interest expenses on lease liabilities		(49)	-	-	-	-	(49)	(125)
IT maintenance		(103,963)	-	-	-	(112,149)	(216,112)	(99,339)
Miscellaneous		(7,461)	-	-	-	-	(7,461)	(11,499)
Professional fee		(6,082)	-	-	-	-	(6,082)	(9,919)
Rental and service charges		(94,160)	-	-	-	-	(94,160)	(92,288)
Secretarial fee		(9,069)	-	-	-	-	(9,069)	(8,777)
Staff benefits		-	-	-	-	-	-	(12,629)
Supplies and materials		-	-	-	-	-	-	(1,933)
Transport		-	-	-	-	-	-	(2,485)
Utilities		(1,953)	-	-	-	-	(1,953)	(12,229)
Write-off of plant and equipment		(13)	-	(4)	-	(2)	(19)	-
Service fees to SG Enable Ltd		(3,213,168)	-	-	-	-	(3,213,168)	-
		(3,393,890)	(50,000)	(4)	(71,850)	(189,146)	(3,704,890)	(3,273,351)
Deficit before grant income		(3,326,024)	(43,065)	(4)	(71,800)	(189,146)	(3,630,039)	(2,734,450)

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

SPECIAL NEEDS TRUST COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Accumulated Fund	Financial Assistance Fund	Care and Share Fund	GOAL Sponsorship Fund	IT Security Operations Fund	2026 Total	2025 Total
		SGD	SGD	SGD	SGD	SGD	SGD	SGD
Deficit before grant income (continued)		(3,326,024)	(43,065)	(4)	(71,800)	(189,146)	(3,630,039)	(2,734,450)
Government Grant Income								
Grants from Ministry of Social and Family Development ("MSF")		3,186,965	-	-	-	201,600	3,388,565	3,220,700
Grants from National Council of Social Service ("NCSS")		-	-	-	-	-	-	1,063
		3,186,965	-	-	-	201,600	3,388,565	3,221,763
(Deficit)/surplus for the financial year		(139,059)	(43,065)	(4)	(71,800)	12,454	(241,474)	487,313
Income tax expense	5	-	-	-	-	-	-	-
Net (deficit)/surplus for the financial year, representing total comprehensive (loss)/income for the financial year		(139,059)	(43,065)	(4)	(71,800)	12,454	(241,474)	487,313

(1) Pertains to clawback of Job Growth Incentive payouts. Not material to adjust.

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

SPECIAL NEEDS TRUST COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Accumulated Fund	Financial Assistance Fund	Care and Share Fund	GOAL Sponsorship Fund	IT Security Operations Fund	2026 Total	2025 Total
		SGD	SGD	SGD	SGD	SGD	SGD	SGD
Assets								
Non-current assets								
Property, plant and equipment	6	-	-	-	-	-	-	88,129
Right-of-use assets	12	204	-	-	-	-	204	2,652
		204	-	-	-	-	204	90,781
Current assets								
Trade and fund receivables	7	7,617	-	-	-	-	7,617	6,474
Other receivables, deposits and prepayments	8	33,863	-	-	-	-	33,863	53,164
Fixed deposits	9	4,650,000	250,000	-	950,000	-	5,850,000	5,850,000
Cash at banks	9	698,662	73,814	-	(33,366)	99,786	838,896	1,183,723
Total current assets		5,390,142	323,814	-	916,634	99,786	6,730,376	7,093,361
Total assets		5,390,346	323,814	-	916,634	99,786	6,730,580	7,184,142
Liabilities								
Current liabilities								
Other payables and accruals	10	281,424	-	-	-	99,786	381,210	469,256
Provision of reinstatement cost	11	-	-	-	-	-	-	32,000
Lease liabilities	12	219	-	-	-	-	219	2,591
		281,643	-	-	-	99,786	381,429	503,847
Non-current liabilities								
Lease liabilities	12	-	-	-	-	-	-	219
Total liabilities		281,643	-	-	-	99,786	381,429	504,066
Net assets		5,108,703	323,814	-	916,634	-	6,349,151	6,680,076

