

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)
(Incorporated in Singapore)

FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2025 TOGETHER WITH
EXECUTIVE COMMITTEE'S STATEMENT AND
INDEPENDENT AUDITOR'S REPORT

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

TABLE OF CONTENTS

	PAGE
Executive Committee's Statement	1
Independent Auditor's Report	2 - 4
Statement of Income and Expenditure	5
Statement of Financial Position	6
Statement of Changes in Fund	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 23

SINGAPORE ASSOCIATION FOR COUNSELLING

(Unique Entity Number: S83SS0024D)

EXECUTIVE COMMITTEE'S STATEMENT

For the financial year ended 31 December 2025

The Executive Committee is pleased to present their statement to the members together with the audited financial statements of Singapore Association For Counselling (the "Association") for the financial year ended 31 December 2025.

Opinion of the Executive Committee

In the opinion of the Executive Committee,

- (a) The financial statements of the Association are drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2025 and the statement of income and expenditure, changes in accumulated fund and cash flows of the Association for the year then ended; and
- (b) At the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

Executive Committee

The Executive Committee of the Association in office at the date of this statement are:

Mr Lam Kee Soon Andy
Ms Giam Xiuhui, Jenny
Ms Hema Gurnani
Ms Au Hoi Ting
Ms Cindy Loh Bee Chin
Ms Xiao Li En
Dr Anthony Wong Teck Boon
Ms Denise Yap
Ms Lim Bee Bee Carolyn
Ms Ruth Chua Wang Soon
Mr Sam Roberts
A/P Frederick Low Poi Kee
Ms Chang Chen Ern Lydia (Lim C.E Lydia)

On behalf of the Executive Committee,



Lam Kee Soon Andy
President



Xiao Li En
Hon. Treasurer

Singapore
7 April 2026

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Association for Counselling (the Association), which comprise the statement of financial position of the Association as at 31 December 2025, and the statement of income and expenditure, statement of changes in funds and statement of cash flows of the Association 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 Societies Act 1966 and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Association as at 31 December 2025 and of the financial performance, changes in funds and cash flows of the Association for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association 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 Executive Committee's statement.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management and Executive Committee 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 Societies Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible overseeing the Association'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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE ASSOCIATION FOR COUNSELLING
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

Report on the Audit of the Financial Statements (Continued)

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

- 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 Association'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 Association 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 by the Societies Act to be kept by the Association have been properly kept in accordance with the provisions of the Societies Act and Regulations.

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WISEPOOL ASSURITY PAC
Public Accountants and
Chartered Accountants
Singapore

7 April 2026

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

	Note	2025 SGD	2024 SGD
Income	4	395,139	301,738
Other income	5	7,821	8,665
Other expenses		(297,160)	(188,016)
Interest expense on lease liability		(1,518)	-
Surplus before tax	6	<u>104,282</u>	<u>122,387</u>
Income tax	7	<u>(8,213)</u>	<u>(10,778)</u>
Surplus for the year, representing total comprehensive surplus for the year		<u>96,069</u>	<u>111,609</u>

The accompanying notes are an integral part of the financial statements.

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025
(Amounts in Singapore Dollars)

	Note	2025 SGD	2024 SGD
ASSETS			
Non-current assets			
Equipment	8	10,494	1,349
Right-of-use asset	9	27,654	-
		<u>38,148</u>	<u>1,349</u>
Current assets			
Cash and bank balances	10	937,088	813,393
Trade receivables	11	2,400	3,945
Other receivables		5,397	9,402
Prepayments		9,150	11,684
Total current assets		<u>954,035</u>	<u>813,393</u>
TOTAL ASSETS		<u>992,183</u>	<u>839,773</u>
LIABILITIES			
Current liabilities			
Trade payables and other payables	12	102,654	73,339
Lease liability	13	22,418	-
Income tax payable		8,000	9,189
Total current liabilities		<u>133,072</u>	<u>82,528</u>
Non-current liability			
Lease liability	13	5,797	-
		<u>5,797</u>	<u>-</u>
TOTAL LIABILITIES		<u>138,869</u>	<u>82,528</u>
NET ASSETS		<u>853,314</u>	<u>757,245</u>
EQUITY			
Accumulated funds		757,245	645,636
Current year surplus		96,069	111,609
TOTAL FUNDS		<u>853,314</u>	<u>757,245</u>

The accompanying notes are an integral part of the financial statements.

