

THE NEW CHARIS MISSION
(UEN: T06SS0166B)

REPORT AND FINANCIAL STATEMENTS
31 MARCH 2025

THE NEW CHARIS MISSION

STATEMENT OF THE MEMBERS OF THE MANAGEMENT COMMITTEE

In the opinion of the members of the Management Committee of **The New Charis Mission** (the "Centre"), the financial statements of the Centre and its subsidiaries (the "Group") are properly drawn up in accordance with the provisions of the Societies Act 1966, the Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Centre as at 31 March 2025 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and the financial performance, change in funds and cash flows of the Centre for the year then ended.

The Management Committee authorised these financial statements for issue on 12 September 2025.

On behalf of the Management Committee



Matthew Tan Kim Chuan
President



Mak Siak Hong
Treasurer

12 September 2025

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE NEW CHARIS MISSION**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **The New Charis Mission** (the "Centre") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Centre as at 31 March 2025, the consolidated statement of comprehensive income and expenditure, consolidated statement of changes in funds and consolidated statement of cash flows of the Group and the statement of comprehensive income and expenditure, statement of change in funds and statement of cash flows of the Centre for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the financial statements of the Centre are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Societies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the consolidated financial position of the Group and the financial position of the Centre as at 31 March 2025 and of the consolidated financial performance, consolidated changes in funds and consolidated cash flows of the Group and of the financial performance, change in funds and cash flow of the Centre 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 Group 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

The Management Committee is responsible for the other information. The other information comprises the Statement of the Members of the Management Committee included in page 1, 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 the Management Committee for the Financial Statements

The Management Committee is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as the Management Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Committee is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Committee either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Management Committee's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee.
- Conclude on the appropriateness of the Management Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Management Committee 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.

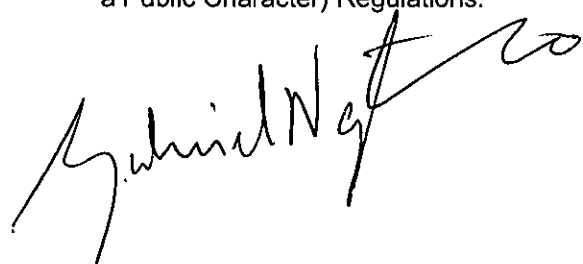
Report on Other Legal and Regulatory Requirements

In our opinion,

- a) the accounting and other records required to be kept by the Centre have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and
- b) the fund-raising appeals held during the period from 1 April 2024 to 31 March 2025 have been carried out in accordance with Regulation 6 of the Societies Regulations issued under the Societies Act and proper accounts and other records have been kept of the fund-raising appeals.

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

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



GABRIEL NG & CO
Public Accountants and
Chartered Accountants

Singapore

12 September 2025

THE NEW CHARIS MISSION

STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	GROUP		CENTRE	
		2025	2024	2025	2024
		\$	\$	\$	\$
ASSETS					
Current assets					
Trade and other receivables	4	949,079	666,306	853,767	967,619
Cash and cash equivalents	5	2,813,737	2,761,265	2,603,714	2,535,458
		<u>3,762,816</u>	<u>3,427,571</u>	<u>3,457,481</u>	<u>3,503,077</u>
Non-current assets					
Property, plant and equipment	6	1,425,331	1,523,005	1,015,313	953,485
Investment in subsidiaries	7	-	-	371,200	200
		<u>1,425,331</u>	<u>1,523,005</u>	<u>1,386,513</u>	<u>953,685</u>
Total assets		<u>5,188,147</u>	<u>4,950,576</u>	<u>4,843,994</u>	<u>4,456,762</u>
LIABILITIES					
Current liabilities					
Trade and other payables	8	224,013	258,981	140,873	228,345
Lease liabilities	9	406,017	414,701	232,655	220,983
Deferred grants	10	54,300	30,000	54,300	30,000
		<u>684,330</u>	<u>703,682</u>	<u>427,828</u>	<u>479,328</u>
Non-current liabilities					
Lease liabilities	9	329,620	507,471	128,331	197,886
Deferred grants	10	177,950	118,850	177,950	118,850
Provision for reinstatement	11	156,000	156,000	156,000	156,000
		<u>663,570</u>	<u>782,321</u>	<u>462,281</u>	<u>472,736</u>
Total liabilities		<u>1,347,900</u>	<u>1,486,003</u>	<u>890,109</u>	<u>952,064</u>
NET ASSETS		<u>3,840,247</u>	<u>3,464,573</u>	<u>3,953,885</u>	<u>3,504,698</u>
Represented by:					
FUNDS					
Unrestricted fund					
General fund		<u>3,812,208</u>	<u>3,464,573</u>	<u>3,925,846</u>	<u>3,504,698</u>
Restricted fund					
Educational fund		<u>28,039</u>	<u>-</u>	<u>28,039</u>	<u>-</u>
TOTAL FUNDS		<u>3,840,247</u>	<u>3,464,573</u>	<u>3,953,885</u>	<u>3,504,698</u>

The accompanying notes form an integral part of the financial statements

THE NEW CHARIS MISSION

STATEMENTS OF COMPREHENSIVE INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2025

	Note	GROUP		CENTRE	
		2025	2024	2025	2024
		\$	\$	\$	\$
INCOME					
<i>Unrestricted fund</i>					
General fund	12	4,335,108	3,552,629	3,098,126	2,479,774
<i>Restricted funds</i>					
RASP fund	13	26,715	16,200	26,715	16,200
PHOL fund	13	600	18,095	600	18,095
Education fund	13	28,039	-	28,039	-
		<u>55,354</u>	<u>34,295</u>	<u>55,354</u>	<u>34,295</u>
TOTAL INCOME		<u>4,390,462</u>	<u>3,586,924</u>	<u>3,153,480</u>	<u>2,514,069</u>
<u>LESS: EXPENDITURE</u>					
<i>Unrestricted fund</i>					
General fund	12	3,658,190	3,576,541	2,345,049	2,234,383
<i>Restricted funds</i>					
RASP fund	13	229,555	208,180	229,753	209,368
PHOL fund	13	127,043	136,417	129,491	139,077
Educational fund	13	-	7,140	-	7,140
		<u>356,598</u>	<u>351,737</u>	<u>359,244</u>	<u>355,585</u>
TOTAL EXPENDITURE		<u>4,014,788</u>	<u>3,928,278</u>	<u>2,704,293</u>	<u>2,589,968</u>
SURPLUS/(DEFICIT) BEFORE INCOME TAX		<u>375,674</u>	<u>(341,354)</u>	<u>449,187</u>	<u>(75,899)</u>
INCOME TAX	17	-	-	-	-
SURPLUS/(DEFICIT) AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>375,674</u>	<u>(341,354)</u>	<u>449,187</u>	<u>(75,899)</u>
<u>Attributable to:</u>					
<i>Unrestricted fund</i>					
General fund	12	676,918	(23,912)	753,077	245,391
<i>Restricted funds</i>					
RASP fund	13	(202,840)	(191,980)	(203,038)	(193,168)
PHOL fund	13	(126,443)	(118,322)	(128,891)	(120,982)
Educational fund	13	28,039	(7,140)	28,039	(7,140)
		<u>(301,244)</u>	<u>(317,442)</u>	<u>(303,890)</u>	<u>(321,290)</u>
		<u>375,674</u>	<u>(341,354)</u>	<u>449,187</u>	<u>(75,899)</u>