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	Accumulated Fund SGD	Financial Assistance Fund SGD	Care and Share Fund SGD	GOAL Sponsorship Fund SGD	IT Security Operations Fund SGD	2026 Total SGD	2025 Total SGD
Restricted funds								
Accumulated Fund	13a	5,108,703	-	-	-	-	5,108,703	5,247,762
Financial Assistance Fund	13b	-	323,814	-	-	-	323,814	366,879
Care and Share Fund	13c	-	-	-	-	-	-	4
GOAL Sponsorship Fund	13d	-	-	-	916,634	-	916,634	988,434
IT Security Operations Fund	13e	-	-	-	-	-	-	76,997
Future Care Planning Resource Centre	13f	-	-	-	-	-	-	-
		5,108,703	323,814	-	916,634	-	6,349,151	6,680,076
Total funds		5,108,703	323,814	-	916,634	-	6,349,151	6,680,076

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2026

	Note	2026 SGD	2025 SGD
Trust Fund			
Trust amount held by Public Trustee Office ("PTO")	14	81,433,641	68,994,320
Less: SNTC Trust Fund due to principals	15	(81,433,641)	(68,994,320)
Cash at bank held on behalf of Social Service Hub ("SSH")	16	36,076	25,361
Less: Monies held on behalf of SSH	16	(36,076)	(25,361)
		-	-

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

SPECIAL NEEDS TRUST COMPANY LIMITED

STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Restricted Funds						
		Accumulated Fund	Financial Assistance Fund	Care and Share Fund	GOAL Sponsorship Fund	IT Security Operations Fund	Future Care Planning Resource Centre	Total
		SGD	SGD	SGD	SGD	SGD	SGD	SGD
2026								
At the beginning of the year		5,247,762	366,879	4	988,434	76,997	-	6,680,076
Total comprehensive (loss)/income for the year	13a	(139,059)	(43,065)	(4)	(71,800)	12,454	-	(241,474)
Recovery of excess reserves from the company by MSF for the financial year 2026	13e	-	-	-	-	(89.451)	-	(89,451)
At the end of the year		5,108,703	323,814	-	916,634	-	-	6,349,151
2025								
At the beginning of the year		4,827,158	378,717	11,080	1,096,738	76,997	-	6,390,690
Total comprehensive income/(loss) for the year	13a	602,444	(11,838)	(11,076)	(108,304)	8,212	7,875	487,313
Recovery of excess reserves from the company by MSF for the financial year 2025	13e	(181,840)	-	-	-	(8,212)	-	(190,052)
Recovery of excess funding from the company by SG Enable Ltd for the financial year 2025	13f	-	-	-	-	-	(7,875)	(7,875)
At the end of the year		5,247,762	366,879	4	988,434	76,997	-	6,680,076

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

SPECIAL NEEDS TRUST COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	2026 SGD	2025 SGD
Cash flows from operating activities			
(Deficit)/surplus before taxation		(241,474)	487,313
Adjustments for:			
Interest income		(68,206)	(157,245)
Depreciation of property, plant and equipment		88,110	129,807
Depreciation of right of use assets		2,448	2,449
Write off of plant and equipment		19	-
Reversal of provision for reinstatement cost		(32,000)	-
Interest expenses on lease liabilities		49	125
Operating cash flows before changes in working capital		(251,054)	462,449
Changes in working capital			
Trade and other receivables		(1,590)	13,088
Trade and other payables		(177,497)	(1,165,266)
Grants received in advance		-	(805,981)
Net cash flows used in operating activities		(430,141)	(1,495,710)
Cash flows from investing activities			
Interest income received		87,954	179,600
Net cash flows generated from investing activities		87,954	179,600
Cash flows from financing activities			
Payment of lease liabilities		(2,640)	(2,640)
Net cash flows used in financing activities		(2,640)	(2,640)
Net decrease in cash and cash equivalents		(344,827)	(1,318,750)
Cash and cash equivalents at beginning of the financial year		5,833,723	7,152,473
Cash and cash equivalents at end of the financial year	9	5,488,896	5,833,723