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

Accumulated Funds	2025 SGD	2024 SGD
Balance at the beginning of year	757,245	645,636
Surplus for the year	<u>96,069</u>	<u>111,609</u>
Balance at the end of year	<u>853,314</u>	<u>757,245</u>

The accompanying notes are an integral part of the financial statements.

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

		2025 SGD	2024 SGD
	Note		
Cash flows from operating activities			
Surplus before tax		104,282	122,387
Adjustments:			
Amortisation of ROU-asset	9	16,593	-
Allowance of expected credit loss		288	
Depreciation of equipment	8	4,535	270
Interest expense on lease liability		1,518	-
		<u>127,216</u>	<u>122,657</u>
Changes in working capital:			
Trade receivables		1,257	(2,345)
Other receivables and prepayments		6,539	(15,428)
Trade and other payables		29,315	38,176
Cash generated from operations		<u>164,327</u>	<u>143,060</u>
Tax paid		(9,402)	(14,646)
Net cash from operating activities		<u>154,925</u>	<u>128,414</u>
Cash flows from investing activities			
Purchase of equipment		<u>(13,680)</u>	<u>(1,619)</u>
Net cash flows used in investing activities		<u>(13,680)</u>	<u>(1,619)</u>
Cash flows from investing activities			
Lease payments		<u>(17,550)</u>	<u>-</u>
Net cash flows used in investing activities		<u>(17,550)</u>	<u>(1,619)</u>
Net increase in cash and cash equivalents		123,695	126,795
Cash and cash equivalents at beginning of year		813,393	686,598
Cash and cash equivalents at end of year		<u>937,088</u>	<u>813,393</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

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

1. GENERAL INFORMATION

Singapore Association for Counselling (the "Association") is a professional body representing the interests of counsellors and psychotherapists in Singapore. In current financial year, the address of the Association's principal place of operation and registered office has been changed from 190 Clemenceau Avenue #06-01, Work Central Offices Singapore 239924 to 151 Chin Swee Road, #03-12 Manhattan House, Singapore 169876.

The principal activities of the Association is generating knowledge sharing and establishing best practice standards, and to generate continued growth of the profession to meet the interests of clients.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below and are drawn up in accordance with the Singapore Financial Reporting Standards ("FRS").

The preparation of the financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Association's accounting policies. It also requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There were no significant critical accounting estimates and assumptions used, or critical judgment applied.

2.2 Adoption of new and revised standards

On 1 January 2025, the Association adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application from that date. Changes to the Association's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS. The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Association's accounting policies and had no material effect on the amounts reported for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.3 Standard issued but not yet effective

A number of new standards and amendments to standards that have been issued are not yet effective and have not been applied in preparing these financial statements. The Executive Committee 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.

<u>Descriptions</u>	<u>Effective for annual periods</u>
Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvement to FRSs Volume 11	1 January 2026
FRS 118 Presentation and Disclosure in Financial Statements	1 January 2027
FRS 119 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

2.4 Foreign currency transactions and balances

The financial statements are presented in Singapore Dollars 'SGD', which is the functional currency of the Association.

Transactions in a currency other than the functional currency ("foreign currency") are measured in the respective functional currency of the Association and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.5 Equipment

All items of equipment are initially recorded at cost. The cost of an item of equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of an item of equipment including subsequent expenditure is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Association and the cost of the item can be measured reliably. When significant parts of equipment are required to be replaced in intervals, the Association recognises such parts as individual assets with specific lives and depreciation, respectively.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance expenses are recognised in income and expenditure when incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.5 Equipment (Continued)

After initial recognition, equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

All equipment are depreciated using the straight-line method to write-off the cost of the assets over their estimated useful lives as follows:

	<u>Useful lives (Years)</u>
Computer	3
Systems and software	1
Right-of-use asset (office premise)	Over the lease term of 2 years

The estimated useful life and depreciation method are reviewed, and adjusted as appropriate, at each reporting date to ensure that the amount, method and period of depreciation are consistent with the expected pattern of economic benefits from items of equipment. Fully depreciated assets are retained in the financial statements until they are no longer in use.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on retirement or disposal is determined as the difference between any sales proceeds and the carrying amounts of the asset and is recognised in the income and expenditure.

2.6 Impairment of non-financial assets

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

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.7 Financial instruments

Financial assets and liabilities

Initial recognition and measurement

Other financial assets and financial liabilities are recognised on the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the financial instrument.

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

Classification and subsequent measurement

Financial assets

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments. As at reporting date, the Association has only financial assets at amortised cost.

