

**HABITAT FOR HUMANITY
SINGAPORE LTD**

[UEN. 200201617W]

[A Company limited by guarantee and not
Having share capital]

[Incorporated in the Republic of Singapore]

**AUDITED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30 JUNE 2025**

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Fiducia LLP

[UEN. T10LL0955L]

Public Accountants and
Chartered Accountants of Singapore

71 Ubi Crescent
Excalibur Centre #08-01
Singapore 408571
T: (65) 6846.8376
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DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited financial statements of Habitat For Humanity Singapore Ltd (the "Company") for the financial year ended 30 June 2025.

In the opinion of the directors,

- a) the financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 30 June 2025 and the financial performance, changes in funds and cash flows of the Company for the financial year then ended; and
- b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Alvin Liew Tian Seng
Christina Lu Qiu Xia
Daniel See Han Chiang
Leslie Shih Hiong Shing
Lydia Kam Yan Leng
Rainford Sobanan Kyle Sittampalam
Richard Giam Kee Choo
Sharon Cheah Ui Hoon
Timothy Chua Wee Kiong
Wye Yee Low

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

Other matters

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

Independent auditor

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

On behalf of the Board of Directors,

Signed by:

7A575C552A36400...
Daniel See Han Chiang
Director

Signed by:

0A742DFE7602484...
Alvin Liew Tian Seng
Director

Singapore, 3 December 2025

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Independent auditor's report to the member of:

Habitat For Humanity Singapore Ltd[UEN. 200201617W]
[A Company limited by guarantee and not having share
capital]
[Incorporated in the Republic of Singapore]**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Habitat For Humanity Singapore Ltd (the "Company"), which comprise the statement of financial position as at 30 June 2025, and the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Companies Act"), the Charities Act 1994 and other relevant regulations (the "Charities Act and Regulations") and Charities Accounting Standard ("CAS"), so as to give a true and fair view of the financial position of the Company as at 30 June 2025 and of the financial performance, changes in funds and cash flows of the Company for the financial year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (set out on pages 2 to 3), but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not 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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(CONT'D)

Independent auditor's report to the member of:

Habitat For Humanity Singapore Ltd[UEN. 200201617W]
[A Company limited by guarantee and not having share
capital]
[Incorporated in the Republic of Singapore]**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

Those charged with governance comprises the directors. Their responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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Habitat For Humanity Singapore Ltd[UEN. 200201617W]
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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required to be kept by the Company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

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

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

DocuSigned by:

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Fiducia LLP
Public Accountants and
Chartered Accountants

Singapore, 3 December 2025

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

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 S\$	2024 S\$
INCOME			
Incoming resources from generated funds			
- Voluntary income		339,577	1,253,452
- Fund generating activities		22,848	130
- Investment income		22,296	2,214
Income from charitable activities		631,450	608,186
Other income		20,756	29,976
	5	<u>1,036,927</u>	<u>1,893,958</u>
EXPENDITURE			
Cost of generating funds			
- Cost of generating voluntary income		6,628	36,087
- Cost of fund generating activities		142,019	87,223
Cost of charitable activities		1,149,854	1,036,968
Governance and administrative costs		489,717	378,293
Other expenditure		24,010	0
	7	<u>1,812,228</u>	<u>1,538,571</u>
NET (EXPENDITURE)/INCOME FOR THE FINANCIAL YEAR		<u>(775,301)</u>	<u>355,387</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 S\$	2024 S\$
ASSETS			
Current assets			
Cash and cash equivalents	9	3,974,150	4,780,269
Receivables	10	<u>61,362</u>	<u>21,525</u>
		<u>4,035,512</u>	<u>4,801,794</u>
Non-current assets			
Property, plant and equipment	11	<u>16,525</u>	<u>16,971</u>
Total assets		<u>4,052,037</u>	<u>4,818,765</u>
LIABILITIES			
Current liabilities			
Payables	12	<u>52,332</u>	<u>43,759</u>
Total liabilities		<u>52,332</u>	<u>43,759</u>
NET ASSETS		<u>3,999,705</u>	<u>4,775,006</u>
FUNDS			
Unrestricted funds			
General fund	13	2,899,705	3,675,006
Reserve fund	13	<u>1,100,000</u>	<u>1,100,000</u>
		<u>3,999,705</u>	<u>4,775,006</u>
Restricted funds			
Local programme	14	0	0
Build programme	14	<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
TOTAL FUNDS		<u>3,999,705</u>	<u>4,775,006</u>

