

HCA HOSPICE LIMITED
(UEN: 202114297R)

DIRECTORS' STATEMENT AND
FINANCIAL STATEMENTS

FINANCIAL PERIOD FROM
APRIL 22, 2021
(DATE OF INCORPORATION) TO
MARCH 31, 2022

HCA HOSPICE LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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HCA HOSPICE LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of HCA Hospice Limited (the "Organisation") for the financial period from April 22, 2021 (date of incorporation) to March 31, 2022.

In the opinion of the directors,

- (a) the accompanying financial statements as set out on pages 6 to 19 are drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act"), the Singapore Charities Act 1994 (the "Charities Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Organisation as at March 31, 2022 and the financial performance, changes in accumulated surplus and cash flows of the Organisation for the period from April 22, 2021 (date of incorporation) to March 31, 2022;
- (b) the donation money have been used in accordance with the objectives of the Organisation as required under Regulation 11 of the Charities (Institution of a Public Character) Regulations;
- (c) the Organisation has complied with Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations;
- (d) the accounting and other records required by the Act have been properly kept in accordance with the provisions of the Act; and
- (e) at the date of this statement, there are reasonable grounds to believe that the Organisation will be able to pay its debt when they fall due.

1 DIRECTORS

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

Dr Caroline Lim Seow Ling	(Appointed on April 22, 2021)
Pang Wai Yin	(Appointed on April 22, 2021)
Rita Chan See Lai	(Appointed on April 22, 2021)
Tan Soh Keng	(Appointed on February 7, 2022)
Terence Kew Huat Meng	(Appointed on February 7, 2022)
Richard Yap Chin Yee	(Appointed on February 7, 2022)
Woo Kwai Merng	(Appointed on February 7, 2022)
Patricia Neo Soek Hui	(Appointed on February 7, 2022)
Tay Beng Hwee	(Appointed on February 7, 2022)
Elizabeth Choo Mei Yue	(Appointed on February 7, 2022)
Tay Swee Yuan	(Appointed on February 7, 2022)
Bruce Leong Teik Ping	(Appointed on February 7, 2022)
Tan Choon Seng	(Appointed on February 7, 2022)

2 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

As the Organisation is limited by guarantee, the Board of Directors do not consider it necessary to report on the matters to be disclosed under Section 201(6)(f) and (g); Section 201(6a), (g) and (h); Section 201(11) and Section 201(12) of the Singapore Companies Act 1967.

HCA HOSPICE LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT

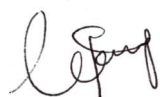
3 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS



.....
Dr Caroline Lim Seow Ling
Director



.....
Ms Pang Wai Yin
Director

July 22, 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HCA HOSPICE LIMITED
(A company limited by guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HCA Hospice Limited (the "Organisation") which comprise the statement of financial position of the Organisation as at March 31, 2022, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated surplus and statement of cash flows of the Organisation for the financial period from April 22, 2021 (date of incorporation) to March 31, 2022, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 19.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), the Charities Act 1994 (the "Charities Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Organisation as at March 31, 2022 and the financial performance, changes in accumulated surplus and cash flows of the Organisation for the financial period from April 22, 2021 (date of incorporation) to March 31, 2022.

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 Organisation in accordance with the Accounting and Corporate Regulatory Authority 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.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

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

HCA HOSPICE LIMITED
(A company limited by guarantee)

Responsibilities of Management and Directors for the Financial Statements

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

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

The Directors' responsibilities include overseeing the Organisation'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:

- (a) 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.
- (b) 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 Organisation's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 Organisation'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 Organisation to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HCA HOSPICE LIMITED
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- (e) 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.

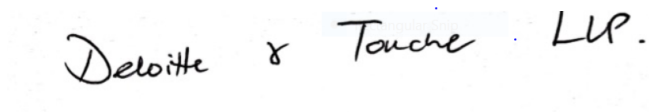
We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

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

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

- (a) The Organisation 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 Organisation has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



Public Accountants and
Chartered Accountants
Singapore

July 22, 2022

HCA HOSPICE LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL POSITION
March 31, 2022

	<u>Note</u>	<u>2022</u>
		\$
Accumulated deficit		
General fund		<u>(24,424)</u>
Total accumulated deficit		<u>(24,424)</u>
Represented by:		
Current assets		
Cash and bank balances	6	900
Other receivables	7	<u>2,700</u>
Total current assets		<u>3,600</u>
Total assets		<u>3,600</u>
Current liability		
Payables and accruals	8	<u>28,024</u>
Net liabilities		<u>(24,424)</u>

See accompanying notes to financial statements.

HCA HOSPICE LIMITED
(A company limited by guarantee)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Financial period from April 22, 2021 to March 31, 2022

	<u>Note</u>	Financial period from April 22, 2021 (date of incorporation) to March 31, 2022 \$
Income	9	<u>320</u>
Expenditure:		
Other operating expenses		<u>(24,744)</u>
Deficit before income tax		(24,424)
Income tax	11	<u>-</u>
Deficit for the period, representing total comprehensive loss for the period		<u>(24,424)</u>

See accompanying notes to financial statements.