Financial assets at amortised costs

Unless designated at Fair value through profit or loss (FVPL), financial assets are measured at amortised costs if:

- It is held within a business model with an objective to hold the assets to collect contractual cash flows; and
- Its contractual cash flows comprise of solely principal and interest on the principal amount outstanding

Trade and other receivables, cash and cash equivalents, are subsequently measured at amortised costs using the effective interest rate method, which is reduced by impairment losses. Interest income, foreign exchange differences, and impairment are recognised in income and expenditure. Any gain or loss on derecognition is recognised in income and expenditure.

Financial liabilities

Financial liabilities are subsequently measured at amortised costs unless it is held for trading (including derivative liabilities), or designated as financial liabilities at FVPL on initial recognition to significantly reduce accounting mismatch or when a group of financial liabilities are managed whose performance is evaluated on a fair value basis.

Financial liabilities at amortised costs are subsequently measured at amortised costs using the effective interest rate method. Interest expense and foreign exchange differences are recognised in income and expenditure. These financial liabilities mainly comprise other payables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.7 Financial instruments (Continued)

Derecognition

Financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all the risks and rewards of ownership or in which the Association neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets. On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the derecognition date and the sum of the consideration received is recognised in income and expenditure.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e., the date that the Association commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of the assets within the period generally established by regulation or convention in the marketplace concerned.

Financial liabilities

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires. The Association also derecognises the financial liabilities when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount of the financial liabilities extinguished, or transferred and the consideration paid (including non-cash transferred or liabilities assumed) is recognised in income and expenditure.

Offsetting

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

Impairment of financial assets

The Association applies impairment model in FRS 109 to measure the Expected Credit Losses (ECL) of the following categories of assets:

- Financial assets at amortised costs (including trade receivables)

ECLs are probability-weighted estimates of credit losses, which are measured at the present value of all cash shortfalls (difference between the cash flows due to the Association in accordance with the contracts and the cash flows that the Association expects to receive), discounted at effective interest rate of the financial asset. The expected cash flows include cash flows from the sale of collaterals held, if any, or other credit enhancements that are integral to the contractual terms.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.7 Financial instruments (Continued)

Impairment of financial assets (Continued)

Simplified approach

The Association applies simplified approach to all trade receivables. Impairment loss allowance is measured at Life time ECL, which represents ECLs that result from all possible default events over the expected life of a financial instrument ('life-time ECL'). The Association has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to those customers and the economic environment.

General approach

The Association applies general approach on all other financial instruments and financial guarantee contracts, and recognises a 12-month ECL on initial recognition. 12-month ECL are ECLs that result from possible default events within 12 months after the reporting date or up to the expected life of the instrument, if shorter.

Impairment loss allowance or reversals are recognised in income and expenditure. Loss allowance on financial assets at amortised cost and contract assets are deducted from the gross carrying amount of those assets.

Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in the active markets (such as exchange traded and over-the-counter securities and derivatives) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets are the current bid prices.

2.8 Leases

The Association assesses whether a contract is or contains a lease, at inception of the contract. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

At the lease commencement date, the Association recognises a Right-of-Use (ROU) asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases and low-value leases as described below.

ROU assets

ROU assets are initially measured at cost, which comprise the initial amount of lease liability, any lease payment made at or before commencement date, plus initial direct costs incurred, less lease incentives received. Initial direct costs are costs that would not have been incurred if the lease had not been obtained.

Whenever the Association incurs obligations for costs to dismantle and remove a leased asset, restore the site or the underlying asset to the condition required by the terms and conditions of the lease contract, a provision is recognised and measured under FRS 37; and included in the carrying amount of the ROU assets to the extent that the costs relate to a ROU asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.8 Leases (Continued)

ROU asset

ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from commencement date to the earlier of end of lease terms and useful life of the ROU assets. In addition, the ROU assets are also adjusted for certain remeasurement of lease liability.

ROU assets are presented as a separate line in the statement of financial position.

At commencement or modification of a contract that contains lease and non-lease component, the Association allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease and non-lease component.

Lease liability

Lease liability is initially measured at the present value of lease payments discounted using interest rate implicit in the lease, or if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Association uses the incremental borrowing rate as the discount rate, which is estimated by reference to interest rates from various external financing sources for similar terms such as lease terms, type of assets leases and economic environment.