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

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	Unrestricted funds			Restricted funds			Total funds
	General fund	Reserve fund	Total	Local programme	Build programme	Total	
2025							
Balance at beginning of financial year	3,675,006	1,100,000	4,775,006	0	0	0	4,775,006
Net expenditure for the financial year	(289,877)	0	(289,877)	(301,224)	(184,200)	(485,424)	(775,301)
Transfer of funds (Note 14)	(485,424)	0	(485,424)	301,224	184,200	485,424	0
Balance at end of financial Year	<u>2,899,705</u>	<u>1,100,000</u>	<u>3,999,705</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,999,705</u>
2024							
Balance at beginning of financial year	3,234,920	1,100,000	4,334,920	(152,457)	237,156	84,699	4,419,619
Net income/(expenditure) for the financial year	790,415	0	790,415	(87,424)	(347,604)	(435,028)	355,387
Transfer of funds (Note 14)	(350,329)	0	(350,329)	239,881	110,448	350,329	0
Balance at end of financial year	<u>3,675,006</u>	<u>1,100,000</u>	<u>4,775,006</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,775,006</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

	Note	2025 S\$	2024 S\$
Cash flows from operating activities			
Net (expenditure)/income for the financial year		(775,301)	355,387
Adjustments for:			
- Depreciation of property, plant and equipment	11	7,966	13,100
- Gain on disposal of property, plant and equipment		0	(400)
- Interest income		(22,296)	(2,214)
Operating cash flow before changes in working capital		(789,631)	365,873
Changes in working capital			
- Receivables		(19,475)	31,810
- Payables		8,573	(5,610)
Cash (used in)/generated from operations		(800,533)	392,073
- Interest income received		1,934	38,461
Net cash (used in)/generated from operating activities		(798,599)	430,534
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		0	400
Purchases of property, plant and equipment	11	(7,520)	(1,849)
Net cash used in investing activities		(7,520)	(1,449)
Net (decrease)/increase in cash and cash equivalents		(806,119)	429,085
Cash and cash equivalents at beginning of financial year		4,780,269	4,351,184
Cash and cash equivalents at end of financial year	9	3,974,150	4,780,269

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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

1. General information

Habitat For Humanity Singapore Ltd (the "Company") is incorporated and domiciled in Singapore. The Company's registered office and principal place of business is located at 56 Lorong 23 Geylang, #05-00, Century Technology Building, Singapore 388381.

The Company is a registered charity under the Charities Act 1994 since 27 April 2004, and has been accorded the status of an Institutions of Public Character ("IPC") for the period from 9 March 2023 to 8 March 2025 and has renewed its IPC status from 15 September 2025 to 14 March 2027.

The principal activities of the Company are those of promoting global habitat for humanity development by developing awareness and youth development programmes locally and beyond.

Each ordinary member undertakes to contribute to the assets of the Company in the event of it being wound up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the Company contracted before he ceases to be a member and of the costs, charges and expenses of winding up, such amount as may be required but not exceeding \$100. As of the reporting date, the Company has 10 members (2024: 10 members).

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Charities Accounting Standard ("CAS") and the disclosure requirements of the Companies Act 1967 and Charities Act 1994. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("S\$"), which is the Company's functional currency.

The accounting policies adopted are consistent with those used in the previous financial year.

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

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

2. Significant accounting policies (Cont'd)

2.2 Income recognition

Income is included in the statement of financial activities when the following three factors are met:

- The Company becomes entitled to the income;
- Management is virtually certain that they will receive the income; and
- The monetary value can be measured with sufficient reliability.