The accompanying notes form an integral part of the financial statements

THE NEW CHARIS MISSION

STATEMENTS OF CHANGES IN FUNDS FOR THE YEAR ENDED 31 MARCH 2025

	UNRESTRICTED FUND	RESTRICTED FUNDS			Total
	General fund	RASP fund	PHOL fund	Educational fund	
	\$	\$	\$	\$	\$
GROUP					
Balance as at 1 April 2023	3,798,787	-	-	7,140	3,805,927
Deficit for the year	(23,912)	(191,980)	(118,322)	(7,140)	(341,354)
Transfers	(310,302)	191,980	118,322	-	-
Balance as at 31 March 2024	3,464,573	-	-	-	3,464,573
Surplus/(Deficit) for the year	676,918	(202,840)	(126,443)	28,039	375,674
Transfers	(329,283)	202,840	126,443	-	-
Balance as at 31 March 2025	3,812,208	-	-	28,039	3,840,247
CENTRE					
Balance as at 1 April 2023	3,573,457	-	-	7,140	3,580,597
Surplus/(Deficit) for the year	245,391	(193,168)	(120,982)	(7,140)	(75,899)
Transfers	(314,150)	193,168	120,982	-	-
Balance as at 31 March 2024	3,504,698	-	-	-	3,504,698
Surplus/(Deficit) for the year	753,077	(203,038)	(128,891)	28,039	449,187
Transfers	(331,929)	203,038	128,891	-	-
Balance as at 31 March 2025	3,925,846	-	-	28,039	3,953,885

The accompanying notes form an integral part of the financial statements

THE NEW CHARIS MISSION

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Note	GROUP		CENTRE	
		2025	2024	2025	2024
		\$	\$	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES					
Surplus/(Deficit) before income tax		375,674	(341,354)	449,187	(75,899)
Adjustments for:					
Interest income	15	(64,762)	(84,767)	(64,762)	(84,767)
Depreciation of property, plant and equipment	6	690,795	688,055	455,165	426,879
Gain on disposal of property, plant and equipment	15	-	(17,000)	-	(17,000)
Interest expense on lease liabilities	9(c)	40,721	49,278	16,567	27,115
Amortisation of deferred capital grants	10	(38,100)	(64,150)	(38,100)	(21,150)
Operating surplus before working capital changes		1,004,328	230,062	818,057	255,178
Trade and other receivables		(317,727)	111,468	(295,702)	140,901
Trade and other payables		(13,468)	122,794	(65,972)	107,776
Net cash inflow from operating activities		673,133	464,324	456,383	503,855
CASH FLOWS FROM INVESTING ACTIVITIES					
Loan repayment from/(to) subsidiary		-	-	3,600	(171,000)
Purchase of property, plant and equipment	6	(352,356)	(413,483)	(349,304)	(401,136)
Proceed from disposal of plant and equipment		-	17,000	-	17,000
Interest income received		99,716	28,423	99,716	28,423
Fixed deposits		(610)	284,383	(610)	284,383
Net cash outflow from investing activities		(253,250)	(83,677)	(246,598)	(242,330)
CASH FLOWS FROM FINANCING ACTIVITIES					
Grant received	10	100,000	150,000	100,000	150,000
Payment of principal portion of lease liabilities	9(b)	(427,300)	(375,672)	(225,572)	(214,312)
Interest expense on lease liabilities	9(b)	(40,721)	(47,989)	(16,567)	(27,115)
Net cash outflow from financing activities		(368,021)	(273,661)	(142,139)	(91,427)
Net increase in cash and cash equivalents		51,862	106,986	67,646	170,098
Cash and cash equivalents at beginning of year		1,034,819	927,833	809,012	638,914
Cash and cash equivalents at end of year	5	1,086,681	1,034,819	876,658	809,012

The accompanying notes form an integral part of the financial statements

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

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

1 GENERAL

The New Charis Mission (the "Centre") is registered under the Societies Act 1966, a Charity and an Institute of Public Character domiciled in Singapore (UEN: T06SS0166B). The registered office and principal place of activities of the Centre are located at 11 Jalan Ubi, Kembangan-Chai Chee Community Hub, Block 1 #01-01, Singapore 409074.

The principal activities of the Centre are to assist in recovery and rehabilitation of ex-drug addicts and persons with criminal backgrounds or delinquent behavior and to assist in their re-integration into mainstream society. There has been no significant change in the nature of these activities during the financial year.

The principal activities of the Centre's subsidiaries are described in Note 7 to the financial statements.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(2.1) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards in Singapore (FRSs) and on a historical cost convention, except as disclosed in the accounting policies below.

The financial statements of the Group and the Centre have been prepared on the basis that it will continue to operate as a going concern.

(2.2) Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group adopted all the new and amended standards which are relevant to the Group and are effective in the current financial statements. The adoption of these standards did not have any material effect on the financial statements of the Group.

(2.3) Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements. The Management Committee expects that the adoption of these standards will have no material impact on the financial statements in the year of initial application.

(2.4) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements of the Group and the Centre are presented in Singapore Dollar, which is the Centre's functional currency.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.5) Revenue

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

Revenue is recognised when the Group 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.

Revenue is principally derived from programme fee, rental of facilities, logistic support services and, food and beverages.

Programme fee and logistic support service fees are recognised upon the services being rendered.

Income from rental of facilities is recognised on an agreed fixed rental with its customers.

Income from food and beverages is recognised when served or delivered to the customers.

Donations are accounted for when monies are received, except for committed donations that are recorded when the commitments are signed.

(2.6) Employee benefits

Defined contribution plans

The Group 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.

(2.7) Grants

Grants for the purchase of depreciable assets are taken to the deferred grant account at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. The deferred grant is recognised in income and expenditure over the period necessary to match the depreciation of the assets purchased with the related grant. Grants for operating expenses is recognised in income and expenditure over the period necessary to match them on a systematic basis to the costs that it was intended to compensate.

(2.8) Government incentives

Government incentives are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government incentives relating to expenses are shown separately as government incentives.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.9) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. 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 the Management Committee. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

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

	<u>Useful lives</u>
Air-conditioners	- 5 years
Computers	- 5 years
Electrical installation	- 5 years
Furniture and fittings	- 10 years
Futsal court	- 5 years
Kitchen equipment	- 5 years
Musical and electronic equipment	- 5 years
Motor vehicles	- 2 to 5 years
Office equipment	- 5 years
Renovation	- 5 years
Right-of-use assets (storage, office premise, halfway house, restaurant, copier and open field)	- 22.5 to 72 months (over lease term)

The residual value, useful lives and depreciation method are reviewed at least at the end of each financial 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 income and expenditure in the year the asset is derecognised.

(2.10) Fund accounting

Unrestricted funds are available for use at the discretion of the Management Committee in furtherance of the general objectives of the Centre.

Restricted funds are subject to restriction on their expenditure imposed by the donor or through the terms of the fund raised.

Funds received for restricted purpose of providing property, plant and equipment is accounted for immediately as restricted funds and subsequently discharge of its restriction upon the acquisition of property, plant and equipment and the asset will be held in the unrestricted fund.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.11) Impairment of non-financial assets

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

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

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 income and expenditure.

(2.12) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. 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.

(2.13) Financial instruments

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instruments.

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

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.13) Financial instruments (Continued)

(a) *Financial assets (Continued)*

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

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL.

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

Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to income and expenditure. Dividends from such investments are to be recognised in income and expenditure when the Group's right to receive payments is established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gain are recorded in other comprehensive income.

For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in income and expenditure.

Derecognition

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

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.13) Financial instruments (Continued)

(b) *Financial liabilities*

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in income and expenditure.