The following lease payments are included in the measurement of lease liability:

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

Lease liability is measured at amortised cost using effective interest method. Remeasurement of lease liability (and corresponding adjustment to ROU asset, or to profit or loss when the ROU asset has been reduced to zero) is required when there is:

- a change in future lease payments arising from changes in an index or a rate, in which case the initial discount rate is used;
- a change in the Association's assessment of whether it will exercise an extension or termination option, in which case a revised discount rate is used; or
- modification in the scope or the consideration of the lease that was not part of the original term and not accounted for as separate lease, in which case a revised discount rate at effective date of modification is used.

Exemption / exclusion

For short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, the Association recognises the lease payments in profit or loss as an operating expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.9 Cash and cash equivalent

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

2.10 Provisions

General

A provision is recognised when the Association has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. Where the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.11 Revenue from contracts with customers

The Association recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customers, at an amount that reflects the consideration to which the Association expects to be entitled in exchange for those goods or services. Unless otherwise mentioned, the Association concludes that it is acting as a principal in the provision of goods or services in its contracts with customers.

2.12 Other income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the effective interest rates applicable.

2.13 Employees' benefits

(i) 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 Association 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.

(ii) Retirement benefits

The Association makes contributions to the Central Provident Fund (CPF) Scheme in Singapore, a defined contribution pension scheme.

Obligations for contributions to defined contribution retirement plans are recognised as an expense in the period in which the related service is performed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.14 Income tax

(a) Current income tax

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

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

(b) Deferred tax

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

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

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

2.15 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Association if that person:
- (i) Has control or joint control over the Association;
 - (ii) Has significant influence over the Association; or
 - (iii) Is a member of the key management personnel of the Association or of a parent of the Association.
- (b) An entity is related to the Association if any of the following conditions applies:
- (i) The entity and the Association are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Association or an entity related to the Association.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

2.15 Related parties (Continued)

- (b) An entity is related to the Association if any of the following conditions applies:
- (vii) A person identified in (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3. CRITICAL JUDGEMENTS IN APPLYING THE ASSOCIATION'S ACCOUNTING POLICIES

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.

(i) Critical accounting estimates and assumptions

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no 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.

(ii) Critical judgements in applying the entity's accounting policies

There are no judgements made by management in the process of applying the Association's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

4. REVENUE

	2025 SGD	2024 SGD
Membership subscription fees	330,423	257,560
Course recognition fees	30,916	17,299
Organised event fees	3,035	6,354
Advertising income	30,765	20,525
	<u>395,139</u>	<u>301,738</u>

5. OTHER INCOME

	2025 SGD	2024 SGD
Interest received - fixed deposits	6,587	8,305
Others	1,234	360
	<u>7,821</u>	<u>8,665</u>

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

6. SURPLUS PROFIT BEFORE TAX

Surplus for the year has been arrived after charging/ (crediting):

	2025 SGD	2024 SGD
Accounting fees	12,130	12,310
Allowance for expected credit loss	288	-
Amortisation of ROU-asset	16,593	-
Internet and website expenses	14,487	10,795
Rental expenses	4,938	14,475
Salaries	157,406	102,723
Contributions to Central Provident Fund	26,929	17,468
Event and meeting expenses	13,723	11,750
Publication expenses	23,544	-
	<u>23,544</u>	<u>-</u>

7. INCOME TAX

The major components of income tax expense for the years ended 31 December 2025 and 2024 were as follows:

	2025 SGD	2024 SGD
Current income tax		
- Current year	8,000	9,189
- Under/(over) provision in prior years	213	1,589
	<u>8,213</u>	<u>10,778</u>

The reconciliation of the tax expense and the product of accounting surplus multiplied by the applicable rate is as follows:

	2025 SGD	2024 SGD
Surplus before income tax	<u>104,282</u>	<u>122,387</u>
Tax at the applicable tax rate of 17%	17,728	20,806
Tax effect of:		
- Full/partial exemption of income	(9,890)	(11,617)
- Others temporary differences	162	-
Under/(over) provision in prior years	213	1,589
Income tax expense	<u>8,213</u>	<u>10,778</u>

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

8. EQUIPMENT

	Computer Equipment SGD	Systems and Software SGD	Renovation SGD	Total SGD
At 1 January 2024	5,987	21,300	-	27,287
Additions	1,619	-	-	1,619
At 31 December 2024/ 1 January 2025	7,606	21,300	-	28,906
Additions	9,600	-	4,080	13,680
At 31 December 2025	17,206	21,300	4,080	42,586
<u>Accumulated depreciation</u>				
At 1 January 2024	5,987	21,300	-	27,287
Depreciation for the year	270	-	-	270
At 31 December 2024/ 1 January 2025	6,257	21,300	-	27,557
Depreciation for the year	3,175	-	1,360	4,535
At 31 December 2025	9,432	21,300	1,360	32,092
<u>Net book value</u>				
At 31 December 2025	7,774	-	2,720	10,494
At 31 December 2024	1,349	-	-	1,349