The following specific recognition criteria must also be met before income is recognised:

(a) *Income from generated funds*

- Voluntary income in the form of donations and activities for generating funds are recognised when received with unconditional entitlement to the receipts.
- Fund generating activities include income generated by fundraising events specifically to raise funds for the Company is recognised upon completion of events.
- Investment income comprised of interest earned from fixed deposits placed with banks, recognised on a time-proportion basis using the effective interest method.

(b) *Income from charitable activities*

Composed of donations from individuals and corporations for the programmes run by the Company. These are recognised as income once the criteria of certainty and measurement are met.

(c) *Other income*

Comprised of government credits, refunds, reimbursements, services rendered and are recognised as and when received.

2.3 Government grants

Grants including those for the acquisition of property, plant and equipment are recognised as income when there is evidence of entitlement, which will normally exist when the grant is formally expressed in writing. Where entitlement is demonstrable and no conditions are attached, such promises are recognised as income once the criteria of certainty and measurement are met.

Grants with conditions attached are only recognised as income when there is sufficient evidence that the conditions have been met. Income is deferred as a liability where uncertainty exists as to whether the Company can meet the conditions and is recognised as income when there is sufficient evidence that the conditions imposed can be met.

2.4 Expenditure recognition

Expenditures are recognised in the statement of financial activities once the goods or services have been received unless the expenditure qualifies for capitalisation as assets such as inventory and property, plant and equipment. Expenditure on performance-related grants are recognised to the extent the specified service or goods have been provided. Expenditure in the statement of financial activities are classified under the cost of generating funds, cost of charitable activities, governance and administrative costs and other expenditure.

(a) *Cost of generating funds*

These costs are directly attributable to the fund-raising activities, separate from those costs incurred in undertaking charitable activities. These costs are met by contributions in the form of cash sponsorships and grants.

2. Significant accounting policies (Cont'd)**2.4 Expenditure recognition (Cont'd)**

(b) Cost of charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Company. The total costs of charitable expenditure include an apportionment of overhead and shared costs.

(c) Governance and administrative costs

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

(d) Other expenditure

Other expenditure includes the payment of any expenditure that the Company has not been able to analyse within the main expenditure categories.

2.5 Financial assets

2.5.1 Recognition and measurement

Receivables, excluding prepayments, are initially recognised at their transaction price, excluding transaction costs, if any. Transaction costs are recognised as expenditure in the statement of financial activities as incurred. Prepayments are initially recognised at the amount paid in advance for the economic resources expected to be received in the future.

Receivables in financial assets are subsequently measured at cost less accumulated impairment losses.

2.5.2 Derecognition

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

2.5.3 Impairment

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

An allowance for impairment of receivables is recognised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance for impairment is recognised in the statement of financial activities within "Governance and administrative costs".

Subsequently, if the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. The reversal will not result in any carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The amount of reversal is recognised in the statement of financial activities.

2. Significant accounting policies (Cont'd)

2.6 Property, plant and equipment

2.6.1 Measurement

All property, plant and equipment are stated at cost less accumulated depreciation. All items of property, plant and equipment are initially recorded at cost. Fully depreciated assets still in use are retained in the financial statements.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- It is probable that future economic benefits associated with the item will flow to the Company; and
- The cost of the item can be measured reliably.

The cost of an item of property, plant and equipment comprises all of the following:

- a) Its purchase price, including legal and brokerage fees, import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- b) 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. These can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality; and
- c) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during the period.

Property, plant and equipment are not revalued and are not required to be assessed for impairment under CAS.

2.6.2 Depreciation

Depreciation is calculated on a straight-line basis to allocate the cost of the assets less residual values over their estimated useful lives. The estimated useful lives are as follows:

	<u>Years</u>
Furniture and fittings	5 to 10
Renovation	10
Vehicles	5
Computers	3
Software development	3

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

Fully depreciated assets still in use are retained in the financial statements.

2.6.3 Disposal

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 derecognition of the asset is recognised in the statement of financial activities in the year the asset is derecognised.