(2.14) Subsidiaries

(i) Basis of consolidation

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

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

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

Non-controlling interest are that part of the net results of operations and of net assets of a subsidiary attributable to the interests that are not owned directly or indirectly by the Centre. They are shown separately in the consolidated statement of financial position, consolidated statement of comprehensive income and expenditure, and consolidated statement of changes in funds. Total comprehensive income and expenditure is attributed to the non-controlling interest based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.14) Subsidiaries (Continued)

(ii) Business combinations

The acquisition method of accounting is used to account for business combinations entered into by the Group. The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair value at the acquisition date.

Acquisition-related costs are expensed as incurred.

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

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill.

(iii) Disposal of subsidiaries

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

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

(2.15) Investment in subsidiary

Investment in subsidiary is stated in the financial statements of the Centre at cost less any impairment loss in value.

(2.16) Cash and cash equivalents

Cash and cash equivalents comprise bank and cash balances, and fixed deposits.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.17) Impairment of financial assets

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

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

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtor's ability to pay.

The Group considers a financial asset in default when contractual payments exceed a prescribed number of days past due, as established within the Group's credit risk management practices. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(2.18) Income tax

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period.

Current income taxes are recognised in income and expenditure except to the extent that the tax relates to items recognised outside income and expenditure, either in other comprehensive income or directly in fund. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.18) Income tax (Continued)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(2.19) Leases

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

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.11.

The Group's right-of-use assets are presented within property, plant and equipment (Note 6).

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

2 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(2.19) Leases (Continued)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition to lease that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(2.20) Gifts in kind

A gift-in-kind is included in the income and expenditure based on an estimate of the fair value at the date of the receipt of the gift of the non-monetary asset or the grant of a right to the monetary asset. The gift is recognised if the amount of the gift can be measured reliably and there is no uncertainty that it will be received.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

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

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

The estimates, judgements and assumptions which may 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:

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The Management Committee estimates the useful lives of these assets to be 2 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's and the Centre's property, plant and equipment at the end of the reporting period is disclosed in Note 6 to the financial statements.

Provision for reinstatement

The provision for reinstatement represents the necessary costs to be incurred by the Centre for restoring the leased premises to its original conditions in the event of non-renewal of the tenancy agreement with the landlord. The Management Committee determines the provision for reinstatement based on the contractor's quotation and other currently available evidence. If actual reinstatement costs differ from the Management Committee's estimate, revision to the estimate would be required. The carrying amounts of the Centre's provision for reinstatement is disclosed in Note 11 to the financial statements.

Determination of lease term of contracts with extension options

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

The Group has lease contract that include extension options and applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend.

As at 31 March 2025, potential future (undiscounted) cash outflows of approximately \$134,657 if option extended, has been included in lease liabilities because it is reasonably certain that the lease will be extended.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

4 TRADE AND OTHER RECEIVABLES

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Trade receivables	20,839	12,838	-	-
Amount owing by subsidiaries – non trade	-	-	-	374,600
Advanced payments for Unlabelled Run and Team Building Retreat	188,781	239,620	188,781	239,620
Cash advance to staff for programmes/projects	13,591	16,834	13,591	16,834
Deposits	95,825	86,060	33,994	34,461
Deposit for Prison Programme	26,952	68,055	26,952	68,055
Donation receivable – TOTE Board	401,642	40,641	401,642	40,641
Interest receivables	21,390	56,344	21,390	56,344
Other receivables – Central CDC, Rough Sleepers Programme, Prison Programme, Charis Turf	154,145	84,993	154,145	84,993
Prepayments	25,914	60,921	13,272	52,071
	<u>949,079</u>	<u>666,306</u>	<u>853,767</u>	<u>967,619</u>

No credit term was granted to trade receivables.

The amount owing by subsidiaries were unsecured, non-interest bearing and repayable on demand.

Trade and other receivables are denominated in Singapore Dollar.

The deposit for Prison Programme is to secure a banker's performance bond, ensuring the provision of intervention programme for recalled offenders.

As at the reporting date, donation receivable include an amount of \$200,000 pertaining to a claim submitted to Tote Board under the Enhanced Fund-Raising Programme, which provides dollar-for-dollar matching grants. Based on historical experience with similar claims, the nature and terms of the programme, and the Centre's compliance with all eligibility requirements, the management committee has assessed that the receipt of the matching grant is virtually certain. Accordingly, the matching grant has been recognised as donation income for the financial year.

5 CASH AND CASH EQUIVALENTS

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Bank balances	1,055,481	1,010,322	853,863	792,633
Cash balances	31,200	24,497	22,795	16,379
Fixed deposits	1,727,056	1,726,446	1,727,056	1,726,446
	<u>2,813,737</u>	<u>2,761,265</u>	<u>2,603,714</u>	<u>2,535,458</u>

Fixed deposits bear interest at effective interest rate between 2.45% and 4.5% (2024: 0.6% and 4.5%) during the financial year and are for tenures of approximately 1 to 2 (2024: 1 to 2) years.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

5 CASH AND CASH EQUIVALENTS (CONTINUED)

Cash and cash equivalents are denominated in Singapore Dollar.

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

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Cash and cash equivalents	2,813,737	2,761,265	2,603,714	2,535,458
Less: Fixed deposits	(1,727,056)	(1,726,446)	(1,727,056)	(1,726,446)
Cash and cash equivalents per Cash Flow Statement	1,086,681	1,034,819	876,658	809,012

6 PROPERTY, PLANT AND EQUIPMENT

GROUP

2025	AT 01.04.2024	ADDITIONS	LEASE MODIFICATION	DISPOSALS	AT 31.03.2025
	\$	\$	\$	\$	\$
<u>COST</u>					
Air-conditioners	141,106	9,810	-	-	150,916
Computers	91,246	4,784	-	-	96,030
Electrical installation	72,180	7,417	-	-	79,597
Furniture and fittings	291,546	44,698	-	-	336,244
Futsal court	425,607	70,200	-	-	495,807
Kitchen equipment	25,389	-	-	-	25,389
Musical and electronic equipment	274,798	4,528	-	-	279,326
Motor vehicles	922,026	175,764	-	-	1,097,790
Office equipment	60,197	915	-	-	61,112
Renovation	442,903	34,240	-	-	477,143
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	1,353,083	-	240,765	-	1,593,848
	4,100,081	352,356	240,765	-	4,693,202

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP (CONTINUED)

2025	AT 01.04.2024 \$	ADDITIONS \$	LEASE MODIFICATION \$	DISPOSALS \$	AT 31.03.2025 \$
<u>ACCUMULATED DEPRECIATION</u>					
Air-conditioners	115,135	13,779	-	-	128,914
Computers	75,599	7,948	-	-	83,547
Electrical installation	61,802	5,659	-	-	67,461
Furniture and fittings	184,142	19,862	-	-	204,004
Futsal court	424,707	43,020	-	-	467,727
Kitchen equipment	6,060	5,078	-	-	11,138
Musical and electronic equipment	217,290	26,162	-	-	243,452
Motor vehicles	622,393	93,897	-	-	716,290
Office equipment	49,653	6,233	-	-	55,886
Renovation	362,402	34,943	-	-	397,345
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	457,893	434,214	-	-	892,107
	<u>2,577,076</u>	<u>690,795</u>	<u>-</u>	<u>-</u>	<u>3,267,871</u>