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

Special Needs Trust Company Limited (the "Company") is a public company limited by guarantee, domiciled and registered in the Republic of Singapore under the Companies Act 1967. The Company's registered office and principal place of business is at 22 Lengkok Bahru, #03-03, Singapore 159824.

The Company is registered as a charity (since 1 August 2008) under the Charities Act 1994 and Singapore Trustees Act 1967. The Company was an approved Institution of a Public Character ("IPC") under the Charities Act 1994 from 1 August 2022 to 31 July 2025. The IPC status expired on 31 July 2025 and was not renewed.

The principal activities of the Company are to provide trust services for the benefit of persons with special needs.

Every member of the Company guarantees to contribute to the assets of the Company at an amount limited to SGD10.00 in the event of the winding up of the Company. As at 31 March 2026, the Company has 1 member (2025: 4 members).

With effect from 1 April 2025, the Company and SG Enable Ltd. have integrated to improve the end-to-end experience for persons with disabilities and their families and to consolidate the branding, marketing and public education efforts of both organisations to reach a wider audience amongst persons with disabilities, caregivers and potential partners from the people and private sectors (the "Integration"). As a result of the Integration, SG Enable Ltd has been admitted as the sole member with effect from 1 April 2025.

The financial statements for the financial year ended 31 March 2026 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 ("SGD"), 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 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, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The 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.

(a) Critical judgements in applying the accounting policies

Management has assessed that there are no critical judgements made in applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

2 Basis of preparation (continued)

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

(b) Key sources of estimation uncertainty

Management has assessed that there are no key assumptions concerning the future or other major sources of estimation uncertainty 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.

2.4 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual period beginning on 1 April 2025. The adoption of these standards did not have any material effect on the financial statements of the Company.

2.5 Standards issued but not yet effective

The Company has not adopted standards applicable to the Company that have been issued but not yet effective. Management are in the process of determining the impact on adoption of the financial statements in the year of initial application.

Description	*Effective for annual years beginning on or after*
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:	
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*	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 119 *Subsidiaries and Small Entities without Public Accountability: Disclosures*	1 January 2027
Amendments to FRS 21: *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures*: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

FRS 118: Presentation and Disclosure in Financial Statements

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.

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 2.4 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, 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 plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the 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 the statement of comprehensive income when incurred.

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
Computer and software	3 years
Furniture and fittings	3 years
Renovations	3 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 the statement of comprehensive income 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 the statement of comprehensive income.

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 the statement of comprehensive income.

3. **Material accounting policies** (continued)

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.

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 the statement of comprehensive income.

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 the statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

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.

3. **Material accounting policies** (continued)

3.3 **Financial assets** (continued)

(ii) Impairment of financial assets (continued)

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 no reasonable expectation of recovering the contractual cash flows.

(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 and fixed deposits with maturity of three months or less that are subject to an insignificant risk of changes in value.

3.5 **Financial liabilities**

(i) Classification and measurement

At initial and subsequent recognition

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

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

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

A financial liability is classified as non-current if the Hub has the right to defer settlement for at least twelve months after the reporting period. This right must exist and be substantive as of the reporting date.

(ii) Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in the statement of comprehensive income.

3. Material accounting policies (continued)

3.6 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.

3.7 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 statement of comprehensive income on a straight-line basis over the lease term.

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 statement of comprehensive income.

3. Material accounting policies (continued)

3.8 Fund structures

(i) Restricted fund

Restricted funds are utilised in accordance with the purposes for which they are established. An expense resulting from the operating activities of a fund this 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 the common expense.