2. Significant accounting policies (Cont'd)**2.7 Cash and cash equivalents**

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

2.8 Financial liabilities

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

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

2.9 Other payables

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

2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. The amount of provision recognised is the best estimate of the expenditure required to settle the obligation at the reporting date. The best estimate of the expenditure required to settle the obligation is the amount that would rationally be paid to settle the obligation at the reporting date or to transfer it to a third party.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation at the reporting date. Any adjustments to the amounts previously recognised shall be recognised as expenditure in the statement of financial activities unless the provision was originally recognised as part of the cost of an asset.

2.11 Employee benefits**(a) Defined contribution plan**

As required by law, the Company contributes to the employee's Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to CPF contributions are recognised as compensation expenses in the same period as the employment that gives rise to the contribution.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period.

2. Significant accounting policies (Cont'd)

2.12 Operating leases as lessee

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of financial activities on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

Rental on operating lease is charged to the statement of financial activities.

2.13 Funds

(a) Unrestricted funds

The Company classifies the following funds as unrestricted assets:

- General fund
- Reserve fund

General fund is used for the general purposes of the Company as set out in its governing document. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund (known as "Designated Fund"). The designation has an administrative purpose only, and does not legally restrict the Board of Directors' discretion from applying the fund.

(b) Restricted funds

Restricted funds are funds subject to specific funded programmes by government, donors and charity bodies, but still within the wider objects of the Company.

Restricted funds may only be utilised in accordance with the purposes established by the sources of such funds and are in contrast with unrestricted funds over which the board of directors retains full control to use in achieving its institutional purposes.

The Company classifies the following funds as restricted funds:

- Local programme
- Build programme

2.14 Foreign currencies

Transactions in foreign currencies are measured in Singapore Dollar and recorded at exchange rates approximating those ruling at the transaction dates. Foreign currency monetary assets and liabilities are measured using the exchange rates ruling at the reporting date. All exchange differences are recognised in the statement of financial activities.

2.15 Contingencies

Contingent liabilities are not recognised in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefit is probable.

2.16 Events after the reporting date

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

3. Critical accounting estimates, assumptions and judgements

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

3.1 Critical judgements in applying the entity's accounting policies

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

Government grants

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

At the reporting date, the management assessed the Company has met the conditions attached to the grants.

3.2 Critical accounting estimates and assumptions

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

Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment are estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 30 June 2025 and 30 June 2024 were disclosed in Note 11.

4. Income tax

The Company is a registered Charity under the Charities Act 1994 since 27 April 2004. Consequently, the income is exempted from income tax under provision of Section 13(1) of the Income Tax Act 1947.

5. Income

	Note	2025					2024	
		Unrestricted Fund		Restricted Funds			Total Funds S\$	Total Funds S\$
		General Fund S\$	Total Unrestricted Fund S\$	Local Programme S\$	Build Programme S\$	Total Restricted Funds S\$		
Incoming resources from generated funds								
<u>Voluntary income</u>								
- Donations-in-cash	6	326,609	326,609	0	0	0	326,609	753,452
- Tote Board Matching grant		0	0	12,968	0	12,968	12,968	500,000
		<u>326,609</u>	<u>326,609</u>	<u>12,968</u>	<u>0</u>	<u>12,968</u>	<u>339,577</u>	<u>1,253,452</u>
<u>Fund generating activities</u>								
- Fund-raising events	17	0	0	20,798	2,050	22,848	22,848	0
- Sales of merchandise		0	0	0	0	0	0	130
		<u>0</u>	<u>0</u>	<u>20,798</u>	<u>2,050</u>	<u>22,848</u>	<u>22,848</u>	<u>130</u>
<u>Investment income</u>								
- Interest income from banks		22,296	22,296	0	0	0	22,296	2,214
		<u>22,296</u>	<u>22,296</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,296</u>	<u>2,214</u>
Income from charitable activities								
Programme income	6	0	0	274,474	356,976	631,450	631,450	608,186
		<u>0</u>	<u>0</u>	<u>274,474</u>	<u>356,976</u>	<u>631,450</u>	<u>631,450</u>	<u>608,186</u>
Other income								
Gain on disposal of property, plant and equipment		0	0	0	0	0	0	400
Other government grants:								
- Progressive wage credit scheme		16,022	16,022	0	0	0	16,022	26,613
- Others		4,734	4,734	0	0	0	4,734	2,477
Net foreign exchange gain		0	0	0	0	0	0	70
Miscellaneous income		0	0	0	0	0	0	416
		<u>20,756</u>	<u>20,756</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,756</u>	<u>29,976</u>
TOTAL INCOME		<u>369,661</u>	<u>369,661</u>	<u>308,240</u>	<u>359,026</u>	<u>667,266</u>	<u>1,036,927</u>	<u>1,893,958</u>

