

SHINE CHILDREN AND YOUTH SERVICES
(UEN No.: S76SS0021F)

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 MARCH 2026

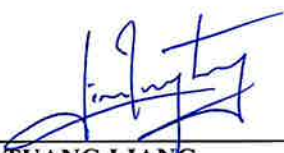
SHINE CHILDREN AND YOUTH SERVICES

STATEMENT BY THE BOARD FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

In the opinion of the board,

- (a) the financial statements of SHINE Children and Youth Services (the Charity) are drawn up so as to give a true and fair view of the financial position of the Charity as at 31 March 2026 and the results, changes in accumulated funds and cash flows of the Charity for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Charity will be able to pay its debts as and when they fall due.

On behalf of the Board,



LIM TUANG LIANG
Chairman



ASSOC PROF PEACE WONG
Hon. Secretary



NG YING YAN, DAMIEN
Hon. Treasurer



LEE SENG MENG
Executive Director

Singapore
Date: 14 July 2026

Odds & Even Associates

Public Accountants & Chartered Accountants Singapore (UEN: T06PF0705A)

151 Chin Swee Road
#06-01 Manhattan House
Singapore 169876
Tel: 6513 9986

INDEPENDENT AUDITOR'S REPORT

To the Members of SHINE Children and Youth Services (Charity)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SHINE Children and Youth Services (the Charity), which comprise the statement of financial position as at 31 March 2026, and the statement of comprehensive income, statement of changes in accumulated 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 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 state of affairs of the Charity as at 31 March 2026 and the results, changes in accumulated funds and cash flows of the Charity 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 Charity 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 statement by the Board, 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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management 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 FRSSs, and for such internal control as management 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, management is responsible for assessing the Charity'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 Charity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Charity'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 Charity'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 Charity'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 Charity to cease to continue as a going concern.

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- 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:

- (a) the accounting and other records required to be kept by the Charity 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 appeal held during the year has 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 appeal.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Poh Choon Kiat.

ODDS & EVEN

Odds & Even Associates
Public Accountants and
Chartered Accountants

Singapore
14 July 2026

SHINE CHILDREN AND YOUTH SERVICES

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

	Notes	2026 \$	2025 \$
INCOME			
NCSS - Tote Board Social Service Fund		2,019,913	1,527,940
AIC(MOH)		2,916,245	2,053,663
Ministry of Social and Family Development		1,342,714	1,198,589
MSF - Community Chest		1,002,500	155,000
NCSS - Community Chest		1,766,175	1,692,639
NCSS - 4ST Partnership Fund		391,287	352,856
NCSS - Capital Grant For IWC Reno		427,337	36,380
President's Challenge		288,645	43,164
MOH Reinvestment Fund		1,054,302	97,208
Toteboard Non-Profit Sector Transformation Initiative		80,282	-
Matching Grants		833,096	547,598
MCCY		96,009	476,212
NCSS - Community Capability Trust		106,602	-
NCSS - Others		382,856	199,502
Care & Share		38,776	59,471
Tax-deductible donations	4	2,809,286	2,449,693
Non-tax deductible donations	4	709,462	1,203,823
Research Grants		62,300	52,187
Programme Fees		702,338	606,107
Training income		84,958	112,797
Rental Income		104,400	8,700
Interest income		235,232	408,052
Miscellaneous income		41,066	3,170
		<u>17,495,781</u>	<u>13,284,751</u>
Less: EXPENDITURE			
Expenditure on manpower	5	(11,023,377)	(9,023,808)
Depreciation on property, plant and equipment/Intangible assets		(1,763,261)	(606,634)
Other operating expenses		<u>(2,451,655)</u>	<u>(1,660,032)</u>
		<u>(15,238,293)</u>	<u>(11,290,474)</u>
SURPLUS/(DEFICIT) AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	6	<u>2,257,488</u>	<u>1,994,277</u>
<i>Surplus/(Deficit) allocated to:</i>			
General Reserves		1,064,560	939,180
Restricted funds from Government and other funders		1,229,048	1,048,056
Daisy Phay Foundation- SHINE Scholarship Fund		(35,370)	14,091
Y's Men's Club (Beta Chapter) Financial Assistance Fund		(750)	726
Asset Enhancement Fund		-	(7,776)
		<u>2,257,488</u>	<u>1,994,277</u>