(ii) Trust funds held by PTO

Trust funds under the Company's Special Needs Trust Company ("SNTC") Trusteeship Scheme are held and managed by the PTO. The net assets of these trust funds are presented at the bottom of the statement of financial position, with further disclosures provided in the notes to the financial statements.

3.9 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) Donations and Trustees' fees

Donations are recognised as income when the Company's entitlement to the income is established, there is no significant uncertainty, and the amount can be measured reliably. This typically occurs upon receipt of the donation, either in full or through instalments. Donations-in-kind are recognised when the fair value of the assets received can be reasonably determined.

Trustees' fees are recognised as income in the period during which the related services are rendered.

(ii) Government grants

Government grants are recognised as income when there is reasonable assurance that the Company will meet the required conditions attached to the grants and that the grants will be received.

Grants are recognised as income over the periods necessary to match them with the related operating expenses, which are recorded in the same year that the expenses are incurred.

Government grants in the form of funding from MSF and NCSS are recognised as income in the financial statements over the years necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Grants received in advance usually for the first quarter of the subsequent financial year are recognised in the statement of financial position.

(iii) Interest income

Interest income are recognised as income on an accrual basis.

(iv) Other income

Other income is recognised upon receipts.

3. Material accounting policies (continued)

3.10 Employee benefits

(i) 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.

(ii) 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.

3.11 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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. Employee benefits (expenses write-back) / expenses

	2026 SGD	2025 SGD
Salaries, allowances and bonuses	(61,418)	2,337,559
Contribution to defined contribution plan	(9,163)	304,902
Unutilised staff annual leave	-	1,976
	(70,581)	2,644,437

As disclosed in Note 1 to the financial statements, with effect from 1 April 2025, the Company integrated with SG Enable Ltd., pursuant to which the employment and payroll of its employees were transferred to SG Enable Ltd. The write-back of expenses primarily relates to the reversal of accrued unutilised annual leave following the transfer of employees.

5. Income tax expenses

The Company is a registered charity under the Charities Act 1994. No provision for income tax has been made in the financial statements as the Company is exempt from income tax under the Income Tax Act 1947.

6. Property, plant and equipment

	Renovation SGD	Computer and Software SGD	Furniture and Fittings SGD	Total SGD
2026				
Cost				
At 1 April 2025	223,645	484,458	31,888	739,991
Less: Write-off	(223,645)	(484,458)	(31,888)	(739,991)
At 31 March 2026	-	-	-	-
Less: Accumulated depreciation				
At 1 April 2025	223,643	396,334	31,885	651,862
Depreciation for the year	-	88,110	-	88,110
Less: Write-off	(223,643)	(484,444)	(31,885)	(739,972)
At 31 March 2026	-	-	-	-
Net book value				
At 31 March 2026	-	-	-	-
2025				
Cost				
At 1 April 2024/31 March 2025	223,645	484,458	31,888	739,991
Less: Accumulated depreciation				
At 1 April 2024	223,643	275,479	22,933	522,055
Depreciation for the year	-	120,855	8,952	129,807
At 31 March 2025	223,643	396,334	31,885	651,862
Net book value				
At 31 March 2025	2	88,124	3	88,129

7. Trade and fund receivables

	2026 SGD	2025 SGD
Trade receivables	40	530
Excess of contributions refundable from Social Service Hub ("SSH")	7,577	5,944
	7,617	6,474

Trade and fund receivables are non-interest bearing and approximate their fair values and are denominated in Singapore dollars.

8. Other receivables, deposits and prepayments

	2026 SGD	2025 SGD
Deposits	13,599	11,004
Care and Share grant from NCSS	2,558	2,558
Prepayments	5,738	6,720
Interest income from fixed deposits	13,268	33,016
Other receivables	(1,300)*	(134)*
	33,863	53,164

*Not material to reclassify.