6. Donations

		2025 S\$	2024 S\$
Tax deductible donations		312,983	887,902
Non-tax deductible donations		<u>645,076</u>	<u>473,736</u>
		<u>958,059</u>	<u>1,361,638</u>
		2025 S\$	2024 S\$
The donations were allocated as follows:			
- Donations-in-cash	5	326,609	753,452
- Programme income	5	<u>631,450</u>	<u>608,186</u>
		<u>958,059</u>	<u>1,361,638</u>

During the financial year, the Company issued tax-exempt receipts for donations collected amounting to S\$312,983 (2024: S\$888,302) pursuant to its Institutions of a Public Character ("IPC") status.

7. Expenditure

	Note	2025					2024	
		Unrestricted Fund		Restricted Funds			Total Funds	
		General Fund S\$	Total Unrestricted Fund S\$	Local Programme S\$	Build Programme S\$	Total Restricted Funds S\$	Total Funds S\$	
Cost of generating funds								
<u>Cost of generating voluntary income</u>								
- Use of Habitat brand	15	6,628	6,628	0	0	0	6,628	36,087
<u>Cost of fund generating activities</u>								
- Salaries, benefits and related costs	8	107,396	107,396	0	0	0	107,396	47,546
- CPF	8	18,251	18,251	0	0	0	18,251	11,887
- Other staff benefits	8	1,891	1,891	0	0	0	1,891	0
- Event expenses		4,749	4,749	0	0	0	4,749	11,315
- Fund-raising expenses	17	0	0	408	0	408	408	0
- Other expenses		2,130	2,130	0	0	0	2,130	7,191
- Office rental expenses	16	7,194	7,194	0	0	0	7,194	8,056
- Depreciation		0	0	0	0	0	0	1,228
		<u>141,611</u>	<u>141,611</u>	<u>408</u>	<u>0</u>	<u>408</u>	<u>142,019</u>	<u>87,223</u>
Total cost of generating funds		<u>148,239</u>	<u>148,239</u>	<u>408</u>	<u>0</u>	<u>408</u>	<u>148,647</u>	<u>123,310</u>

7. Expenditure (Cont'd)

	Note	2025					2024	
		Unrestricted Fund		Restricted Funds			Total Funds S\$	Total Funds S\$
		General Fund S\$	Total Unrestricted Fund S\$	Local Programme S\$	Build Programme S\$	Total Restricted Funds S\$		
Cost of charitable activities								
- Salaries, benefits and related costs	8	0	0	384,926	156,127	541,053	541,053	424,608
- CPF	8	0	0	63,661	26,059	89,720	89,720	71,545
- Other staff benefits	8	0	0	0	0	0	0	2,925
- Use of Habitat brand	15	0	0	7,151	8,821	15,972	15,972	17,852
- Advertising and promotion		0	0	551	126	677	677	0
- Bank charges		0	0	263	4,114	4,377	4,377	3,744
- Depreciation		0	0	3,739	1,135	4,874	4,874	8,925
- General expenses		0	0	5,048	2,912	7,960	7,960	14,715
- Office rental expenses	16	0	0	42,859	13,000	55,859	55,859	58,541
- Office supplies		0	0	518	142	660	660	1,014
- Photocopies		0	0	247	75	322	322	248
- Postage and courier		0	0	62	40	102	102	214
- Programme costs		0	0	56,045	315,866	371,911	371,911	401,866
- Professional fees		0	0	21,354	6,469	27,823	27,823	0
- Repairs and maintenance		0	0	6,422	1,617	8,039	8,039	8,839
- Telephone and fax		0	0	2,282	719	3,001	3,001	2,819
- Training		0	0	1,477	484	1,961	1,961	562
- Transportation		0	0	4,940	709	5,649	5,649	7,783
- Travelling		0	0	2,093	2,774	4,867	4,867	4,953
- Utilities		0	0	3,857	1,170	5,027	5,027	5,815
		<u>0</u>	<u>0</u>	<u>607,495</u>	<u>542,359</u>	<u>1,149,854</u>	<u>1,149,854</u>	<u>1,036,968</u>