SHINE CHILDREN AND YOUTH SERVICES

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Notes	2026 \$	2025 \$
ASSETS			
Non-current assets			
Property, plant and equipment	7	2,981,515	4,432,415
Intangible assets	8	477,851	668,770
		<u>3,459,366</u>	<u>5,101,185</u>
Current assets			
Prepayments		258,806	168,855
Trade receivables	9	63,004	63,687
Other receivables	10	2,610,657	1,667,645
Cash and short-term deposits	11	20,484,692	18,128,308
		<u>23,417,159</u>	<u>20,028,495</u>
Total assets		<u><u>26,876,525</u></u>	<u><u>25,129,680</u></u>
FUNDS AND LIABILITIES			
Funds and reserves			
Unrestricted Funds:			
General reserves		10,241,708	9,177,148
Restricted Funds:			
Restricted funds from Government and other funders		4,721,426	3,492,378
The Daisy Phay Foundation-SHINE Scholarship Fund		5,450,985	5,486,355
Y's Men's Club (Beta Chapter) Financial Assistance Fund		37,242	37,992
Asset Enhancement Fund		50,872	50,872
	12	<u>20,502,233</u>	<u>18,244,745</u>
Non-current liabilities			
Funds received in advance		9,484	17,961
Deferred income - capex grant	13	1,009,873	1,795,082
Lease Liabilities	14	640,805	1,320,083
		<u>1,660,162</u>	<u>3,133,126</u>
Current liabilities			
Trade payables	15	111,418	260,556
Other payables	16	2,951,108	1,949,280
Deferred income - capex grant	13	972,327	882,747
Lease Liabilities	14	679,277	659,226
		<u>4,714,130</u>	<u>3,751,809</u>
Total liabilities		<u>6,374,292</u>	<u>6,884,935</u>
Total funds and liabilities		<u><u>26,876,525</u></u>	<u><u>25,129,680</u></u>

SHINE CHILDREN AND YOUTH SERVICES

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

	Unrestricted Funds		Restricted Funds				Total
	General reserves utilised to support partially funded programmes	Funding from Government and other funders	The Daisy Play Foundation - SHINE Scholarship Fund	Y's Men's Club (Beta Chapter) Financial Assistance Fund	Asset Enhancement Fund		
	\$	\$	\$	\$	\$	\$	\$
Balance at 31 March 2024	8,237,968	2,444,322	5,472,264	37,266	58,648		16,250,468
Total comprehensive income for the year	939,180	1,048,056	14,091	726	(7,776)		1,994,277
Balance at 31 March 2025	9,177,148	3,492,378	5,486,355	37,992	50,872		18,244,745
General reserves utilised to support partially funded programmes	(82,494)	82,494	-	-	-	-	-
Total comprehensive income for the year	1,147,054	1,146,554	(35,370)	(750)	-		2,257,488
Balance at 31 March 2026	10,241,708	4,721,426	5,450,985	37,242	50,872		20,502,233

See accompanying notes to the financial statements

SHINE CHILDREN AND YOUTH SERVICES

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

	2026 \$	2025 \$
Cash flows from operating activities		
Surplus for the year	2,257,488	1,994,277
Adjustments for:		
Depreciation on property, plant and equipment/intangible assets	1,763,261	606,634
Interest expense	50,364	5,083
Interest income	(235,232)	(408,052)
	3,835,881	2,197,942
Changes in working capital:		
Trade receivables	683	(55,149)
Other receivables and prepayment	(1,079,600)	(809,643)
Trade payables	(149,138)	166,455
Other payables	1,001,828	(1,256,132)
Funds received in advance	(8,478)	(21,406)
Deferred income	(695,629)	2,260,067
Cash generated from operations	2,905,547	2,482,135
Income tax paid	-	-
Net cash generated from operating activities	2,905,547	2,482,135
Cash flows from investing activities		
Acquisition of intangible asset	(37,400)	(458,793)
Acquisition of property, plant and equipment	(84,042)	(1,880,086)
Interest received	281,870	468,938
Net cash generated from/(used in) investing activities	160,428	(1,869,941)
Cash flows from financing activities		
Repayment of lease liability	(709,591)	(59,133)
Net cash used in financing activities	(709,591)	(59,133)
Net increase in cash and cash equivalents	2,356,384	553,062
Cash and cash equivalents at the beginning of the financial year	18,128,308	17,575,246
Cash and cash equivalents at the end of the financial year	20,484,692	18,128,308
Cash and Cash Equivalents comprise of the followings:		
Cash and bank balances	8,334,692	5,978,308
Fixed deposits	12,150,000	12,150,000
	20,484,692	18,128,308

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

1. Corporate information

SHINE Children and Youth Services (the Charity) is a Society registered under the Societies Act 1966 and is a Charity registered under the Charities Act 1994. The Charity is a member of the National Council of Social Service and a recipient of grant funding administered by NCSS (e.g. Community Chest, Tote Board Social Service Fund), Ministry of Social and Family Development and Agency for Integrated Care. The registered address of the Charity is at 463 Hougang Ave 10 #01-964 Singapore 530463.

