

**HEALTH CONCEPTS AND MEASUREMENTS
- HEALTHIERSG LTD.**

**FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2022**

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HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of the Company for the financial year ended 31 December 2022.

In the opinion of the directors:

- (i) the financial statements as set out on pages 6 to 17 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and of the financial performance and cash flows of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967, Charities Act 1994 and other relevant regulations and Financial Reporting Standards in Singapore.
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Hong Wee Tin
Ong Siew Koon @ Ong Siew Khoon
Tay Boon Keng
Yeo Siok Peng

Arrangement to enable directors to acquire benefits

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

Directors' contractual benefits

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Other matters

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

Health Concepts and Measurements - HealthierSG Ltd.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept the appointment.

On behalf of the directors

DocuSigned by:
HONG WEE TIN
2255976B7F3E4C3...
Hong Wee Tin
Director

DocuSigned by:
Ong Siew Koon
CE6E9263016F49C...
Ong Siew Koon @ Ong Siew Khoon
Director

16 May 2023



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements Health Concepts and Measurements - HealthierSG Ltd. (the "Company") as set out on pages 6 to 17, which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1967 (the "Companies Act"), the Charities Act 1994 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 December 2022 and of the financial performance, changes in accumulated fund and cash flows of the Company 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 Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of the auditor's report is the Directors' Statement as set out on page 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 on the other information obtained prior to the date of this auditor's report, 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
HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD. (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

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

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

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
HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD. (cont'd)**

Report on the Audit of the Financial Statements (cont'd)


Auditor's Responsibilities for the Audit of the Financial Statements (cont'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 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.

DocuSigned by:

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Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

16 May 2023

HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.**STATEMENT OF COMPREHENSIVE INCOME****For the financial year ended 31 December 2022**

	Note	2022 \$	2021 \$
Revenue			
Donations	3	1,259,685	–
Other income			
Government grants		17,000	–
Others		–	200
Less expenditure			
Administrative expenses	4	(48,463)	(3,592)
Employee benefits expenses	5	(261,100)	–
Expenses borne by a director		–	3,392
Net profit and total comprehensive income for the financial year and accumulated fund at end of financial year		967,122	–

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

HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.**STATEMENT OF FINANCIAL POSITION
At 31 December 2022**

	Note	2022 \$	2021 \$
Non-current asset			
Plant and equipment	6	4,281	–
Current assets			
Prepayments		758	–
Cash and cash equivalents		1,325,022	1,010,200
		1,325,780	1,010,200
Less current liabilities			
Other payables	7	12,939	10,200
Deferred income	8	350,000	1,000,000
		362,939	1,010,200
Net assets		967,122	–
Accumulated Fund		967,122	–

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

HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.

**STATEMENT OF CHANGES IN ACCUMULATED FUND
For the financial year ended 31 December 2022**

	\$
Balance at 1 January 2021/31 December 2021	–
Net profit and total comprehensive income for the financial year	967,122
Balance at 31 December 2022	<u>967,122</u>

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

HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.**STATEMENT OF CASH FLOWS**
For the financial year ended 31 December 2022

	2022	2021
	\$	\$
Cash flows from operating activities		
Profit before tax	967,122	–
Adjustment for:		
Depreciation of plant and equipment	1,775	–
Operating cash flows before working capital changes	968,897	–
Changes in working capital		
Receivables	(758)	625
Payables and deferred income	(647,261)	1,009,575
Net cash from operating activities	320,878	1,010,200
Cash flows from investing activity		
Purchase of plant and equipment	(6,056)	–
Net cash used in investing activity	(6,056)	–
Net increase in cash and cash equivalents	314,822	1,010,200
Cash and cash equivalents at beginning of the financial year	1,010,200	–
Cash and cash equivalents at end of the financial year	1,325,022	1,010,200

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

HEALTH CONCEPTS AND MEASUREMENTS - HEALTHIERSG LTD.

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2022

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

1. Corporate information

Health Concepts and Measurements - HealthierSG Ltd (Co. Reg. No. 202004085K) is a company limited by guarantee and incorporated and domiciled in the Republic of Singapore. The registered office of the Company is located at 116B Rivervale Drive, #12-30, Singapore 542116.

In accordance with its Constitution, the liability of its members in the event of the Company being wound up will not exceed \$100 per member.

The principal activities of the Company are those of community health promotion programs, training, research and development, and learning and resource centre in multidimensional biopsychosocial health concepts.

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements, expressed in Singapore dollar (“\$”), which is the functional currency of the Company, have been prepared in accordance with Financial Reporting Standards in Singapore (“FRSs”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the financial year. Although these estimates are based on management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

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. There were no significant judgements and estimates made during the financial year.

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

New and revised standards that are adopted

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRSs (“INT FRSs”) that are relevant to its operations and effective for the current financial year. Changes to the Company’s accounting policies have been made as required, in accordance with the transitional provisions in the respective FRSs and INT FRSs.

The adoption of these new and revised FRSs and INT FRSs did not have any material effect on the financial results or position of the Company.

Health Concepts and Measurements - HealthierSG Ltd.

2. Summary of significant accounting policies (cont'd)

(a) Basis of preparation (cont'd)

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Company, and the amount of income and related expenditure can be reliably measured.

Donations

Donations are recognised when received.

(c) Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund (“CPF”) scheme in Singapore, a defined contribution plan. The Company has no further payment obligations once the contributions have been paid. These contributions are recognised as an expenditure in the statement of comprehensive income in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(d) Income taxes

As an approved charity under the Charities Act 1994, the Company is exempted from income tax under Section 13(1)(zm) of the Income Tax Act 1947.