7. Expenditure (Cont'd)

	Note	2025					2024	
		Unrestricted Fund		Restricted Funds			Total Funds S\$	Total Funds S\$
		General Fund S\$	Total Unrestricted Fund S\$	Local Programme S\$	Build Programme S\$	Total Restricted Funds S\$		
Governance and administrative costs								
- Salaries, benefits and related costs	8	365,455	365,455	0	0	0	365,455	268,770
- CPF	8	50,482	50,482	0	0	0	50,482	41,199
- Other staff benefits	8	21,323	21,323	0	0	0	21,323	16,407
- Audit fee		7,848	7,848	0	0	0	7,848	7,848
- Depreciation		3,092	3,092	0	0	0	3,092	2,948
- General expenses		990	990	0	0	0	990	3,623
- Insurance		2,982	2,982	1,562	867	2,429	5,411	9,114
- Office rental expenses	16	23,275	23,275	0	0	0	23,275	19,335
- Professional fees		333	333	0	0	0	333	1,382
- Travelling		1,488	1,488	0	0	0	1,488	1,207
- Photocopies		176	176	0	0	0	176	82
- Repairs and maintenance		3,791	3,791	0	0	0	3,791	2,777
- Utilities		2,742	2,742	0	0	0	2,742	1,921
- Telephone and fax		1,622	1,622	0	0	0	1,622	886
- Training		1,001	1,001	0	0	0	1,001	375
- Bank charges		312	312	0	0	0	312	229
- Office supplies		332	332	0	0	0	332	154
- Postage and courier		44	44	0	0	0	44	36
		<u>487,288</u>	<u>487,288</u>	<u>1,562</u>	<u>867</u>	<u>2,429</u>	<u>489,717</u>	<u>378,293</u>
Other expenditure								
- Net foreign exchange losses		24,010	24,010	0	0	0	24,010	0
		<u>24,010</u>	<u>24,010</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,010</u>	<u>0</u>
TOTAL EXPENDITURE		<u>659,537</u>	<u>659,537</u>	<u>609,465</u>	<u>543,226</u>	<u>1,152,691</u>	<u>1,812,228</u>	<u>1,538,571</u>

8. Staff costs

	Note	2025 S\$	2024 S\$
Salaries, allowances and bonuses		1,012,036	743,722
Employer's CPF contribution		158,453	121,118
Fringe benefits		23,214	18,444
Skill development fund		1,868	1,603
		<u>1,195,571</u>	<u>884,887</u>
The staff costs were allocated as follows:			
• Cost of generating funds	7	127,538	59,433
• Cost of charitable activities	7	630,773	499,078
• Governance and administrative costs	7	437,260	326,376
		<u>1,195,571</u>	<u>884,887</u>

9. Cash and cash equivalents

	2025 S\$	2024 S\$
Cash on hand	5,570	5,842
Cash at bank	2,038,168	2,845,950
Fixed deposits	1,930,412	1,928,477
	<u>3,974,150</u>	<u>4,780,269</u>

The fixed deposits will mature within 1 month (2024: 1 month) from the financial year end and earn an interest rate of 0.10% to 2.20% (2024: 0.10% to 0.40%) per annum.