The Charity is an Institution of a Public Character (IPC) under the sector administrator, Ministry of Social and Family Development, and the status is valid from 1 April 2023 to 31 July 2026.

The Charity has complied with all applicable requirements of the Code of Governance for Charities and Institutions of a Public Character (IPCs) issued by the Charity Council on 19 January 2011. The Governance Evaluation checklist can be obtained from the Charity Portal (www.charities.gov.sg).

The Charity is involved in the rendering of social work and educational psychology services to children, youth and their families. The services are delivered by trained professionals comprising registered social workers, social work associates, educational psychologists, associate psychologists and learning specialists to enable children and youth to maximise their potential. The Charity is also involved in providing training and consultancy services to external professionals in the related field.

2. Material accounting policy information

2.1 Basis of preparation

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

The financial statements are presented in Singapore Dollars (\$), which is the Charity's functional currency.

The financial statements of the Charity 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 Charity has adopted all the new and amended standards which are relevant to the Charity and are effective for annual financial periods beginning on 1 April 2025. The adoption of these standards did not have any material effect on the financial statements of the Charity.

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.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Board expects that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application.

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

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

	<u>Useful lives</u>
Renovation	Lower of the lease term or 5 years
Furniture & fittings & equipment	3 years
Right-of-use asset	3 years

The residual value, useful lives 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 de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is de-recognised.

2.5 Intangible assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated intangible assets, is recognised in profit or loss as incurred.

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives are as follows:

	<u>Useful lives</u>
Computer	3 - 5 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

2.6 Impairment of non-financial assets

The Charity assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, whether applicable, when an annual impairment testing for an asset is required), the Charity 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 flows 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 recognized in profit or loss.

A previously recognized 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 recognized previously. Such reversal is recognized in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

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

Trade receivables are measured at the amount of consideration to which the Charity 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 Charity'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. The Charity only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Gains and losses are recognized in profit or loss when the assets are derecognized or impaired, and through the amortization process.

Derecognition

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

(b) Financial assets

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Charity becomes a party to the contractual provisions of the financial instrument. The Charity 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, 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 profit or loss when the liabilities are de-recognised, and through the amortisation process.

Derecognition

A financial liability is derecognized 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 recognized in profit or loss.

2.8 Impairment of financial assets

For trade debtors, the Charity applies a simplified approach in calculating ECLs. The Charity does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Charity may consider a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Charity may also consider a financial asset to be in default when internal or external information indicates that the Charity is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Charity. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 Cash and cash equivalents

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

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

2.10 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

2.11 Employee benefits

(a) Defined contribution plans

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

(b) Short-term employee 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 Charity 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.

2.12 Leases

The Charity 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.

(a) As lessee

The Charity applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Charity 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 Charity 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 Charity 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 2.6.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Charity's right-of-use assets are presented within property, plant and equipment (Note 7).

Lease liabilities

At the commencement date of the lease, the Charity 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 Charity and payments of penalties for terminating the lease, if the lease term reflects the Charity exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Charity uses a discount rate benchmarked against the Charity's current fixed deposit rates earned from the Charity's reserves placed in fixed deposits, as well as benchmarked against the external commercial property loan rate, at the commencement date of lease. The Charity has no loans and investments, other than fixed deposits.

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 Charity applies the lease of low-value assets recognition exemption to leases of offices that are considered to be low value. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

(b) As lessor

Leases in which the Charity does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Charity's subleased property is accounted for on a straight-line basis over the lease terms.

2.13 Income Recognition

Revenue is measured based on the consideration to which the Charity 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 Charity 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026**

(a) Donations

Donations are recognised when the Charity's entitlement to such income is established with certainty and the amount can be measured with sufficient reliability. Donations and grants from funders for designated programmes are recognized under the restricted programmes reserves in the Financial Statements. Cash contributions for capital expenditure are subsequently allocated to Asset Enhancement Fund. Cash contributions for capital expenditure relating to a specific programme will be ringfenced under the restricted programme reserves.

2.14 Taxation

As the Charity is registered as a Charity under the Charities Act 1994, its income is exempt from income tax.