Other receivables, deposits and prepayments approximate their fair values and are denominated in Singapore dollars.

9. Fixed deposits and Cash at banks

	2026 SGD	2025 SGD
Fixed deposits	5,850,000	5,850,000
Cash at banks	838,896	1,183,723
	6,688,896	7,033,723
Less: Fixed deposit with maturity of more than three months	(1,200,000)	(1,200,000)
Presented as cash and cash equivalents per statement of cash flows	5,488,896	5,833,723

As at 31 March 2026, the fixed deposits have maturity ranging from 89 to 273 days (2025: 89 to 273 days), annual effective interest rates applicable for the financial year ranged from 0.72% to 1.10% (2025: 1.93% to 2.35%) per annum.

10. Other payables and accruals

	2026 SGD	2025 SGD
Accruals	32,611	250,395
Excess reserves recovered by MSF	181,840	181,840
Excess funding recovered by MSF	97,663	8,212
Excess funding recovered by SG Enable Ltd	-	7,875
Other payables	69,096	20,934
	381,210	469,256

11. Provision of reinstatement cost

	2026 SGD	2025 SGD
At 1 April	32,000	32,000
Reversal to statement of comprehensive income	(32,000)	-
At 31 March	-	32,000

The provision for reinstatement costs is estimated based on the tenancy agreements and available quotations. The provision is reviewed at each reporting date, with any changes in estimates, including reversals, recognised in profit or loss.

12. Lease liabilities

	2026 SGD	2025 SGD
Current	219	2,591
Non-current	-	219
	219	2,810

The Company as a lessee

The Company has a lease contract for a multifunction printer with lease term of 5 years. Lease liability is denominated in Singapore dollars. The maturity analysis of lease liability is disclosed in Note 19(ii).

(a) Right-of-use asset

Carrying amount of right-of-use asset recognised and the movements during the year are as follows:

	2026 SGD	2025 SGD
Cost		
At 1 April/31 March	12,244	12,244
Less: Accumulated depreciation		
At 1 April	9,592	7,143
Depreciation for the year	2,448	2,449
At 31 March	12,040	9,592
Net book value		
At 31 March	204	2,652

(b) Amounts recognised in the statement of comprehensive income

	2026 SGD	2025 SGD
Depreciation of right-of-use asset	2,448	2,449
Interest expense on lease liabilities	49	125
Total amount recognised in the statement of comprehensive income	2,497	2,574

12. Lease liabilities (continued)

(c) Total cash outflows

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

	At 1 April	Cash flows	Non-cash Accretion of interests	At 31 March
	SGD	SGD	SGD	SGD
2026				
Lease liabilities	2,810	(2,640)	49	219
2025				
Lease liabilities	5,325	(2,640)	125	2,810

13. Restricted funds

	2026 SGD	2025 SGD
Accumulated fund (Note 13(a))	5,108,703	5,247,762
Financial assistance fund (Note 13(b))	323,814	366,879
Care and Share fund (Note 13(c))	-	4
Goal Sponsorship fund (Note 13(d))	916,634	988,434
IT Security Operations fund (Note 13(e))	-	76,997
	6,349,151	6,680,076

The purpose of funds are as follows:

(a) Accumulated Funds

The movements of accumulated fund are as follows:

	2026 SGD	2025 SGD
At 1 April	5,247,762	4,827,158
Accumulated fund (expenses) / income	(139,059)	602,444
Recovery of excess reserves from the Company by MSF for the financial year	-	(181,840)
At 31 March	5,108,703	5,247,762

i. This fund is applied to operate the SNTC Trusteeship Scheme, the Special Needs Savings Scheme and Senior Trust Planning Service.

ii. The Board of Directors aims to maintain a reserve a level of up to two years' of the company's annual operating expenditure. It believes that this level of reserves is appropriate and prudent to provide financial stability and ensure that its clients will not be abruptly deprived of essential services.

iii. Under the company's Funding Agreement with MSF, reserves in excess of two years of the company's Total Operating Expenditure ("TOE") is to be recovered by MSF.