	<u>2025</u> \$
<u>NET CARRYING AMOUNT</u>	
Air-conditioners	22,002
Computers	12,483
Electrical installation	12,136
Furniture and fittings	132,240
Futsal court	28,080
Kitchen equipment	14,251
Musical and electronic equipment	35,874
Motor vehicles	381,500
Office equipment	5,226
Renovation	79,798
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	701,741
	<u>1,425,331</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP (CONTINUED)

2024	AT 01.04.2023	ADDITIONS	LEASE MODIFICATION	DISPOSALS	AT 31.03.2024
	\$	\$	\$	\$	\$
<u>COST</u>					
Air-conditioners	134,606	6,500	-	-	141,106
Computers	85,956	5,290	-	-	91,246
Electrical installation	61,846	10,334	-	-	72,180
Furniture and fittings	216,885	74,661	-	-	291,546
Futsal court	425,607	-	-	-	425,607
Kitchen equipment	21,465	3,924	-	-	25,389
Musical and electronic equipment	268,457	6,341	-	-	274,798
Motor vehicles	809,103	290,000	-	(177,077)	922,026
Office equipment	57,533	2,664	-	-	60,197
Renovation	417,739	25,164	-	-	442,903
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	1,039,245	147,251	166,587	-	1,353,083
	<u>3,538,442</u>	<u>572,129</u>	<u>166,587</u>	<u>(177,077)</u>	<u>4,100,081</u>
<u>ACCUMULATED DEPRECIATION</u>					
Air-conditioners	103,318	11,817	-	-	115,135
Computers	67,193	8,406	-	-	75,599
Electrical installation	56,477	5,325	-	-	61,802
Furniture and fittings	156,137	28,005	-	-	184,142
Futsal court	339,586	85,121	-	-	424,707
Kitchen equipment	1,767	4,293	-	-	6,060
Musical and electronic equipment	191,372	25,918	-	-	217,290
Motor vehicles	722,280	77,190	-	(177,077)	622,393
Office equipment	44,421	5,232	-	-	49,653
Renovation	334,307	28,095	-	-	362,402
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	49,240	408,653	-	-	457,893
	<u>2,066,098</u>	<u>688,055</u>	<u>-</u>	<u>(177,077)</u>	<u>2,577,076</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP (CONTINUED)

	2024
	\$
<u>NET CARRYING AMOUNT</u>	
Air-conditioners	25,971
Computers	15,647
Electrical installation	10,378
Furniture and fittings	107,404
Futsal court	900
Kitchen equipment	19,329
Musical and electronic equipment	57,508
Motor vehicles	299,633
Office equipment	10,544
Renovation	80,501
Right-of-use assets – Storage, office and restaurant premises, halfway house, copier and open field	895,190
	<u>1,523,005</u>

CENTRE

2025	AT 01.04.2024	ADDITIONS	LEASE MODIFICATION	DISPOSALS	AT 31.03.2025
	\$	\$	\$	\$	\$
<u>COST</u>					
Air-conditioners	140,546	9,810	-	-	150,356
Computers	78,938	4,784	-	-	83,722
Electrical installation	47,608	4,365	-	-	51,973
Furniture and fittings	290,840	44,698	-	-	335,538
Futsal court	168,322	70,200	-	-	238,522
Musical and electronic equipment	274,798	4,528	-	-	279,326
Motor vehicles	799,199	175,764	-	-	974,963
Office equipment	58,456	915	-	-	59,371
Renovation	382,497	34,240	-	-	416,737
Right-of-use assets – Office premise, halfway house, copier and open field	633,980	-	167,689	-	801,669
	<u>2,875,184</u>	<u>349,304</u>	<u>167,689</u>	<u>-</u>	<u>3,392,177</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

CENTRE (CONTINUED)

2025	AT 01.04.2024	ADDITIONS	LEASE MODIFICATION	DISPOSALS	AT 31.03.2025
	\$	\$	\$	\$	\$
<u>ACCUMULATED DEPRECIATION</u>					
Air-conditioners	114,977	13,667	-	-	128,644
Computers	65,899	6,859	-	-	72,758
Electrical installation	45,040	1,515	-	-	46,555
Furniture and fittings	183,788	19,791	-	-	203,579
Futsal court	167,422	43,020	-	-	210,442
Musical and electronic equipment	217,290	26,162	-	-	243,452
Motor vehicles	507,401	89,980	-	-	597,381
Office equipment	47,912	6,233	-	-	54,145
Renovation	345,737	22,862	-	-	368,599
Right-of-use assets – Office premise, halfway house, copier and open field	226,233	225,076	-	-	451,309
	<u>1,921,699</u>	<u>455,165</u>	<u>-</u>	<u>-</u>	<u>2,376,864</u>

	2025
	\$
<u>NET CARRYING AMOUNT</u>	
Air-conditioners	21,712
Computers	10,964
Electrical installation	5,418
Furniture and fittings	131,959
Futsal court	28,080
Musical and electronic equipment	35,874
Motor vehicles	377,582
Office equipment	5,226
Renovation	48,138
Right-of-use assets – Office premise, halfway house, copier and open field	350,360
	<u>1,015,313</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

CENTRE (CONTINUED)

2024	AT 01.04.2023	ADDITIONS	DISPOSALS	AT 31.03.2024
	\$	\$	\$	\$
<u>COST</u>				
Air-conditioners	134,046	6,500	-	140,546
Computers	74,947	3,991	-	78,938
Electrical installation	44,398	3,210	-	47,608
Furniture and fittings	216,179	74,661	-	290,840
Futsal court	168,322	-	-	168,322
Musical and electronic equipment	268,457	6,341	-	274,798
Motor vehicles	686,276	290,000	(177,077)	799,199
Office equipment	55,792	2,664	-	58,456
Renovation	357,333	25,164	-	382,497
Right-of-use assets – Office premise, halfway house, copier and open field	633,980	-	-	633,980
	<u>2,639,730</u>	<u>412,531</u>	<u>(177,077)</u>	<u>2,875,184</u>

ACCUMULATED DEPRECIATION

Air-conditioners	103,272	11,705	-	114,977
Computers	58,373	7,526	-	65,899
Electrical installation	44,398	642	-	45,040
Furniture and fittings	155,854	27,934	-	183,788
Futsal court	133,758	33,664	-	167,422
Musical and electronic equipment	191,372	25,918	-	217,290
Motor vehicles	611,205	73,273	(177,077)	507,401
Office equipment	43,028	4,884	-	47,912
Renovation	329,723	16,014	-	345,737
Right-of-use assets – Office premise, halfway house, copier and open field	914	225,319	-	226,233
	<u>1,671,897</u>	<u>426,879</u>	<u>(177,077)</u>	<u>1,921,699</u>

	2024
	\$
<u>NET CARRYING AMOUNT</u>	
Air-conditioners	25,569
Computers	13,039
Electrical installation	2,568
Furniture and fittings	107,052
Futsal court	900
Musical and electronic equipment	57,508
Motor vehicles	291,798
Office equipment	10,544
Renovation	36,760
Right-of-use assets – Office premise, halfway house, copier and open field	407,747
	<u>953,485</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

6 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Additions of property, plant and equipment during the financial year were made by the following means:

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Cash payment	352,356	413,483	349,304	401,136
Lease liabilities	-	147,251	-	-
Other payables	-	11,395	-	11,395
	<u>352,356</u>	<u>572,129</u>	<u>349,304</u>	<u>412,531</u>

7 INVESTMENT IN SUBSIDIARIES

	CENTRE	
	2025	2024
	\$	\$
Unquoted equity shares, at cost	200	200
Amount owing by a subsidiary	371,000	-
	<u>371,200</u>	<u>200</u>

Information relating to the subsidiaries are as follow:

Name of entity	Principal activities	Country of incorporation/ place of business	Group interest	
			2025	2024
			%	%
New Charis Enterprise Pte. Ltd.	Moving services, premises relocation, warehousing services and general building contract works.	Republic of Singapore	100	100
Charis Cuisines Pte. Ltd.	Restaurateur	Republic of Singapore	100	100

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

8 TRADE AND OTHER PAYABLES

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Trade payables	15,645	5,706	-	-
Advanced receipts	95,585	153,196	80,721	150,941
Other payables	15,396	43,826	4,944	43,826
Other operating costs	54,315	23,415	30,769	13,855
Staff costs and benefits	43,072	32,838	24,439	19,723
	<u>224,013</u>	<u>258,981</u>	<u>140,873</u>	<u>228,345</u>

Advanced receipts relate to 'Unlabelled Run' event and Annual Retreat (2024: Unlabelled Run' event, residential aftercare support programme fee received and booking fee for futsal court). These amounts will be recognised as income as and when the events are completed.