3. Significant accounting judgements and estimates

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

3.1 Judgements made in applying accounting policies

(a) Determination of lease term of contracts with extension options

The Charity 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 Charity has lease contracts that includes an extension option. The Charity 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 Charity reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (e.g. construction of significant leasehold improvements or significant customisation to the leased asset).

The extension option for lease of leasehold building is not included as part of the lease term because the Charity will only consider the extension option at the end of the lease period.

As at 31 March 2026, potential future (undiscounted) cash outflows of approximately \$709,590 have not been included in lease liabilities because it is not reasonably certain that the leases will be extended.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

3.2 Key sources of estimation uncertainty

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

(a) Depreciation of property, plant and equipment and intangible asset

The cost of property, plant and equipment, and intangible asset are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment and intangible asset to be within 3 to 5 years. The carrying amount of the plant and equipment at 31 March 2026 was \$1,682,426 (2025: \$2,455,540). The carrying amount of the right-of-use asset as at 31 March 2026 was \$1,299,089 (2025: \$1,976,875). The carrying amount of the Charity's intangible asset at 31 March 2026 was \$477,851 (2025: \$668,770). Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised.

4. Donations

Donations form a substantial source of income in sustaining the programmes to achieve the Charity's mission and vision. Not all programmes are funded fully by the government. Unrestricted donations help fund these partially funded or unfunded programmes and have also enabled the Charity to pilot new initiatives to serve client needs. These are used in accordance with the objectives of the Charity.

5. Expenditure on manpower

	2026	2025
	S\$	S\$
Salaries and bonuses	9,444,768	7,726,402
Central Provident Fund (CPF) and Skills Development Levy (SDL)	1,486,888	1,218,975
Staff welfare/benefits	91,721	78,431
	<u>11,023,377</u>	<u>9,023,808</u>

Remuneration range of three highest paid staff:

Remuneration band*	2026	2025
Between \$200,000 to \$300,000	1	1
Between \$100,000 to \$200,000	2	2

* Salary and bonus (including employer's CPF contributions).

The Board members did not receive any remuneration during the year.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

6. Surplus for the year

Surplus for the year comprises the following:

	Unrestricted Funds	Restricted Funds			2026	2025
		General reserves	Funding from Government and other funders	The Daisy Phay Foundation-SHINE Scholarship Fund	Y's Men's Club (Beta Chapter) Financial Assistance Fund	Asset Enhancement Fund
	\$	\$	\$	\$	\$	\$
Income						
NCSS - Tote Board Social Service Fund	-	2,019,913	-	-	-	2,019,913
AJC(MOH)	-	2,916,245	-	-	-	2,916,245
Ministry of Social and Family Development	-	1,342,714	-	-	-	1,342,714
MSF - Community Chest	-	1,002,500	-	-	-	1,002,500
NCSS - Community Chest	-	1,766,175	-	-	-	1,766,175
NCSS - 4ST Partnership Fund	-	391,287	-	-	-	391,287
NCSS - Capital Grant For IWC Reno	-	427,337	-	-	-	427,337
NCSS - VCF	52,112	16,001	-	-	16,501	84,614
NCSS - Transformation Sustainability Scheme	-	100,933	-	-	-	100,933
NCSS - TECH & GO	-	6,662	-	-	5,746	12,408
NCSS - BACK-TO-BASICS	-	22,935	-	-	-	22,935
NCSS - CCT	-	106,602	-	-	-	106,602
President's Challenge	-	239,073	-	-	49,572	288,645
MOH Reinvestment Fund	-	1,054,302	-	-	-	1,054,302
Toteboard Non-Profit Sector Transformation Initiative	-	25,060	-	-	55,222	80,282
Matching Grants	450,000	383,096	-	-	-	833,096
MCCY	3,360	92,649	-	-	-	96,009
NCSS - Others	-	161,966	-	-	-	161,966
Care & Share	38,776	-	-	-	-	38,776
Tax-deductible donations	1,110,404	1,698,882	-	-	-	2,809,286
Non-tax deductible donations	122,008	537,882	-	-	49,572	709,462
Research Grants	62,300	-	-	-	-	62,300
Programme Fees	395,182	307,156	-	-	-	702,338
Training income	76,738	8,220	-	-	-	84,958
Rental Income	-	104,400	-	-	-	104,400
Interest income	145,191	-	90,041	-	-	235,232
Miscellaneous income	-	18,873	-	-	22,193	41,066
	2,456,071	14,750,863	90,041	-	198,806	17,495,781
						13,284,751
Expenditure						
Expenditure on Manpower						
Salaries	1,374,289	5,980,636	24,029	-	-	7,378,954
Bonuses	330,155	1,728,316	7,343	-	-	2,065,814
Employer's CPF	214,803	1,251,134	5,337	-	-	1,471,274
SDL	2,516	13,098	-	-	-	15,614
Staff welfare/benefits	50,441	41,280	-	-	-	91,721
	1,972,204	9,014,464	36,709	-	-	11,023,377
						9,023,808
Depreciation	153,718	1,410,942	-	-	198,601	1,763,261
						606,634
Other Operating Expenses						
Staff training and development	(118,458)	255,063	4,355	-	-	140,960
Transportation expenses	4,622	97,672	238	-	-	102,532
Rental of office and equipment	48,702	-	-	-	-	48,702
Utilities	32,541	11,803	-	-	-	44,344
Communications	31,152	52,579	-	-	-	83,731
Maintenance - Land & building/IT & equipment/others	229,022	316,056	-	-	205	545,283
Insurances	26,416	5,066	-	-	-	31,482
Fundraising expenses	159,989	2,160	-	-	-	162,149
Professional fees and services	105,322	608,334	-	-	-	713,856
Supplies/materials/logistics	133,136	261,336	3,042	-	-	397,514
Bank charges	1,812	173	45	-	-	2,030
Interest on lease liabilities	-	50,364	-	-	-	50,364
Recruitment expenses	166	627	-	-	-	793
Miscellaneous expense	1,906	203	-	-	-	2,109
Public education	17,243	2,095	-	-	-	19,338
Financial assistance	1,050	371	100	750	-	2,271
Scholarship and bursary	29,500	-	74,500	-	-	104,000
Volunteer development	(86,541)	86,356	382	-	-	197
Facilities-infrastructure & support	(673,863)	671,014	2,849	-	-	-
Corporate services & governance	(760,622)	757,431	3,191	-	-	-
	(816,905)	3,178,903	88,702	750	205	2,451,655
						1,660,032
Total expenditure	1,309,017	13,604,309	125,411	750	198,806	15,238,293
						11,290,474
General reserves utilised to support partially funded programmes	(82,494)	82,494	-	-	-	-
Surplus(Deficit) and Total Comprehensive Income for the Year	1,064,560	1,229,048	(35,370)	(750)	-	2,257,488
						1,994,277