9. RIGHT-OF-USE ASSET

	Office Premise SGD
At 1 January 2025	-
Addition	44,247
At 31 December 2025	44,247
<u>Accumulated amortisation</u>	
At 1 January 2025	-
Amortisation for the year	16,593
At 31 December 2025	16,593
<u>Net carrying amount</u>	
At 31 December 2025	27,624

During the year, the Association has entered into a lease arrangement with a lessor for an office premise for a lease term of 2 years. There are no restrictions or covenants imposed by the lease contract. Relevant lease liability balance is disclosed in Note 13.

SINGAPORE ASSOCIATION FOR COUNSELLING
(Unique Entity Number: S83SS0024D)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

10. CASH AND CASH EQUIVALENTS

	2025 SGD	2024 SGD
Cash at bank	494,428	413,393
Short-term fixed deposits	442,660	400,000
	<u>937,088</u>	<u>813,393</u>

Short term fixed deposits are placed with a licensed financial institution. The fixed deposits bear interest at rates ranging from 1.15% to 3.25% per annum and the remaining maturity periods are within 3 to 8 months.

11. TRADE RECEIVABLES

	2025 SGD	2024 SGD
Trade receivables	2,688	3,945
Less: Allowance for expected credit loss	(288)	-
	<u>2,400</u>	<u>3,945</u>

12. TRADE PAYABLES AND OTHER PAYABLES

	2025 SGD	2024 SGD
Trade payable	35,371	-
Other payables:		
- Accrued insurance premium	17,242	17,242
- Accrued expenses	14,157	17,770
- Unearned course recognition fees	35,243	35,660
- Members subscriptions paid in advance	190	941
- Other creditors	451	1,726
	<u>102,654</u>	<u>73,339</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

13. LEASE LIABILITY

	Minimum lease payments SGD	Finance charges SGD	Present value of payments SGD
2025			
Within 1 year	23,400	(982)	22,418
More than 1 year	5,850	(53)	5,797
	<u>29,250</u>	<u>(1,035)</u>	<u>28,215</u>

14. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Association has documented financial risk management policies. These policies set out the Association's overall business strategies and its risk management philosophy. The Association's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Association. The Executive Committee provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk, and equity price risk), liquidity risk and credit risk. Such written policies are reviewed annually by the Executive Committee and periodic reviews are undertaken to ensure that the Association's policy guidelines are complied with. Risk management is carried out by the Executive Committee.

It is the Association's policy not to trade in derivative contracts.

The Association manages its capital to ensure that entities within the Association will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Executive Committee reviews the capital structure on an annual basis. The Association will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debts.

As at 31 December 2025, the Association is not subject to externally imposed capital requirements.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Association. For other financial assets, the Association adopts the policy of dealing only with high credit quality counterparties, or investing in debt instruments which are considered to be low risk.

Expected Credit Losses

The Association manages credit loss based on Expected Credit Losses (ECL) model.

The management assesses that there are no material ECL on cash and cash equivalents and other receivables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025
(Amounts in Singapore Dollars)

14. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives and policies (Continued)

(ii) Liquidity risk

The Association monitors its liquidity risk and maintains a level of bank balances deemed adequate by management to finance the Association's operations and to mitigate the effects of fluctuations in cash flows. There are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

All financial liabilities are non-interest bearing and repayable on demand or due within 1 year from the reporting date.

Capital risk management policies and objectives

The Executive Committee reviews its capital structure annually to ensure that the Association will be able to continue as a going concern based on its current financial position. The amount of capital will be regularly reviewed by the Executive Committee to ensure that they are adequate to fulfil continuing obligations.

The capital structure of the Association comprises only issued capital and retained earnings. The Association's overall strategy remains unchanged since incorporation.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of bank balances, trade and other receivables, trade and other payable are reasonable approximation of fair values due to the relatively short-term maturity of these financial instruments.

16. CATEGORIES OF FINANCIAL INSTRUMENTS

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

	2025 SGD	2024 SGD
Financial assets at measured at amortised cost:		
Trade and other receivables	7,797	13,347
Cash and cash equivalent	929,291	813,393
	<u>937,088</u>	<u>826,740</u>
Financial liabilities measured at amortised cost:		
Trade and other payables	102,643	73,339
Lease liability	28,215	-
	<u>130,858</u>	<u>73,339</u>