Trade and other payables are denominated in Singapore Dollar.

9 LEASE LIABILITIES

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Payable within 1 year	406,017	414,701	232,655	220,983
Payable after 1 year but not later than 5 years	<u>329,620</u>	<u>507,471</u>	<u>128,331</u>	<u>197,886</u>
	<u>735,637</u>	<u>922,172</u>	<u>360,986</u>	<u>418,869</u>

The Group and the Centre have lease contracts for the use of storages, office premises, halfway house, restaurant, copier and open field. The Group and the Centre's obligation under these leases are secured by the lessor's title to the leased assets. The Group and the Centre are restricted from assigning and subleasing the leased assets. The Group's and the Centre's lease liabilities are denominated in Singapore Dollar.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

9 LEASE LIABILITIES (CONTINUED)

(a) Carrying amount of right-of-use assets classified within property, plant and equipment

<u>GROUP</u>	AT 01.04.2024	ADDITIONS	LEASE MODIFICATION	DEPRECIATION	AT 31.03.2025
	\$	\$	\$	\$	\$
Premises for restaurant	359,041	-	-	(100,198)	258,843
Storage spaces	128,402	-	73,076	(108,940)	92,538
Office premises & halfway house	366,364	-	-	(183,182)	183,182
Copier	6,246	-	-	(1,676)	4,570
Open field	35,137	-	167,689	(40,218)	162,608
	895,190	-	240,765	(434,214)	701,741

<u>GROUP</u>	AT 01.04.2023	ADDITIONS	LEASE MODIFICATION	DEPRECIATION	AT 31.03.2024
	\$	\$	\$	\$	\$
Premises for restaurant	302,512	-	166,587	(110,058)	359,041
Storage spaces	54,427	147,251	-	(73,276)	128,402
Office premises & halfway house	549,546	-	-	(183,182)	366,364
Copier	8,226	-	-	(1,980)	6,246
Open field	75,294	-	-	(40,157)	35,137
	990,005	147,251	166,587	(408,653)	895,190

<u>CENTRE</u>	AT 01.04.2024	ADDITIONS	LEASE MODIFICATION	DEPRECIATION	AT 31.03.2025
	\$	\$	\$	\$	\$
Office premises & halfway house	366,364	-	-	(183,182)	183,182
Copier	6,246	-	-	(1,676)	4,570
Open field	35,137	-	167,689	(40,218)	162,608
	407,747	-	167,689	(225,076)	350,360

<u>CENTRE</u>	AT 01.04.2023	ADDITIONS	LEASE MODIFICATION	DEPRECIATION	AT 31.03.2024
	\$	\$	\$	\$	\$
Office premises & halfway house	549,546	-	-	(183,182)	366,364
Copier	8,226	-	-	(1,980)	6,246
Open field	75,294	-	-	(40,157)	35,137
	633,066	-	-	(225,319)	407,747

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

9 LEASE LIABILITIES (CONTINUED)

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are as follow and the maturity analysis of lease liabilities is disclosed in Note 19.

2025	GROUP		CENTRE	
	Current	Non-current	Current	Non-current
	\$	\$	\$	\$
<u>Lease liabilities</u>				
At 01.04.2024	414,701	507,471	220,983	197,886
Cash Flows	(468,021)	-	(242,139)	-
<u>Non-cash</u>				
Lease modification	175,699	65,066	167,689	-
Accretion of Interest	40,721	-	16,567	-
Others	242,917	(242,917)	69,555	(69,555)
At 31.03.2025	406,017	329,620	232,655	128,331

2024	GROUP		CENTRE	
	Current	Non-current	Current	Non-current
	\$	\$	\$	\$
<u>Lease liabilities</u>				
At 01.04.2023	349,545	634,461	214,167	419,014
Cash Flows	(423,661)	-	(241,427)	-
Prepaid Interest	-	(1,289)	-	-
<u>Non-cash</u>				
Additions	39,790	107,461	-	-
Lease modification	-	166,587	-	-
Accretion of Interest	49,278	-	27,115	-
Others	399,749	(399,749)	221,128	(221,128)
At 31.03.2024	414,701	507,471	220,983	197,886

(c) Amounts recognised in income or expenditure

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Depreciation of right-of-use assets	434,214	408,653	225,076	225,319
Interest expense on lease liabilities	40,721	49,278	16,567	27,115
Lease expense not capitalised in lease liabilities	-	12,590	-	-
Total amount recognised in income and expenditure	474,935	470,521	241,643	252,434

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

9 LEASE LIABILITIES (CONTINUED)

(d) Total cash outflow

The Group had total cash outflows for lease of \$468,021 (2024: \$436,251) in 2025.

(e) Extension options

The Group has lease contracts that include extension option. This option is negotiated by the management to provide flexibility in managing the leased-assets and align with the Group's operational needs. The management exercises significant judgement in determining whether this extension option is reasonably certain to be exercised.

10 DEFERRED GRANTS

Group

2025

	<u>Motor Vehicles</u>
	\$
Balance at beginning of year	148,850
Grant received in prior year	21,500
Receipt for the year	100,000
Amortisation for the year (Note 15)	<u>(38,100)</u>
Balance at end of year	<u>232,250</u>
<i>Current:</i>	
- within 1 year	<u>54,300</u>
<i>Non-current:</i>	
- after 1 year but within 5 years	<u>177,950</u>

2024

	<u>Motor Vehicle</u>	<u>Futsal Court</u>	<u>Total</u>
	\$	\$	\$
Balance at beginning of year	-	63,000	63,000
Receipt for the year	150,000	-	150,000
Amortisation for the year (Note 15)	<u>(1,150)</u>	<u>(63,000)</u>	<u>(64,150)</u>
Balance at end of year	<u>148,850</u>	<u>-</u>	<u>148,850</u>
<i>Current:</i>			
- within 1 year	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<i>Non-current:</i>			
- after 1 year but within 5 years	<u>118,850</u>	<u>-</u>	<u>118,850</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

10 DEFERRED GRANTS (CONTINUED)

Centre

2025	<u>Motor Vehicles</u>		
	\$		
Balance at beginning of year			148,850
Grant received in prior year			21,500
Receipt for the year			100,000
Amortisation for the year (Note 15)			(38,100)
Balance at end of year			<u>232,250</u>
<i>Current:</i>			
- within 1 year			<u>54,300</u>
<i>Non-current:</i>			
- after 1 year but within 5 years			<u>177,950</u>
 2024	<u>Motor Vehicle</u>	<u>Futsal Court</u>	<u>Total</u>
	\$	\$	\$
Balance at beginning of year	-	20,000	20,000
Receipt for the year	150,000	-	150,000
Amortisation for the year (Note 15)	(1,150)	(20,000)	(21,150)
Balance at end of year	<u>148,850</u>	<u>-</u>	<u>148,850</u>
<i>Current:</i>			
- within 1 year	<u>30,000</u>	<u>-</u>	<u>30,000</u>
<i>Non-current:</i>			
- after 1 year but within 5 years	<u>118,850</u>	<u>-</u>	<u>118,850</u>

In current year, the Centre utilised the \$21,500 grant received from Lee Foundation in prior year and \$100,000 from President Challenge for the purchase of motor vehicle.