Note: There was no staff incentives incurred

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

7. Property, plant and equipment

	Renovation S\$	Furniture fittings And equipment S\$	Right-of-use asset S\$	Total S\$
Cost				
As at 31 March 2024	1,821,988	726,447	-	2,548,435
Additions	1,730,216	149,870	2,033,358	3,913,444
As at 31 March 2025	3,552,204	876,317	2,033,358	6,461,879
Additions	111	83,931	-	84,042
Disposal	-	(32,151)	-	(32,151)
As at 31 March 2026	3,552,315	928,097	2,033,358	6,513,770
Accumulated depreciation				
As at 31 March 2024	1,089,649	496,148	-	1,585,797
Charge for the year	279,981	107,203	56,483	443,667
As at 31 March 2025	1,369,630	603,351	56,483	2,029,464
Charge for the year	703,538	153,618	677,786	1,534,942
Disposal	-	(32,151)	-	(32,151)
As at 31 March 2026	2,073,168	724,818	734,269	3,532,255
Net carrying amount				
As at 31 March 2026	1,479,147	203,279	1,299,089	2,981,515
As at 31 March 2025	2,182,574	272,966	1,976,875	4,432,415

During the financial year, the Charity acquired right-of-use asset with an aggregate cost of Nil (2025: \$2,033,358) by means of leases. The cash outflow on acquisition of property, plant and equipment in 2026 amounted to \$84,042 (2025: \$1,880,086).

8. Intangible assets

	Software S\$
Cost	
As at 31 March 2025	979,914
Additions	37,400
As at 31 March 2026	1,017,314
Accumulated depreciation	
As at 31 March 2025	311,144
Charge for the year	228,319
As at 31 March 2026	539,463
Net carrying amount	
As at 31 March 2026	477,851
As at 31 March 2025	668,770

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

9. Trade receivables

	2026	2025
	S\$	S\$
Trade receivables:		
- Third parties	63,004	63,687

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms.

10. Other receivables

	2026	2025
	S\$	S\$
Current:		
- Amount due from government bodies and other grantors	2,448,118	1,459,024
- Sundry deposits	119,122	118,568
- Bank interest receivables	43,417	90,053
	<u>2,610,657</u>	<u>1,667,645</u>

Sundry deposits include security deposits paid in relation to leases of office. These deposits are refundable to the Charity at the end of the lease term.