(b) Financial Assistance Fund

This fund is to help lower income families with the initial sum to set up trusts for their special needs dependents.

13. **Restricted funds** (continued)

(c) Care and Share Fund

The Care and Share ("C&S") Fund is a national fund-raising and volunteerism movement for the social service sector, with the following objectives:

i. To bring the nation together to show care and concern for the less fortunate.
ii. To recognise contributions made by Volunteer Welfare Organisations over the years; and
iii. To invest in building capability in the social service sector to future needs beyond 2015.

The C&S Fund is administered by NCSS on behalf of MSF.

The Company's application for C&S Fund matching grant was approved on 30 October 2014 and was fully utilised by 31 March 2022. The Fund is applied in the following areas:

i. Capability and capacity building
ii. Critical existing needs; and
iii. New program to meet emerging unmet needs and enhancements.

(d) GOAL Sponsorship Fund

The Goal Sponsorship Fund is to help eligible low-income parents co-pay the premiums for a term life insurance policy which is irrevocably nominated to the child's trust. It also covers the initial capital to set up the trust.

(e) IT Security Operations Fund

This fund is applied to enhance the Company's IT security operations.

Funding in excess of the expenses related to the IT security operations is to be recovered by MSF.

The movements of IT security operations fund are as follows:

	2026 SGD	2025 SGD
At 1 April	76,997	76,997
IT security operations comprehensive income	12,454	8,212
Recovery of excess funding from the Company by MSF for the financial year	(89,451)	(8,212)
At 31 March	-	76,997

(f) Future Care Planning Resource Centre

SNTC is appointed by SG Enable (SGE) to be the Anchor Operator of the Future Care Planning ("FCP") Resource Centre. The cost of setting up the FCP Resource Centre is funded by SGE and the funding is used to hire 2 professionals with relevant knowledge and experience in the disability and healthcare sector to produce the framework and service model to set up the FCP Resource Centre.

14. **Trust amount held by Public Trustee Office ("PTO")**

Trust funds under the Company's SNTC Trusteeship Scheme amounting to SGD 81,433,641 (2025: SGD 68,994,320) are invested and managed by PTO.

15. SNTC Trust Fund due to principals

	2026 SGD	2025 SGD
As at 1 April	68,994,320	57,357,258
Add: Trust Fund Injection	15,759,462	14,180,786
Less: Disbursements	(3,320,141)	(2,543,724)
As at 31 March	81,433,641	68,994,320

Trust funds are placed by the principals with the Company and the funds are managed by PTO (Note 14).

16. Cash at bank held on behalf of SSH (Monies held on behalf of SSH)

The Company operates within the premises known as Tiong Bahru Social Service Hub ("SSH") and shares the premises with 5 other social service agencies. The operating expenditures of SSH are shared among the 6 social service agencies. The fund is kept separately from the Company's own fund in a specific bank account in the Company.

17. Significant related party transactions

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

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:

	2026 SGD	2025 SGD
Tiong Bahru Social Service Hub ("SSH")		
Funding contribution to SSH	56,700	55,080
Contribution refunded	7,577	5,944
Service charge paid to SSH	(49,123)	(49,136)
SG Enable Ltd ("SGE").		
Manpower funding received from SGE	-	291,608
Service fee charged paid/payable to SGE	(3,213,168)	-
Recovery of excess reserves for the financial year	-	(7,875)

Key management remuneration

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors and the General Manager are considered key management personnel of the Company.

All Board Directors do not receive any remuneration from the Company. There is no paid staff who are close members of the family of the General Manager or the Board of Directors.