In prior year, the Centre received \$150,000 from Lee Foundation for the purchase of motor vehicle.

Grant for the futsal court was provided by both Singapore Centre for Social Enterprise, raISE Ltd and Lee Foundation for the construction of futsal facility primarily for the reaching out to ex-offenders by providing training, football coaching and employment opportunities.

Deferred grants are recognised as income in the manner as per note 2.7.

11 PROVISION FOR REINSTATEMENT

An amount of \$156,000 (2024: \$156,000) was estimated by the Management Committee for the reinstatement cost for the Centre's rented premises to be incurred in the event of non-renewal of the tenancy agreement either by the Centre or the Ministry of Social and Family Development.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

12 GENERAL FUND

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
<u>Income</u>				
Donations	883,767	1,122,424	883,767	1,122,424
Fundraising events (Note 14)	1,201,681	395,295	1,201,681	395,295
Income from rental of facilities	101,680	62,820	101,680	62,820
Income from futsal court	296,096	316,849	296,096	316,849
Income from Charis Durian	-	29,944	-	29,944
Sale of food, beverages and desserts	393,413	311,353	-	-
Service income	820,385	689,750	-	-
Programme income	411,849	322,753	411,849	322,753
Other income (Note 15)	226,237	301,441	203,053	229,689
	<u>4,335,108</u>	<u>3,552,629</u>	<u>3,098,126</u>	<u>2,479,774</u>
<u>Less: Expenditure</u>				
Administrative charges for charity portal	7,555	8,134	7,555	8,134
Advertising and promotion	-	667	-	-
Bank charges	1,649	1,806	759	856
Benevolent fund	24,616	4,950	24,616	4,950
Charis Durian expenses	-	33,846	-	33,846
Children's education fund	11,350	23,950	11,350	23,950
Compensation	1,654	-	-	-
Commission to order platform	7,242	2,375	-	-
Depreciation of property, plant and equipment (Note 6)	690,795	688,055	455,165	426,879
Discounts	2,057	-	-	-
Donations	10,000	8,518	10,000	6,900
Deficit from Unlabelled Run (Note 16)	39,019	64,613	39,019	64,613
Fundraising expenses (Note 14)	198,944	91,423	198,944	91,423
General expenses	7,618	8,560	5,295	2,814
Gifts and hospitality	31,961	26,835	31,918	26,579
Insurance	5,189	12,926	-	9,312
Interest on lease liabilities (Note 9c)	40,721	49,278	16,567	27,115
Logistic expenses	49,812	57,882	49,812	57,882
Magazine, books and periodicals	676	245	676	245
Minor asset	6,472	4,739	1,878	-
Motor vehicle expenses	84,669	100,190	55,930	57,766
Network security expenses	5,650	5,622	-	-
Other service expenses	7,790	-	-	-
Postage and courier	528	392	476	367
Printing and stationery	28,639	24,764	21,758	18,980
Professional fees	28,963	32,254	16,100	17,383
Programme expenses - others	150,831	104,983	164,271	114,539
Purchase of packing materials	227,913	192,194	-	-
Repair and maintenance	51,729	53,491	44,199	44,033
Special activities	18,092	28,983	18,092	28,983
Staff salaries and related costs	1,434,462	1,412,717	865,970	820,624
Employer's CPF for staff	207,851	212,271	135,705	126,242
Skill development levy	3,422	3,484	2,041	1,989
Staff welfare	93,831	126,796	56,873	92,029
Storage expenses	11,698	15,940	-	-
Subscription fee	5,597	5,664	2,006	3,124
Telecommunication expenses	13,315	12,614	5,846	5,246
Transportation and fringe	1,104	1,894	1,091	1,855
Upkeep of futsal court	18,198	17,394	18,198	17,394
Utilities	126,578	136,092	82,939	98,331
	<u>3,658,190</u>	<u>3,576,541</u>	<u>2,345,049</u>	<u>2,234,383</u>
Surplus/(Deficit)	<u>676,918</u>	<u>(23,912)</u>	<u>753,077</u>	<u>245,391</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

13 RESTRICTED FUNDS

GROUP

	RASP fund	PHOL fund	Educational fund	Total
	\$	\$	\$	\$
2025				
<u>Income</u>				
Donations	-	600	28,039	28,639
Grants received	26,715	-	-	26,715
	<u>26,715</u>	<u>600</u>	<u>28,039</u>	<u>55,354</u>
<u>Less: Expenditure</u>				
RASP expenses	229,555	-	-	229,555
PHOL expenses	-	127,043	-	127,043
	<u>229,555</u>	<u>127,043</u>	<u>-</u>	<u>356,598</u>
 (Deficit)/Surplus	 <u>(202,840)</u>	 <u>(126,443)</u>	 <u>28,039</u>	 <u>(301,244)</u>
 2024				
<u>Income</u>				
Donations	-	18,095	-	18,095
Grants received	16,200	-	-	16,200
	<u>16,200</u>	<u>18,095</u>	<u>-</u>	<u>34,295</u>
<u>Less: Expenditure</u>				
RASP expenses	208,180	-	-	208,180
PHOL expenses	-	136,417	-	136,417
Educational expenses	-	-	7,140	7,140
	<u>208,180</u>	<u>136,417</u>	<u>7,140</u>	<u>351,737</u>
 Deficit	 <u>(191,980)</u>	 <u>(118,322)</u>	 <u>(7,140)</u>	 <u>(317,442)</u>

Included in RASP expenses, consist of staff salaries \$28,000 (2024: \$57,200), Employer's CPF contribution \$4,480 (2024: \$8,351) and Skill Development Levy \$70 (2024: \$144).

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

13 RESTRICTED FUNDS (CONTINUED)

CENTRE

	RASP fund	PHOL fund	Educational fund	Total
	\$	\$	\$	\$
2025				
<u>Income</u>				
Donations	-	600	28,039	28,639
Grants received	26,715	-	-	26,715
	<u>26,715</u>	<u>600</u>	<u>28,039</u>	<u>55,354</u>
<u>Less: Expenditure</u>				
RASP expenses	229,753	-	-	229,753
PHOL expenses	-	129,491	-	129,491
	<u>229,753</u>	<u>129,491</u>	<u>-</u>	<u>359,244</u>
 (Deficit)/Surplus	 <u>(203,038)</u>	 <u>(128,891)</u>	 <u>28,039</u>	 <u>(303,890)</u>
 2024				
<u>Income</u>				
Donations	-	18,095	-	18,095
Grants received	16,200	-	-	16,200
	<u>16,200</u>	<u>18,095</u>	<u>-</u>	<u>34,295</u>
<u>Less: Expenditure</u>				
RASP expenses	209,368	-	-	209,368
PHOL expenses	-	139,077	-	139,077
Educational expenses	-	-	7,140	7,140
	<u>209,368</u>	<u>139,077</u>	<u>7,140</u>	<u>355,585</u>
 Deficit	 <u>(193,168)</u>	 <u>(120,982)</u>	 <u>(7,140)</u>	 <u>(321,290)</u>

Included in RASP expenses, consist of staff salaries \$28,000 (2024: \$57,200), Employer's CPF contribution \$4,480 (2024: \$8,351) and Skill Development Levy \$70 (2024: \$144).