HCA HOSPICE LIMITED
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STATEMENT OF CHANGES IN FUNDS AND RESERVES
Financial period from April 22, 2021 to March 31, 2022

	<u>Accumulated surplus</u>	
	General funds	Total
	\$	\$
Balance at date of incorporation	-	-
Deficit for the period, representing total comprehensive loss for the period	(24,424)	(24,424)
Balance at March 31, 2022	(24,424)	(24,424)

See accompanying notes to financial statements.

HCA HOSPICE LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
Financial period from April 22, 2021 to March 31, 2022

	Financial period from April 22, 2021 (date of incorporation) to March 31, 2022
	<hr/>
	\$
Operating activities	
Deficit before income tax, representing operating cash flows before movements in working capital	(24,424)
Receivables	(2,700)
Payables and accruals	<hr/> 28,024
Cash generated from operations, representing net cash from operating activities	<hr/> 900
Net increase in cash and cash equivalents, representing cash and cash equivalents at end of period	<hr/> <hr/> 900

See accompanying notes to financial statements.

HCA HOSPICE LIMITED
(A company limited by guarantee)

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

1 GENERAL

HCA Hospice Limited ("the Organisation") (Registration No. 202114297R) is incorporated in Singapore on April 22, 2021 as a company limited by guarantee without a share capital under Singapore Companies Act 1967 with its principal place of business and registered office of the Organisation is at 705, Serangoon Road, Block A, #03-01 @Kwong Wai Shiu Hospital, Singapore 328127. It was granted the status of an Institution of a Public Character ("IPC") under the Charities Act 1994 from January 4, 2022 to September 30, 2022 subject to renewal. The financial statements are expressed in Singapore dollars.

During the financial period from April 22, 2021 (date of incorporation) to March 31, 2022, the Organisation was dormant. As of April 1, 2022, the Organisation has taken over the operations, together with all the assets and liabilities of HCA Hospice Care (UEN: S89SS0106G), registered in Singapore as a society and an IPC registered under the Charities Act.

The Organisation is an independent charitable organisation to promote hospice care and help terminally ill patients in the community.

Each member of the Organisation undertakes to contribute to the assets of the Organisation 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 Organisation contracted before he ceases to be a member, and the costs, charges, and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding the sum of Twenty Singapore Dollar (\$20).

The Organisation had 15 members at the end of the reporting year.

The financial statements of the Organisation for the financial year ended March 31, 2022 were authorised for issue by the Board of the Directors on July 22, 2022.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967, Singapore Charities Act 1994 and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Organisation takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as value in use in FRS 36 *Impairment of assets*.

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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

ADOPTION OF NEW AND REVISED STANDARDS - On the date of incorporation, the Organisation adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are effective on that date and relevant to its operations. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Organisation's accounting policies and has no material effect on the amounts reported for the current period.

At the date of authorisation of these financial statements, certain FRSs, INT FRSs and amendments to FRS were issued but not yet effective. Management anticipates that the adoption of these FRSs, INT FRSs and amendments to FRS in future periods will not have a material impact on the financial statements of the Organisation in the period of their initial adoption.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Organisation's statement of financial position when the Organisation becomes a party to the contractual provisions of the instrument.

Financial assets

Classification of financial assets

Debt instruments mainly comprise cash and bank balances and trade and other receivables that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss (FVTPL).

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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Despite the foregoing, the Organisation may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Organisation may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Organisation may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The Organisation recognises a loss allowance for expected credit losses ("ECL") on other receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Organisation always recognises 12-month ECL for other receivables as the credit risk on the financial instrument has not increased significantly since initial recognition. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

HCA HOSPICE LIMITED
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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Organisation compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Organisation considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

The Organisation assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Irrespective of the outcome of the above assessment, the Organisation presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Organisation has reasonable and supportable information that demonstrates otherwise.

The Organisation regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Organisation considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet the following criteria are generally not recoverable.

- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Organisation, in full (without taking into account any collaterals held by the Organisation).

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Organisation writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Organisation's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

HCA HOSPICE LIMITED
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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Organisation in accordance with the contract and all the cash flows that the Organisation expects to receive, discounted at the original effective interest rate.

If the Organisation has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Organisation measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Financial liabilities and equity instruments

Payables and accruals

Financial liabilities and equity instruments issued by the Organisation are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Derecognition of financial liabilities

The Organisation derecognises financial liabilities when, and only when, the Organisation's obligations are discharged, cancelled or expired.

PROVISIONS - Provisions are recognised when the Organisation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

RECOGNITION OF INCOME - Income is recognised to the extent that it is probable that the economic benefits will flow to the Organisation and the revenue can be reliably measured.

Donations, fund raising and membership fee income are recognised in profit or loss on an accrual basis when the donations are committed to the Organisation.