11. Cash and short-term deposits

	2026	2025
	S\$	S\$
Cash at banks	8,334,692	5,978,308
Fixed deposits*	<u>12,150,000</u>	<u>12,150,000</u>
	<u>20,484,692</u>	<u>18,128,308</u>

* Fixed deposits are placed on 6 months to 1 year term and earn interest at rates ranging from 0.98% to 2.0% (2025: 2.4% to 3.0%) per annum.

12. Funds and reserves

Reserves Policy

The purpose of reserves is to ensure financial sustainability to meet the Charity's objectives. The Charity adopts a policy to maintain its Unrestricted Fund General reserves at not more than two times of its annual expenditure.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The reserves of the Charity comprise the following:

Unrestricted Funds

General reserves

Purpose

This amount comprises accumulated surplus of SHINE arising from activities that do not receive restricted funding / grants / donations. These activities include educational psychology service, school social work, training and consultancy, and research services. This is and will be used to fund programmes and organization support costs in accordance with the objectives of the Charity.

Restricted Funds

Restricted funds from
Government and other funders

Purpose

This amount comprises:

- i. Accumulated surplus from programmes partially funded by NCSS administered funds (eg. Community Chest Funds, Tote Board Social Service Funds (TBSSF) in which ringfencing is part of the funding requirement
- ii. Accumulated surplus from programmes receiving other government and non-government grants in which ringfencing is part of the funding requirement

Accounted within this fund are the net results of, TSP, ISP, Youth COP, Collective Impact @Spooner Road, Collective Impact @Bukit Merah, Family Coach, Collective Impact @ Integrated Wellness Collective, Youth Integrated Team, Learning & Social Support Programme, Community Based Reading Odyssey, Integrated Care Programme, STAR- Long term mentoring, Crest Youth, Technology subsidies and grants from NCSS administered funds, and Pandemic related funding.

The Daisy Phay Foundation
- SHINE Scholarship Fund

This is an endowment fund created by the donation of \$5million, by the Estate of Dr Phay Seng Whatt. The donation is invested in fixed deposits and is kept intact at all times. Only the income generated from the investment of this fund is to be distributed on an annual basis for the benefit of full-time students, who are good, needy, deserving and studying in junior colleges.

Y's Men's Club (Beta Chapter)
Financial Assistance Fund

This is a fund restricted to be utilised only for financial assistance for needy students and their families. The Y's Men's Club (Beta Chapter) Board of Directors confirmed via email on 5 April 2013 that it had no objection to SHINE's proposal to continue using the Y's Men's Club (Beta Chapter) Scholarship Fund to provide financial assistance to needy students and their families. It also agreed to rename the Fund as "Y's Men's Club (Beta Chapter) Financial Assistance Fund".

Asset Enhancement Fund

This is a fund restricted to be utilised for capital expenditure for the overall enhancement of the Charity's infrastructure, including cost of building development, renovation works, furniture & equipment etc.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

13. Deferred income – capex grant

The Charity has received grants to co-fund various capital expenditure items.

In accordance with FRS20, grants related to the capital expenditure are recognised in profit or loss over the periods and in the proportions in which depreciation expense on the assets is recognized. The balance amount is recorded as deferred income.

<u>Capital Expenditure</u>	<u>Grant</u>	<u>Category of Fund</u>	<u>2026</u> S\$	<u>1-yr</u> S\$	<u>>1 yr</u> S\$	<u>2025</u> S\$
MS CRM Application	Tote Board	AEF	72,029	72,029	-	96,912
ERP Application	Tote Board	AEF	-	-	-	28,662
Office Renovation	President Challenge	AEF	164,210	53,850	110,360	213,782
Office Renovation	NCSS/COMCHEST	AEF	164,210	53,850	110,360	213,782
Biotemp devices	NCSS-Tech&Go!	AEF	-	-	-	6,662
LMS	NCSS-Tech&Go!	AEF	-	-	-	5,746
Volunteer-Donor Management System	Tote Board	AEF	3,432	3,432	-	5,110
Volunteer-Donor Management System	NCSS-VCF	AEF	33,771	33,771	-	50,272
Volunteer-Donor Management System	NCSS-VCFIPG	AEF	2,969	2,969	-	18,969
Project Back-to-Basics for Social Workers/Youth Workers	NCSS -Back-to-Basics	Restricted Programme	83,531	51,232	32,299	106,466
TNM2.0	Care & Share	Restricted Programme	9,776	9,776	-	48,552
Integrated Wellness Centre (IWC) Renovation	President Challenge	Restricted Programme	141,883	86,845	55,038	243,055
Integrated Wellness Centre (IWC) Renovation	NCSS-Capital Grant	Restricted Programme	865,561	423,567	441,994	1,292,898
IWC_Digital Strategy - Hardware	NCSS/MOH Reinvestment Fund	Restricted Programme	205,594	16,560	189,034	236,591
IWC_Digital Strategy - Software	NCSS	Restricted Programme	200,940	130,152	70,788	110,370
IWC_Tech Maintenance	NCSS	Restricted Programme	34,294	34,294	-	-
Total			1,982,200	972,327	1,009,873	2,677,829