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

13 RESTRICTED FUNDS (CONTINUED)

(i) RASP fund

The RASP fund refers to the 'Residential Aftercare Support Programme' (RASP) funded by the Yellow Ribbon Fund to support the daily running of the halfway house for ex-offenders.

(ii) PHOL fund

The PHOL fund refers to the 'Project Heart of Love' (PHOL) programme is to finance the refurbishments of homes for the elderly.

(iii) Educational fund

The educational fund is to finance the staff training cost to enhance their skills and knowledges, so as to better serve the community.

14 FUND RAISING EVENTS

2025	GROUP AND CENTRE	
	Income (Note 12)	Expenditure (Note 12)
	\$	\$
Anniversary Dinner	502,873	107,199
Charity Golf	333,305	91,100
Advocating Care for the Marginalised	80,596	166
Support the Disenfranchised	284,907	479
	<u>1,201,681</u>	<u>198,944</u>

2024	GROUP AND CENTRE	
	Income (Note 12)	Expenditure (Note 12)
	\$	\$
Charity Golf	331,594	91,250
Empowering for Disenfranchised	63,701	173
	<u>395,295</u>	<u>91,423</u>

The total fundraising expenses are 17% (2024: 23%) of the total receipts.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

15 OTHER INCOME

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Amortisation of deferred capital grants (Note 10)	38,100	64,150	38,100	21,150
Interest income	64,762	84,767	64,762	84,767
Gain on disposal of plant and equipment	-	17,000	-	17,000
Government grants	113,722	132,596	47,545	60,920
Logistics and administrative support	-	-	43,200	43,200
Others	9,653	2,928	9,446	2,652
	<u>226,237</u>	<u>301,441</u>	<u>203,053</u>	<u>229,689</u>

16 DEFICIT FROM UNLABELLED RUN

	GROUP AND CENTRE	
	2025	2024
	\$	\$
INCOME		
Grant received	-	20,000
Donations	113,221	91,572
Registration fees	193,136	147,102
	<u>306,357</u>	<u>258,674</u>
LESS: EXPENDITURE	<u>(345,376)</u>	<u>(323,287)</u>
Deficit	<u>(39,019)</u>	<u>(64,613)</u>

17 INCOME TAX

The income tax on the results for the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to surplus/(deficit) before income tax was due to the following factors:

	GROUP	
	2025	2024
	\$	\$
Surplus/(Deficit) before income tax	375,674	(341,354)
Tax calculated at tax rate of 17%	<u>63,865</u>	<u>(58,030)</u>
Expenses not deductible for tax purposes	811	20,387
Income not taxable	(77,470)	(7,310)
Current year deferred tax assets not recognised	14,493	45,641
Prior year deferred tax assets recognised in current year	(1,699)	-
Donation	-	(688)
	<u>-</u>	<u>-</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

17 INCOME TAX (CONTINUED)

The Centre is a registered Charity under the Charities Act and is exempted from income tax subject to compliance with the Income Tax Act 1947.

The components of deferred income tax assets and liabilities are as follows:

	GROUP	
	2025	2024
	\$	\$
<u>Deferred income tax liabilities</u>		
Accelerated tax depreciation	(2,668)	(3,748)
Right-of-use assets	(59,734)	(82,864)
	<u>(62,402)</u>	<u>(86,612)</u>
<u>Deferred income tax assets</u>		
Lease liabilities	63,690	85,562
Unutilised capital allowances	4,209	7,219
Unutilised tax losses	67,352	55,977
Unutilised donations	1,113	1,113
	<u>136,364</u>	<u>149,871</u>
Net deferred income tax assets not recognised	<u>73,962</u>	<u>63,259</u>

Deferred tax assets of \$73,962 (2024: \$63,259) not accounted for in the financial statements due to uncertainty of its recoverability.

As at 31 March 2025, subject to the agreement of the Comptroller of Income Tax, and compliance with certain condition of the Income Tax Act 1947, the Group has estimated unutilised tax losses, unutilised capital allowances and unutilised donations approximately \$396,186 (2024: \$329,278), \$24,756 (2024: \$42,466) and \$6,545 (2024: \$6,545) respectively, which are available for set off against future taxable income.

18 RELATED PARTY TRANSACTIONS

Significant related party transactions carried out at mutually agreed amounts during the financial year are as follow:

	GROUP AND CENTRE	
	2025	2024
	\$	\$
<u>With key management personnel</u>		
Salaries and related costs	230,980	187,632
Employer's CPF contribution	34,720	22,241
<u>With spouse and close family member of key management personnel</u>		
Salaries and related costs	75,383	38,640
Employer's CPF contribution	12,814	6,568

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

18 RELATED PARTY TRANSACTIONS (CONTINUED)

	CENTRE	
	2025	2024
	\$	\$
<u>With subsidiaries</u>		
Programme expenses	13,440	9,556
PHOL expenses	2,448	2,660
Repair and maintenance	3,700	4,280
Loan to subsidiary	-	171,000
RASP expenses	198	1,188
Logistic and administrative support (Note 15)	(43,200)	(43,200)

None of the Group's nor the Centre's staff received more than \$100,000 (2024: \$100,000) in annual remuneration.

Key management personnel are those person having authority and responsibility for planning, directing and controlling the activities of the Group and the Centre, directly or indirectly.

19 FINANCIAL RISK MANAGEMENT

The main risks arising from the Group's and the Centre's financial instruments are credit risk and liquidity risk. The Group's and the Centre's risk management seeks to minimise the potential adverse effects from these exposures. The Group and the Centre review and agree policies for managing each of these risks and they are summarised below:

Credit risk

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

The Group and the Centre adopted the following:

- Policy of only dealing with creditworthy counterparties and perform ongoing credit evaluation of their counterparties' financial condition and generally do not require a collateral;
- Consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period;
- Determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days or there is significant difficulty of the counterparty; and
- Developed and maintained credit risk grading to categorise exposures according to their degree of risk of default.

The Group and the Centre categorise a receivable for potential write-off when a receivable fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the receivable is in severe financial difficulty and the receivable has no realistic prospect of recovery.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

19 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

The Group and the Centre's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >60 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – no credit-impaired
III	Amount is >120 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

Trade receivables

For trade receivables, the Group and the Centre have applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Group and the Centre determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

As the Group and the Centre have no actual credit loss experienced or it has been insignificant during the period under review and at financial year end, credit risk exposure to the financial assets at amortised cost is insignificant, and accordingly no credit loss allowance is recognised during the financial year.

Other receivables

The Group and the Centre assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group and the Centre measured the loss allowance using 12-month ECL and determined that the ECL is insignificant.