GENERAL FUNDS - The Unrestricted Funds are funds which are available to be used for any of the Organisation's purposes.

HCA HOSPICE LIMITED
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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The financial statements are measured and presented in Singapore dollars, which is the currency of the primary economic environment in which the Organisation operates (its functional currency).

In preparing the financial statements, transactions in currencies other than the Organisation's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period.

CASH AND CASH EQUIVALENTS - Cash and cash equivalents comprise cash and bank balances and demand deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Organisation's accounting policies, which are described in Note 2, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying the Organisation's accounting policies

Management is of the opinion that any instances of application of judgments on the Organisation's accounting policies are not expected to have a significant effect of the amounts recognised in the financial statements.

Key sources of estimation uncertainty

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

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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2022
	\$
Financial assets	
Financial assets at amortised cost	3,600
Financial liabilities	
Financial liabilities at amortised cost	28,024

(b) Financial risk management policies and objectives

(i) Interest rate risk management

The Organisation does not have any significant exposure to interest rate risk.

(ii) Foreign currency risk management

The Organisation does not have any significant exposure to foreign exchange risk.

(iii) Credit risk management

The Organisation adopts the policies of dealing only with customers of appropriate credit history to mitigate credit risk. For other financial assets, the company adopts the policy of dealing with financial institutions and other counterparties with high credit ratings.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instrument presented on the balance sheet. The Organisation's major classes of financial assets are cash and bank balances and other receivables.

Financial assets that are neither past due or impaired

Cash and cash equivalents are neither past due nor impaired and are mainly placed with banks which have high credit-ratings as determined by international credit-rating agencies.

Financial assets that are past due and/or impaired

There is no class of financial assets that is past due and/or impaired.

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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

(iv) Liquidity risk management

Liquidity risk is managed by matching the payment and receipt cycle. The Organisation maintains sufficient cash and cash equivalents to finance its operations.

All financial liabilities and assets as at March 31, 2022 are repayable on demand or due within 1 year from the end of the reporting period and are non-interest bearing.

Management has assessed that the Organisation will be able to continue as a going concern for the next twelve months due to the transfer of operations from HCA Hospice Care on April 1, 2022 (Note 12). As at date of transfer, HCA Hospice Care's net assets amounted to \$33,052,765.

(v) Fair value of financial assets and financial liabilities

The carrying amounts of cash at bank, other receivables, payables and accruals approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(c) Capital risk management policies and objectives

The Organisation manages its capital to ensure it will be able to continue as a going concern. The capital structure of the Organisation consists only of accumulated deficit. Management reviews the capital structure on a regular basis.

5 OTHER RELATED PARTY TRANSACTIONS

Some of the Organisation's transactions and arrangements are with a related party and the effect of these on the basis determined between the parties is reflected in these financial statements.

Compensation of directors and key management personnel

The directors did not receive any remuneration from the Organisation during the year.

6 CASH AND BANK BALANCES

	<u>2022</u>
	\$
Cash at banks	<u>900</u>

HCA HOSPICE LIMITED
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NOTES TO FINANCIAL STATEMENTS
March 31, 2022

7 RECEIVABLES

	<u>2022</u>
	\$
Deposits	<u>2,700</u>

For purpose of impairment assessment, these amounts are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses (ECL).

In determining the ECL, management has considered the Organisation's historical credit loss experience with the relevant counterparties, as well as any relevant forward-looking information and assessed that the expected credit loss to be insignificant.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for recoverables and other receivables.

8 PAYABLES AND ACCRUALS

	<u>2022</u>
	\$
Other payables	<u>28,024</u>

9 INCOME

	<u>2022</u>
	\$
Membership fee	<u>320</u>

10 RESERVES POLICY

The reserves of the Organisation provide financial stability and sustainability. The directors intends to maintain the unrestricted funds at a level which is equivalent to 2 to 3 times of the Organisation's operating expenditure. The directors review the reserves annually, to ensure that the reserves are adequate to fulfill the Organisation's continuing obligations.

11 INCOME TAX

The Organisation is an approved organisation under the Charities Act 1994 and is exempted from tax under the Income Tax Act.

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(A company limited by guarantee)

NOTES TO FINANCIAL STATEMENTS
March 31, 2022

12 TAX-DEDUCTIBLE & NON-TAX DEDUCTIBLE RECEIPTS

The Organisation did not issue any tax-deductible or non-tax deductible receipts during the financial period from April 22, 2021 (date of incorporation) to March 31, 2022.

13 SUBSEQUENT EVENT

As of April 1, 2022, the Organisation has taken over the operations, together with all the assets and liabilities of HCA Hospice Care (UEN: S89SS0106G), registered in Singapore as a society and an IPC registered under the Charities Act. Both the Organisation and HCA Hospice Care are managed by the same parties both before and after April 1, 2022. The Organisation has submitted application to renew its IPC status and the directors have assessed that the approval of renewal is forthcoming.