

*Directors' Statement and
Audited Financial Statements*

National Skin Centre Health Fund

*(Formerly known as National Skin Centre Health Fund Limited)
(Co. Reg. No. 202010012C)*

27 March 2020 (Date of incorporation) to 31 March 2021



National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

General Information

Directors

Ms Tan Beng Neo Eunice	(appointed on 27.03.2020)
A/Prof Lim Yean Teng	(appointed on 27.03.2020)
A/Prof Lee Lai Heng	(appointed on 27.03.2020)
Mr Seow Choke Meng	(appointed on 27.03.2020)
Ms Lim Siew Wah Grace	(appointed on 01.05.2020)

Secretary

Loo Swee Cheng

Registered Office

1 Mandalay Road
National Skin Centre
Singapore 308205

Independent Auditor

Alpes Assurance LLP

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National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Directors' Statement

The directors are pleased to present their statement to the members together with the audited financial statements of National Skin Centre Health Fund ("the Company") for the financial period from 27 March 2020 (date of incorporation) to 31 March 2021.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (a) the accompany financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2021, and the financial performance, changes in equity and cash flows of the Company for the period from 27 March 2020 to 31 March 2021; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

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

Ms Tan Beng Neo Eunice
A/Prof Lim Yean Teng
A/Prof Lee Lai Heng
Mr Seow Choke Meng
Ms Lim Siew Wah Grace

3. CHANGE OF COMPANY NAME

With effect from 23 July 2020, the Company changed its name from National Skin Centre Health Fund Limited to National Skin Centre Health Fund.

4. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

The Company is limited by guarantee and has no share capital. None of the directors holding office at the end of the financial period had an interest in the share capital of the Company that is required to be reported pursuant to the Twelfth Schedule of the Singapore Companies Act, Chapter 50.

National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Directors' Statement - continued

5. INDEPENDENT AUDITOR

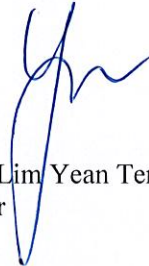
The independent auditor, Alpes Assurance LLP has expressed its willingness to accept the appointment as auditor.

On behalf of the board of Directors,



Ms Tan Beng Neo Eunice
Chairman

Singapore
7 July 2021



A/Prof Lim Yean Teng
Director



**Independent Auditor's Report to the Members of National Skin Centre Health Fund
for the financial year period from 27 March 2020 to 31 March 2021
(Co. Reg. No. 202010012C)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of National Skin Centre Health Fund ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of comprehensive income, statement of changes in fund and cash flow statement for the period from 27 March 2020 to 31 March 2021, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations"), and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2021 and the financial performance, changes in fund and cash flows of the Company for the period from 27 March 2020 to 31 March 2021.

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 other information. The other information comprises the Directors' Statement, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**Independent Auditor's Report to the Members of National Skin Centre Health Fund
for the financial year period from 27 March 2020 to 31 March 2021 (continued)**
(Co. Reg. No. 202010012C)

Responsibilities of Management and Directors for the Financial Statements

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

The directors' 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.



**Independent Auditor's Report to the Members of National Skin Centre Health Fund
for the financial year period from 27 March 2020 to 31 March 2021 (continued)**
(Co. Reg. No. 202010012C)

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 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 the directors 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:

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

A handwritten signature in black ink, appearing to be "A. Poon", is written over the printed name of the auditor.

Alpes Assurance LLP
Public Accountants and
Chartered Accountants

Singapore
7 July 2021

National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Balance Sheet as at 31 March 2021

	\$
Current asset	
Cash and cash equivalents	13
	<u>13</u>
Current liability	
Accrued liabilities	800
	<u>800</u>
Net liabilities	<u>(787)</u>
Fund of the Company	
Unrestricted fund	<u>(787)</u>
Total deficit	<u>(787)</u>

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

National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Statement of Comprehensive Income for the financial period from 27 March 2020 to 31 March 2021

	Note	\$
Income		
Donation income		13
		<u>13</u>
Expenditure		
Other operating expenses	3	(800)
		<u>(800)</u>
Deficit for the period		(787)
Other comprehensive income		<u>-</u>
Total comprehensive deficit for the period		<u>(787)</u>

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

National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Statement of Changes in Funds for the financial period from 27 March 2020 to 31 March 2021

	Unrestricted fund \$
At date of incorporation	-
Total comprehensive deficit for the period	<u>(787)</u>
Balance as at 31 March 2021	<u><u>(787)</u></u>

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

National Skin Centre Health Fund
(Co. Reg. No. 202010012C)

Cash Flow Statement for the financial period from 27 March 2020 to 31 March 2021

	\$
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating loss before working capital changes	(787)
Increase in accrued liabilities	800
Net cash flow from operating activities	<u>13</u>
Net increase in cash and cash equivalents	13
Cash and cash equivalents at date of incorporation	<u>-</u>
Cash and cash equivalents at end of period	<u>13</u>

The accompanying notes form an integral part of financial statements.