	2026 SGD	2025 SGD
Salaries and bonuses	(18,565)	288,387
Contribution to defined contribution plan	(2,227)	17,166
	(20,792)	305,553

17. Significant related party transactions (continued)

Key management remuneration (continued)

Staff with annual remuneration (comprising basic salary, bonuses, allowances and employer's contributions to Central Provident Fund) of SGD 75,000 and above are as follows:

	2026 SGD	2025 SGD
SGD 75,000 – SGD 99,999	-	7
SGD 100,000 – SGD 149,999	-	7
SGD 150,000 – SGD 199,999	-	3
SGD 200,000 – SGD 249,999	-	-
SGD 250,000 – SGD 299,999	-	-
SGD 300,000 and above	-	1
	-	18

18. Transactions with Singapore Government

Transactions with governmental bodies during the year are as follows:

	2026 SGD	2025 SGD
Ministry of Social and Family Development ("MSF")		
Grants income	3,388,565	3,220,700
Recovery of excess reserves for the financial year	-	(181,840)
Recovery of excess funding for the financial year	(89,451)	(8,212)
National Council of Social Service ("NCSS")		
Grant income	-	1,063

19. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and 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. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

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 generally do not require collateral.

The maximum exposure to credit risk arises from the carrying amount of the respective recognised financial assets as presented in the statement of financial position.

Cash and cash equivalents and other financial assets

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

Impairment on cash and cash equivalents 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 cash equivalents 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 cash equivalents 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.

19. Financial risk management (continued)

(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 measures and manages its cash flow requirements regularly and constantly monitors its sources of funds to ensure that these sources yields the funds required to meet its obligations. The Company depends on funding from MSF for funding of its operations. 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 liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Contractual cash flows	One year or less	Two to five years
	SGD	SGD	SGD
2026			
Financial liabilities			
Other payables and accruals	381,210	381,210	-
Lease liabilities	220	220	-
Total undiscounted financial liabilities	381,430	381,430	-
2025			
Financial liabilities			
Other payables and accruals	469,256	469,256	-
Provision of reinstatement costs	32,000	32,000	-
Lease liabilities	2,860	2,640	220
Total undiscounted financial liabilities	504,116	503,896	220

(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 fixed deposits.

An incremental change in market interest rates of 1% (2025: 1%) on interest bearing financial assets as at the year end will have the effect on the financial statements as follows:

	2026	2025
	SGD	SGD
Surplus before taxation	58,500	58,500

19. Financial risk management (continued)

(v) Fund risk management

The Company's objectives when managing fund are to safeguard the Company's ability to continue as a going concern in order to accomplish the Company's objectives. The Board of Directors regularly review and monitor its fund position to ensure that the business activities and growth are prudently funded. Under the Company's Funding Agreement with MSF, the Company is to maintain a reserve of no more than two years of the Company's TOE within its Accumulated Fund.

	2026 SGD	2025 SGD
Current assets	6,730,376	7,093,361
Current liabilities	(381,429)	(503,847)
Net current assets	6,348,947	6,589,514
Total assets	6,730,580	7,184,142
Total liabilities	(381,429)	(504,066)
Fund surplus	6,349,151	6,680,076

There are no changes on the Company's objectives, policies or processes relating to the management of the Company's fund position during the year.

The Company is not subject to any externally imposed fund management except the recovery of excess reserves under its Funding Agreement with MSF, and is not in breach of any debts covenant made with its lenders.

20. Financial instruments by categories

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

	2026 SGD	2025 SGD
Financial assets at amortised cost		
Trade and fund receivables	7,617	6,474
Other receivables and deposits (exclude prepayments)	28,125	46,444
Fixed deposits	5,850,000	5,850,000
Cash and cash equivalents	838,896	1,183,723
Total financial assets measured at amortised cost	6,724,638	7,086,641
Financial liabilities at amortised cost		
Other payables and accruals	381,210	469,256
Lease liabilities	219	2,810
Total financial liabilities measured at amortised cost	381,429	472,066