Fixed deposits with original tenures for more than 3 months are included as cash and cash equivalents as these can be readily converted into cash without incurring significant penalty.

Cash and cash equivalents at the reporting date were denominated in the following currencies:

	2025 S\$	2024 S\$
Singapore Dollar	3,537,777	4,561,373
United States Dollar	436,360	218,883
Others	13	13
	<u>3,974,150</u>	<u>4,780,269</u>

10. Receivables

	2025 S\$	2024 S\$
Deposits	20,780	21,525
Interest receivables	20,362	0
Donation receivables	20,220	0
	<u>61,362</u>	<u>21,525</u>

11. Property, plant and equipment

	Vehicles S\$	Renovation S\$	Furniture and fittings S\$	Computers S\$	Software development S\$	Total S\$
Cost						
At 1 July 2023	179,520	20,779	88,296	70,145	64,200	422,940
Additions	0	0	0	1,849	0	1,849
Disposal	0	0	0	(2,000)	0	(2,000)
Write-off	0	0	0	(1,614)	0	(1,614)
At 30 June 2024	179,520	20,779	88,296	68,380	64,200	421,175
Additions	0	0	0	7,520	0	7,520
At 30 June 2025	179,520	20,779	88,296	75,900	64,200	428,695
Accumulated depreciation						
At 1 July 2023	179,520	10,390	78,632	61,976	64,200	394,718
Depreciation	0	2,078	2,671	8,351	0	13,100
Disposal	0	0	0	(2,000)	0	(2,000)
Write-off	0	0	0	(1,614)	0	(1,614)
At 30 June 2024	179,520	12,468	81,303	66,713	64,200	404,204
Depreciation	0	2,078	2,331	3,557	0	7,966
At 30 June 2025	179,520	14,546	83,634	70,270	64,200	412,170
Carrying amount						
30 June 2024	0	8,311	6,993	1,667	0	16,971
30 June 2025	0	6,233	4,662	5,630	0	16,525

12. Payables

	2025 S\$	2024 S\$
Accruals	8,942	16,507
Amount due to a related party	0	20,252
Deferred income	8,600	7,000
Provision for unutilised leaves	27,233	0
Other payables	7,557	0
	<u>52,332</u>	<u>43,759</u>

As at the reporting date, the deferred income relates to the funding received from sponsors and donors for supporting the housing projects. The amounts will be recognised subsequently upon the completion of the projects.

13. Unrestricted fundsGeneral Fund

This is a general-purpose fund to be used for non-specific purpose at the discretion of the directors in furtherance of the Company's objects.

Reserve Fund

This fund is set aside to meet urgent operating expenses in the event where there is a shortfall of current donations to enable the Company to meet current operating liabilities. The use of the reserve must be approved by the Board of the Company.

14. Restricted funds

14.1 Local Programme

This is a programme to help old folks by cleaning and repairing their 1-room and 2-room rental flats in Singapore and reaching out to youth at risk.

14.2 Build Programme

This fund is received from volunteers participating in overseas build programmes conducted by the Company.

14.3 Transfer of funds

The Board of Directors approved the transfer of S\$485,424 and S\$350,329, from general fund to respective restricted funds for the financial year ended 30 June 2025 and 30 June 2024 on 3 December 2025 and 9 December 2024, respectively, as follow to cover the operating deficit of those programmes:

	2025 S\$	2024 S\$
Local programme	301,224	239,881
Build programme	<u>184,200</u>	<u>110,448</u>
	<u><u>485,424</u></u>	<u><u>350,329</u></u>

15. Related party transactions

- a) The following transactions took place between the Company and related party during the financial year at terms agreed between the parties:

	2025 S\$	2024 S\$
<u>With Habitat for Humanity International, Inc.</u>		
Management fee – Use of Habitat brand	<u>22,600</u>	<u>53,939</u>

Habitat for Humanity International, Inc. (“HFHI”) through various agreements and covenants has an ability to exercise significant influence over the financial and operating decisions of the Company. The directors therefore regard HFHI as a related party.