(e) Plant and equipment

Plant and equipment are initially recognised at cost and subsequently stated at cost less accumulated depreciation and any impairment in value. Depreciation is charged so as to allocate the depreciable amount of the assets over their estimated useful lives, using the straight-line method as follows:

	Years
Office equipment	3
Computers and software	1

On disposal of a plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in the statement of comprehensive income.

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in the statement of comprehensive income when the changes arise.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

Health Concepts and Measurements - HealthierSG Ltd.

2. Summary of significant accounting policies (cont'd)

(f) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company classifies its financial assets at amortised cost.

The classification is based on the Company's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

The Company reclassifies financial assets when and only when its business model for managing those assets changes.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents and other receivables.

Amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Health Concepts and Measurements - HealthierSG Ltd.

2. Summary of significant accounting policies (cont'd)

(f) Financial assets (cont'd)

Impairment

The Company recognises an allowance for expected credit losses (“ECLs”) for financial assets carried at amortised cost. 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 impairment methodology applied depends on whether there has been a significant increase in credit risk. 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-months 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”).

If the Company has measured the loss allowance for a financial asset 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 Company measures the loss allowance at an amount equal to 12-months ECL at the current reporting date.

The Company recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

Offset

Financial assets and liabilities are offset and the net amount presented on the balance sheet when, and only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

(g) Financial liabilities

Financial liabilities include other payables (excluding provision for unutilised leave). Financial liabilities are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

(h) Provisions for other liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management’s best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

Health Concepts and Measurements - HealthierSG Ltd.

3. Donations

	2022 \$	2021 \$
Non-tax deductible donations	1,259,685	–

4. Administrative expenses

	2022 \$	2021 \$
Accounting fee	600	600
Advertisement	379	–
Audit fee	7,020	1,284
Bank charges	105	
Corporate secretarial fee	–	950
Depreciation of plant and equipment	1,775	–
Fines and penalties	60	–
General expenses	–	71
Insurance	1,062	–
IT expenses	947	371
Meal and entertainment	464	–
Office supplies	295	–
Printing and stationery	774	296
Postage and courier	12	20
Professional fee	33,480	–
Purchase materials	602	–
Repair and maintenance	449	–
Telecommunications	142	–
Transportation	297	–
	48,463	3,592

5. Employee benefit expenses

	2022 \$	2021 \$
Director's remuneration		
- Salaries and other related benefits	87,243	–
- Central provident fund	11,392	–
	98,635	–
Other staff's remuneration		
- Salaries and other related benefits	139,529	–
- Central provident fund	22,936	–
	162,465	–
	261,100	–

Health Concepts and Measurements - HealthierSG Ltd.

6. Plant and equipment

	Office equipment \$	Computers and software \$	Total \$
2022			
Cost			
At 1 January 2022	–	–	–
Additions	1,336	4,720	6,056
At 31 December 2022	1,336	4,720	6,056
Accumulated depreciation			
At 1 January 2022	–	–	–
Depreciation charge	277	1,498	1,775
At 31 December 2022	277	1,498	1,775
Net carrying value			
At 31 December 2022	1,059	3,222	4,281

7. Other payables

	2022 \$	2021 \$
Accruals	12,939	625
Amount due to a director	–	9,575
	12,939	10,200

Amount due to a director is non-trade in nature, unsecured, interest-free and repayable in demand.

8. Deferred income

Deferred income comprises of voluntary donation income designated for use in future financial periods.

9. Financial instruments**(a) Categories of financial instruments**

Financial instruments as at the end of the reporting period are as follows:

	2022 \$	2021 \$
<i>Financial assets</i>		
Financial assets at amortised cost	1,325,022	1,010,200
<i>Financial liabilities</i>		
Financial liabilities at amortised cost	6,100	10,200

Health Concepts and Measurements - HealthierSG Ltd.

9. Financial instruments (cont'd)

(b) Financial risk management

The Company's overall risk management framework is set by the Board of Directors of the Company which sets out the Company's overall business strategies and its risk management philosophy. The Company's overall risk management strategy seeks to minimise potential adverse effects from these financial risks on the Company's financial performance.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. The following sections provide details regarding the Company's exposure to the financial risks and the objectives, policies and processes for the management of these risks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The objective of liquidity management is to ensure that the Company has sufficient funds to meet its contractual and financial obligations. To manage liquidity risk, the Company's policy is to monitor its net operating cash flows and to maintain an adequate level of cash and cash equivalents to meet its working capital requirement.

The financial liabilities of the Company as presented in the balance sheet are due within twelve months from the balance sheet date and approximate the contractual undiscounted repayment obligations.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from bank and cash balances on the balance sheet.

The Company's objective is to minimise losses incurred due to credit exposure. Credit risk is managed through the application of credit evaluation and monitoring procedures.

At the balance sheet date, the Company has no significant concentration of credit risk. The Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

The expected credit loss for cash and cash equivalents is immaterial as at 31 December 2022 and 31 December 2021.

10. Fair values of financial instruments

The carrying amounts of financial assets and financial liabilities recorded in the financial statements of the Company approximates their fair values due to their short-term maturity.

Health Concepts and Measurements - HealthierSG Ltd.

11. Fund management

The Company's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as a going concern.

There were no changes in the Company's fund management during the financial year.

12. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors dated 16 May 2023.