Notes to the Financial Statements - 31 March 2021

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

1. CORPORATE INFORMATION

The Company is a public company limited by guarantee incorporated and domiciled in Singapore and has no share capital. The Company is registered as a charity under Charity Act, Chapter 37 of Singapore.

The registered office of the Company is located at 1 Mandalay Road National Skin Centre Singapore 308205.

The principal activities of the Company was established to receive donations towards the pursuit of medical research and development and improvement to health services in Singapore, and to provide funded care to patients determined to be in need of financial assistance.

The Company is limited by its members' guarantee to contribute to the assets of the Company an amount of S\$1 for each member in the events of its winding up. The members of the Company at the end of the financial period are:

National Healthcare Group Pte Ltd
National Skin Centre (Singapore) Pte Ltd
Ms Tan Beng Neo Eunice

Change in name

With effect from 23 July 2020, the name of the Company was changed from National Skin Centre Health Fund Limited to National Skin Centre Health Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (FRS).

The financial statements have been prepared on a historical cost basis except where otherwise indicated in the accounting policies below. The financial statements are presented in Singapore Dollars (SGD or \$) and all values are rounded to the nearest one-dollar unless otherwise stated.

The accounting policies have been consistently applied by the Company since the date of incorporation.

Standard issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

	<i>Effective date (Annual period beginning on or after)</i>
Amendments to FRS 109, FRS 39, FRS 107 and FRS 116: <i>Interest Rate Benchmark Reform - Phase 2</i>	1 January 2021
Amendments to FRS 37: <i>Onerous Contracts: Cost of Fulfilling a Contract</i>	1 January 2022
Amendment to FRS 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Significant accounting estimates and judgements

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

On 11 March 2020, the World Health Organisation declared the COVID-19 outbreak to be pandemic, with many government taking stringent steps to help contain and delay the spread of virus. Arising from this, the Company experienced disruption to its business operations due to a significant increase in economic uncertainty evidenced by more volatile asset prices. The unprecedented volatilities and the uncertainties in the recovery trajectories of the world economies in the near term in turn increased the level of subjectively and judgement involved.

i) Key sources of estimation uncertainty

There were no material key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

ii) Judgement made in applying accounting policies

There were no material judgement made by management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(c) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provision of the financial instrument.

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

Subsequent measurement

Investments in debt instruments

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

i) Amortised cost

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) *Financial assets (continued)*

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in FVOCI. Dividends from such investments are to be recognised in profit or loss when the right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in FVOCI, changes in fair value are recognised in profit or loss.

De-recognition

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

(d) *Impairment of financial assets*

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

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

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

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements - 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) *Financial liabilities*

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

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

(f) *Cash and cash equivalents*

Cash and cash equivalents comprise cash in bank.

(g) *Other payables*

Other payables are non-interest bearing and are normally settled on 30 days terms.

(h) *Provisions*

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of a past event, and when it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

(i) *Unrestricted funds*

The unrestricted funds comprise general fund which is available for use of the discretion of the directors in furtherance of the Company's objectives.

Notes to the Financial Statements - 31 March 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) *Income*

Income is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

i) *Donation income*

Donation income are recognised as and when they are received.

(k) *Taxes*

The Company is an approved charity with effect from 20 August 2020, and no provision for taxation has been made in financial statements as it is exempted from income tax under Section 13(1) of the Income Tax Act.

3. OTHER OPERATING EXPENSES

	\$
Auditor's remuneration	<u>800</u>

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial assets and liabilities are stated at nominal value and are subject to significant risk of changes in value as there are no significant financial risks involved. As a result, a financial risk policy is not considered necessary.

5. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting period by FRS 109 categories:

Financial assets carried at amortised cost

Cash and cash equivalents	<u>13</u>
	<u>13</u>

Financial liabilities at amortised cost

Accrued liabilities	<u>800</u>
	<u>800</u>

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amount of financial assets and financial liabilities recorded in the financial statement represents their respective net fair values due to the relative short-term maturity of these financial instruments.

Notes to the Financial Statements - 31 March 2021

7. COMPARATIVE FIGURES

The financial statements for 2020 cover the financial period from 27 March 2020 to 31 March 2021. As such, the statement of comprehensive income, statement of change in equity, cash flows statement and the related notes for the current period and previous financial period are not comparable.

8. EVENT OCCURRING AFTER THE REPORTING PERIOD

On 1 April 2021, the Company completed the transfer of ownership of a leasehold property located at 2 Minbu Road #11-01 Singapore 308186. The transfer was by way as gift donation received from a related company.

9. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the financial period ended 31 March 2021 were authorised for issue in accordance with a resolution of the directors on 7 July 2021.