14. Lease liabilities

	2026	2025
	S\$	S\$
Non-current:		
- Lease liabilities	640,805	1,320,083
	<u>640,805</u>	<u>1,320,083</u>
Current:		
- Lease liabilities	679,277	659,226
	<u>679,277</u>	<u>659,226</u>
	<u>1,320,082</u>	<u>1,979,309</u>

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

	Beginning of the financial year S\$	Cash flows S\$	Non-cash changes Acquisition S\$	Accretion of interests S\$	End of the financial year S\$
2026					
Liabilities					
Lease liabilities	1,979,309	(709,591)	-	50,364	1,320,082
	<u>1,979,309</u>	<u>(709,591)</u>	<u>-</u>	<u>50,364</u>	<u>1,320,082</u>
2025					
Liabilities					
Lease liabilities	-	(59,132)	2,033,358	5,083	1,979,309
	<u>-</u>	<u>(59,132)</u>	<u>2,033,358</u>	<u>5,083</u>	<u>1,979,309</u>

15. Trade payables

	2026 S\$	2025 S\$
Trade payables to:		
- Third parties	<u>111,418</u>	<u>260,556</u>

These amounts are non-interest bearing. Trade payables are normally settled on 60 days' terms.

16. Other payables

	2026 S\$	2025 S\$
Current:		
- Rental Deposits Received	26,100	26,100
- Central Provident Fund Payable	688,738	533,438
- Payables and Accruals for Operating Expenses	409,845	419,072
- Funds Received in Advance and Others	<u>1,826,425</u>	<u>970,670</u>
	<u>2,951,108</u>	<u>1,949,280</u>

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Funds received in advance and others consists mainly of grants and donations received in advance to fund programmes in the following financial year:

	2026	2025
	S\$	S\$
Learning and Social Support Programme grant	115,058	163,803
Transformation Sustainability Scheme	103,067	-
Donation & grant for Pandemic related expenditure	49,167	90,233
CCT - Cyber Trust Mark and Data Protection Trust Mark	36,949	-
Grants for Research in progress	30,793	82,905
TBNTI - OD grant for CRM System support expense for next financial year	13,724	38,784
NYC Youth Alive programme grant	-	30,000
NCSS - Professional Development grant	2,627	2,627
Book Prize and Education Awards	500	1,500
Innovation initiative grant	-	12,345
NCSS -VWO Capability Fund - STAR	-	22,671
MSF Communitiy Chest - STAR	-	345,000
NCSS Rental Subsidy - IWC	56,882	56,882
AIC - CST Matching grant for approved projects	88,886	50,000
Donations for next financial year:		
BRYEA	208,962	-
STAR - Octava Foundation	275,000	-
STAR - Collective for a Stronger Society (CSS)	753,250	-
Trek X Programme	5,140	-
Reading Odyssey President Challenge	22,500	-
Youth COP Social Impact Guarantee	43,920	43,920
SHIFT	20,000	30,000
	<u>1,826,425</u>	<u>970,670</u>

17. Leases

Charity as a lessee

The Charity has lease contracts for office. There is a lease contract that includes extension option which is further discussed below.

The Charity has leases of office with low value. The Charity applies the 'short-term lease' recognition exemption for these leases.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

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

	Right of use assets S\$	Total S\$
As at 1 April 2024	-	-
Additions	2,033,358	2,033,358
Depreciation	(56,483)	(56,483)
As at 31 March 2025	1,976,875	1,976,875
Depreciation	(677,786)	(677,786)
As at 31 March 2026	1,299,089	1,299,089

(b) Lease liabilities

The carrying amounts of lease liabilities (included under lease liabilities) and the movements during the year are disclosed in Note 14 and the maturity analysis of lease liabilities is disclosed in Note 20.