HFHI under the Memorandum of Understanding signed with the Company agrees to:

- i. Provide technical assistance, strategic consulting services and program review as mutually agreed; and
 - ii. Provide funding support through cooperative fundraising efforts in response to specific approved Company’s proposal.
- b) Key management personnel compensation

None of the directors received any compensation during the current financial year and prior financial year.

The remuneration of the key management personnel, other than the directors, for the financial year is as follows:

	2025 S\$	2024 S\$
Salaries, allowance and bonuses	152,167	44,060
CPF and SDL contributions	<u>16,164</u>	<u>5,440</u>
	<u>168,331</u>	<u>49,500</u>
	No. of key management personnel	No. of key management personnel
Remuneration band		
- S\$100,000 and below	0	1
- S\$100,001 to S\$200,000	<u>1</u>	<u>0</u>

16. Operating lease commitments

The Company has entered into commercial lease on office premises and warehouse usage. In 2024, the lease for office premises was renewed for another 3 years starting from 1 January 2024. For the financial year ended 30 June 2025, the rental expense amounted to S\$86,328 (2024: S\$85,932). At the reporting date, the lease for the office premises has a remaining tenure of 18 months (2024: 30 months). There are no contingent rent provision included in both contracts.

Office rental expenses were allocated as follows:

	Note	2025 S\$	2024 S\$
General fund			
- Cost of generating funds	7	7,194	8,056
- Governance and administrative costs	7	23,275	19,335
Local programme			
- Cost of charitable activities	7	42,859	45,436
Build programme			
- Cost of charitable activities	7	<u>13,000</u>	<u>13,105</u>
		<u>86,328</u>	<u>85,932</u>

Future minimum lease payments payable under non-cancellable operating lease as at year-end are as follows:

	2025 S\$	2024 S\$
Within one financial year	86,328	86,328
Within two to five financial years	<u>43,164</u>	<u>129,492</u>
	<u>129,492</u>	<u>215,820</u>

17. Fund-raising expenses

	Note	2025 S\$	2024 S\$
Gross donations	5	22,848	0
Direct cost of fund-raising expenses	7	<u>408</u>	<u>0</u>
Percentage of direct fund-raising expenses over gross donations		<u>1.79%</u>	<u>0%</u>

18. Reserve position and policy

The Company's reserve position for the financial years ended 30 June 2025 and 30 June 2024 are as follows:

		2025	2024	Increase/ (decrease)
		S\$'000	S\$'000	%
A	Unrestricted Funds			
	General Fund	2,900	3,675	(21.09)
	Reserve Fund	1,100	1,100	0.00
B	Restricted or Designated Funds			
	Local Programme	0	0	0.00
	Build Programme	0	0	0.00
C	Endowment Fund	N/A	N/A	N/A
D	Total Funds	4,000	4,775	(16.23)
E	Total Annual Operating Expenditure	1,812	1,539	17.74
F	Ratio of Funds to Annual Operating Expenditure (D/E)	2.21	3.10	

Reference:

- C. An endowment fund consists of assets, funds or properties that are held in perpetuity, which produce annual income flow for a foundation to spend as grants.
- D. Total Funds include unrestricted, restricted / designated and endowment funds.
- E. Total Annual Operating Expenditure includes expenses related to direct Cost of Generating Funds, Cost of Charitable Activities and Governance and Administrative costs.

The Company's reserve policy is as follows:

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

19. Management of conflict interest

During the current and previous financial year, none of the Board members received any remuneration from the Company.

Board and Management members are required to disclose any interest that they may have, whether directly or indirectly, that the Company may enter into or in any organisations that the Company has dealings with or is considering dealing with; and any personal interest accruing to him as one of the Company's supplier, user of services or beneficiary. Should there be any potential conflict of interest, the affected members may not vote on the issue that was the subject matter of the disclosure. Detailed minutes will be taken on the disclosure as well as the basis for arriving at the final decision in relation to the issue at stake.

20. Authorisation of financial statements

The financial statements for the financial year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 3 December 2025.