The table below details the credit quality of the Group and the Centre's "other receivables":

Group	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$	\$	\$
2025				
Donation receivable	12-month ECL	401,642	-	401,642
Interest receivable	12-month ECL	21,390	-	21,390
Other receivables	12-month ECL	154,145	-	154,145

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

19 FINANCIAL RISK MANAGEMENT (CONTINUED)

Credit risk (Continued)

Group	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$	\$	\$
2024				
Donation receivable	12-month ECL	40,641	-	40,641
Interest receivable	12-month ECL	56,344	-	56,344
Other receivables	12-month ECL	<u>84,993</u>	<u>-</u>	<u>84,993</u>

Centre	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$	\$	\$
2025				
Amount due from subsidiary	12-month ECL	371,000	-	371,000
Donation receivable	12-month ECL	401,642	-	401,642
Interest receivable	12-month ECL	21,390	-	21,390
Other receivables	12-month ECL	<u>154,145</u>	<u>-</u>	<u>154,145</u>

Centre	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
		\$	\$	\$
2024				
Amount due from subsidiary	12-month ECL	374,600	-	374,600
Donation receivable	12-month ECL	40,641	-	40,641
Interest receivable	12-month ECL	56,344	-	56,344
Other receivables	12-month ECL	<u>84,993</u>	<u>-</u>	<u>84,993</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

19 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk

In the management of liquidity risk, the Group and the Centre monitor and maintain a level of cash and bank balances deemed adequate to finance the Group's and the Centre's operations and mitigate the effects of fluctuations in cash flows.

The table below summaries the maturity profile of the Group's and the Centre's financial liabilities at the end of reporting period based on contractual undiscounted payments.

Group	-----2025-----			
	Carrying amount	Contractual cash flows	Less than one year	After one year to five years
	\$	\$	\$	\$
Financial assets				
Trade and other receivables	734,384	734,384	734,384	-
Cash and cash equivalents	2,813,737	2,813,737	2,813,737	-
	<u>3,548,121</u>	<u>3,548,121</u>	<u>3,548,121</u>	<u>-</u>
Financial liabilities				
Trade and other payables	128,428	128,428	128,428	-
Lease liabilities	735,637	778,603	432,198	346,405
	<u>864,065</u>	<u>907,031</u>	<u>560,626</u>	<u>346,405</u>
Total net undiscounted financial assets/(liabilities)	<u>2,684,056</u>	<u>2,641,090</u>	<u>2,987,495</u>	<u>(346,405)</u>
Group	-----2024-----			
	Carrying amount	Contractual cash flows	Less than one year	After one year to five years
	\$	\$	\$	\$
Financial assets				
Trade and other receivables	365,765	365,765	365,765	-
Cash and cash equivalents	2,761,265	2,761,265	2,761,265	-
	<u>3,127,030</u>	<u>3,127,030</u>	<u>3,127,030</u>	<u>-</u>
Financial liabilities				
Trade and other payables	105,785	105,785	105,785	-
Lease liabilities	922,172	982,111	450,890	531,221
	<u>1,027,957</u>	<u>1,087,896</u>	<u>556,675</u>	<u>531,221</u>
Total net undiscounted financial assets/(liabilities)	<u>2,099,073</u>	<u>2,039,134</u>	<u>2,570,355</u>	<u>(531,221)</u>

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

19 FINANCIAL RISK MANAGEMENT (CONTINUED)

Liquidity risk (Continued)

Centre	-----2025-----			
	Carrying amount	Contractual cash flows	Less than one year	After one year to five years
	\$	\$	\$	\$
Financial assets				
Trade and other receivables	651,714	651,714	651,714	-
Cash and cash equivalents	2,603,714	2,603,714	2,603,714	-
	<u>3,255,428</u>	<u>3,255,428</u>	<u>3,255,428</u>	<u>-</u>
Financial liabilities				
Trade and other payables	60,152	60,152	60,152	-
Lease liabilities	360,986	382,412	244,635	137,777
	<u>421,138</u>	<u>442,564</u>	<u>304,787</u>	<u>137,777</u>
Total net undiscounted financial assets/(liabilities)	<u>2,834,290</u>	<u>2,812,864</u>	<u>2,950,641</u>	<u>(137,777)</u>
-----2024-----				
Centre	Carrying amount	Contractual cash flows	Less than one year	After one year to five years
	\$	\$	\$	\$
Financial assets				
Trade and other receivables	675,928	675,928	675,928	-
Cash and cash equivalents	2,535,458	2,535,458	2,535,458	-
	<u>3,211,386</u>	<u>3,211,386</u>	<u>3,211,386</u>	<u>-</u>
Financial liabilities				
Trade and other payables	77,404	77,404	77,404	-
Lease liabilities	418,869	439,396	236,527	202,869
	<u>496,273</u>	<u>516,800</u>	<u>313,931</u>	<u>202,869</u>
Total net undiscounted financial assets/(liabilities)	<u>2,715,113</u>	<u>2,694,586</u>	<u>2,897,455</u>	<u>(202,869)</u>

Sensitivity analysis

The operation of the Group and the Centre does not expose itself to any significant market risk. In view of this, sensitivity analysis of market risk is not considered necessary for disclosure.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

20 FAIR VALUE

The carrying amounts of current financial assets and current financial liabilities recorded in the financial statements approximate their respective net fair values due to the relatively short-term maturity of these financial instruments.

21 TAX-EXEMPT RECEIPTS

The Centre is a registered charity, a member of the National Council of Social Services (NCSS) and an Institution of Public Character (IPC). The IPC status was renewed for 33 months with effect from 10 May 2024.

Tax-exempt receipts issued for donations received during the year amounted to \$1,593,368 (2024: \$1,532,726).

22 FUND MANAGEMENT

The primary objective of the Group's fund management is to safeguard its assets; to effectively and efficiently manage the usage of available resources towards supporting the Group's principal and related activities, and ensuring long-term financial sustainability. No changes were made in the objectives, policies or processes of the Group since prior year.

23 FINANCIAL INSTRUMENTS BY CATEGORY

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

	GROUP		CENTRE	
	2025	2024	2025	2024
	\$	\$	\$	\$
Financial assets				
Trade and other receivables	734,384	365,765	651,714	675,928
Cash and cash equivalents	2,813,737	2,761,265	2,603,714	2,535,458
	<u>3,548,121</u>	<u>3,127,030</u>	<u>3,255,428</u>	<u>3,211,386</u>
Financial liabilities				
Trade and other payables	128,428	105,785	60,152	77,404
Lease liabilities	735,637	922,172	360,986	418,869
	<u>864,065</u>	<u>1,027,957</u>	<u>421,138</u>	<u>496,273</u>

24 AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements were authorised for issue in accordance with a resolution of the Management Committee passed on 12 September 2025.

THE NEW CHARIS MISSION

NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 2025

25 GOING CONCERN – CHARIS CUISINES PTE LTD

The wholly owned subsidiary incurred a net loss of \$81,601 (2024: \$180,528) during the year ended 31 March 2025 and, as of that date, the subsidiary's current liabilities exceeded its current assets by \$479,072 (2024: \$412,642) and total liabilities exceeded its total assets by \$347,172 (2024: \$265,571). These factors indicate the existence of a material uncertainty which may cast significant doubt on the subsidiary's ability to continue as going concern.

The subsidiary, now in its third year of operations, continues to navigate typical early-stage challenges, including market visibility, customer acquisition, and competitive pressures. Its strategic direction is guided by a dual mandate: to operate as a commercially viable company while advancing the Group's broader charitable social enterprise objectives. Management remains committed to strengthening marketing operational efficiency, with the expectation that these efforts will support both financial sustainability and meaningful social impact in the years ahead.

The continuity of the subsidiary as a going concern is dependent on the profitability of the business. As at the date of these financial statements, the holding entity had undertaken not to request for repayment of sums owing of \$371,000 (Note 7) and to support the subsidiary financially as and when required in order for the subsidiary to meet its obligations as and when they fall due.

If the subsidiary is unable to continue in operational existence for the foreseeable future, the subsidiary may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that subsidiary's assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the subsidiary may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.