(c) Amounts recognised in profit or loss

	2026 S\$	2025 S\$
Depreciation of right-of-use assets	677,786	56,483
Interest expense on lease liabilities	50,364	5,083
Lease expense not capitalised in lease liabilities:		
- Expense relating to short term lease and leases of low value assets (included in administrative and other expenses)	48,702	51,755
	776,852	113,321

(d) Total cash outflow

The Charity had total cash outflows for leases of \$758,293 (2025: \$110,887).

(e) Extension options

The Charity has several lease contracts that include extension options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Charity's business needs. Management exercises significant judgement in determining whether these extension options are reasonably certain to be exercised (Note 3.1).

Charity as a lessor

The Charity has entered into operating lease on its subleased property. This lease is negotiated for three years.

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The future minimum rental receivable under non-cancellable operating leases contracted for at the reporting date are as follows:

	2026	2025
	S\$	S\$
Within one year	104,400	104,400
Between 1 and 2 years	95,700	104,400
Between 2 and 3 years	-	95,700
	<u>200,100</u>	<u>304,500</u>

18. Significant related party transactions

None of the employees served on the Board. The Board members did not receive any remuneration during the year.

Compensation of key management personnel

	2026	2025
	S\$	S\$
Salaries and bonus	954,125	808,515
Employer's contribution to Central Provident Fund	95,201	80,867
	<u>1,049,326</u>	<u>889,382</u>

19. Fair value of assets and liabilities

(a) Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

20. Financial risk management

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

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

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The following sections provide details regarding the Charity's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

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

(a) Credit risk

The Charity has no significant credit risk as they are mainly receivables from government agencies/statutory board and credit worthy financial institutions. Procedures are in place to ensure on-going credit evaluation and active account monitoring.

(b) Liquidity risk

Liquidity risk refers to the risk that the Charity will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Charity's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Charity finances its working capital requirements through a combination of funds generated from operations. The Board is satisfied that funds are available to finance the operations of the Charity.

Analysis of financial instruments by remaining contractual maturities

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

		2026		
	Carrying amount S\$	Contractual cash flows S\$	One year or less S\$	Two to five years S\$
<u>Financial assets</u>				
Trade receivables	63,004	63,004	63,004	-
Other receivables	2,610,657	2,610,657	2,610,657	-
Cash and short-term deposits	20,484,692	20,484,692	20,484,692	-
Total undiscounted financial assets	23,158,353	23,158,353	23,158,353	-
<u>Financial liabilities</u>				
Trade payables	111,418	111,418	111,418	-
Other payables	2,951,108	2,951,108	2,951,108	-
Funds received in advance	9,484	9,484	-	9,484
Lease liabilities	1,320,082	1,360,048	709,590	650,458
Total undiscounted financial liabilities	4,392,092	4,432,058	3,772,116	659,942
Total net undiscounted financial assets/(liabilities)	18,766,261	18,726,295	19,386,237	(659,942)

SHINE CHILDREN AND YOUTH SERVICES

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		2025		
	Carrying amount S\$	Contractual cash flows S\$	One year or less S\$	Two to five years S\$
<u>Financial assets</u>				
Trade receivables	63,687	63,687	63,687	-
Other receivables	1,667,645	1,667,645	1,667,645	-
Cash and short-term deposits	18,128,308	18,128,308	18,128,308	-
Total undiscounted financial assets	19,859,640	19,859,640	19,859,640	-
<u>Financial liabilities</u>				
Trade payables	260,556	260,556	260,556	-
Other payables	1,949,280	1,949,280	1,949,280	-
Funds received in advance	17,961	17,961	-	17,961
Lease liabilities	1,979,309	2,069,638	709,590	1,360,048
Total undiscounted financial liabilities	4,207,106	4,297,435	2,919,426	1,378,009
Total net undiscounted financial assets/(liabilities)	15,652,534	15,562,205	16,940,214	(1,378,009)

21. Financial instruments by category

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

	2026 S\$	2025 S\$
Financial assets measured at amortised cost		
Trade receivables	63,004	63,687
Other receivables	2,610,657	1,667,645
Cash and short-term deposits	20,484,692	18,128,308
Total financial assets measured at amortised cost	23,158,353	19,859,640
Financial liabilities measured at amortised cost		
Trade payables	111,418	260,556
Other payables	2,951,108	1,949,280
Funds received in advance	9,484	17,961
Lease liabilities	1,320,082	1,979,309
Total financial liabilities measured at amortised cost	4,392,092	4,207,106

22. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 March 2026 were authorized for issue on 14 July 2026.