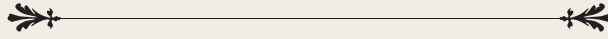




Securities Investors Association (Singapore)

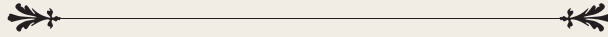
ANNUAL REPORT 2011/12

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AGENDA



- To Confirm Minutes of AGM Held on 30th September 2011.
- To receive Annual Report and Adopt the Audited Accounts For the year Ended 30th June 2012.
- To Appoint Auditors for the Ensuing Year.
- To Amend the Constitution to allow SIAS Management Committee to invest a sum not exceeding S\$100,000 on such investment approved at the Annual General Meeting.
- To Transact Any Other Business of which 7 clear day's notice has been giving in writing to the Honorary Secretary.

Any other matter

- To record in this meeting's minutes that Mr Ng Cho Huat, Assistant Honorary Treasurer has been replaced by Mr Leong Chan Foo as the Assistant Honorary Treasurer, as at last Annual General Meeting held on 30th September 2011.

BY THE ORDER OF THE MANAGEMENT COMMITTEE
LOH UANTCHERN
HONORARY SECRETARY

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

MINUTES OF 12th ANNUAL GENERAL MEETING

HELD ON : 30th SEPTEMBER 2011

VENUE : 45 Maxwell Road, URA Centre (podium block), Function Hall, 5th Storey

TIME : 7.00 pm

Meeting called to order : 7 .05 pm

Attendance : 60 members

Chairman : President, Mr David Gerald J.

Committee Members

Present : Mr Christopher Cheong, Vice President
Mr Andrew Cheng, Hon Secretary
Prof Jeremy Goh, Asst. Hon Secretary
Mr Christopher Tan, Hon Treasurer
Mr Vincent Chen, Chairman, Corporate Governance Committee

1. The meeting was called to order by Chairman at 7.05pm with the Hon Secretary advising Chairman that there were 60 members in attendance, constituting a quorum. Chairman gave his opening remarks on the 12 years of achievements and challenges SIAS faced and the steps it has taken to move the Association forward.

1.1. With regards to challenges, Chairman said that the main challenge for the Association was funding, as membership subscription was very poor, although SIAS is the only Association in Singapore for investors. SIAS had been fortunate to have the support of corporate sponsors for investor education and shareholders' membership. Running the research arm has also been a challenge, especially in keeping the analysts. Another key challenge has been to attract and find qualified men to step in to assist and support the running of SIAS over the last eleven years. He advised that he was delighted to be able to attract four new men to coming forward to help SIAS in 2012-2013 Management Committee. He said that the incoming committee would have to consider how to put in place independent sources of income.

1.2. As for the financial year 2010 to 2011, Chairman informed the meeting that the Committee had managed to reduce expenditure and increase revenue for SIAS.

2. Minutes of the last AGM

Chairman introduced the agenda and called for a proposer to confirm the minutes of the last AGM on September 27, 2010. Mr Teo Lye Hock proposed that the minutes be passed with Mr Sheth S/O T.V. Sheth R.T seconding the motion. The minutes were confirmed.

3. Annual Report 2011

Chairman invited Mr Richard Dyason, General Manager of SIAS to run through the Annual Report 2011 for the meeting. Chairman summarised and informed that the main activities of SIAS have been providing investor education and corporate governance programmes. He highlighted that SIAS has also launched its Chinese website in July this year to reach out to the Chinese investors in Singapore and increase its membership.

Mr Sheth S/O T.V. Sheth R.T proposed that the Annual Report be passed and Mr Teo Beng Teck seconded.

4. Annual Financial Report 2011

The Treasurer presented the Audited Accounts for 2011. Mr Christopher Tan gave credit to the team for raising the funds to run so many programmes. He was pleased to see corporate sponsorship grow and see expenses reduced. As a group, SIAS had performed well. SIAS Research likewise did well because expenses were managed and saw profit increase from \$65,000 to \$95,000.

Mr Michael Teng wanted to know how SIAS will continue to fund its activities in 2012, in view of the possible reduction in sponsorships, arising from the current financial crisis that may worsen. Chairman replied that the sponsors are likely to continue to provide same kind of support, in addition SIAS also has revenue models like the Corporate Governance Week and Asian Investment Conference & Exhibition (AICE) to help raise money for its activities.

As there were no further questions on the Annual Report and Audited Accounts, Chairman put the minutes of both the Annual Report and Audited Accounts to the meeting.

Mr Sheth S/O T.V. Sheth R.T proposed to pass the annual report and audited accounts and Mr Michael Teng seconded. As there were no objections, the Annual Report and Audited Accounts were accepted.

5. Election of Members to the Management Committee 2011 to 2013

Chairman announced the coming in of four new SIAS Management Committee members. Mr Siow Chai Sheng, Retired Fund Manager, Mr Loh Uantchern, President of Institute of Internal Auditors Singapore, Mr Robson Lee, Lawyer, Partner, ShookLin & Bok LLP and Mr Joseph Kwok, Executive Director, JP Morgan.

Mr Vincent Chen proposed while Ms Grace Chia seconded the proposed nomination be closed. The nomination was closed and passed.

6. Appointment of Auditors

Chairman advised that PlanAssure PAC has been working well and closely with SIAS. They have been doing a good job and Chairman proposed that they be re-appointed as Auditors for the ensuring year. Mr Teo Lye Hock seconded the motion. The motion was carried.

7. Any Other Business

As there were no additional matters to discuss, the meeting was called to an end at 7.55 pm.

Hon. Secretary
Cheng Oon Teck, Andrew

MANAGEMENT COMMITTEE'S ANNUAL REPORT 2012



THE MANAGEMENT COMMITTEE

Honorary Chairman:

Mr Hsieh Fu Hua, was appointed by the Management Committee as the Honorary Chairman under our Constitution. Mr Hsieh had previously served as Chief Executive Officer and a director of Singapore Exchange (2003-2009), and as a board member of Temasek Holdings (2010-2012) and Government of Singapore Investment Corporation (2003-2010).

Mr Hsieh is co-founder and adviser of PrimePartners group of companies, a corporate advisory firm based in Singapore. In the late '90's, he was Group Managing Director of BNP Prime Peregrine Group in Hong Kong – the joint venture Asian investment banking arm of BNP founded by PrimePartners in 1993. Prior to forming PrimePartners, Mr Hsieh was Group Managing Director of Morgan Grenfell Asia Holdings Pte Ltd which he joined in 1974.

Mr Hsieh is the Chairman of Fullerton Fund Management Company Ltd, ST Asset Management Ltd and Temasek-supported Stewardship & Corporate Governance Centre Pte Ltd. He is also a Director of Tiger Airways Holdings Limited, United Overseas Bank Limited and ICAP plc.

In recent years, Mr Hsieh is active in the not-for-profit sector. He is President of the National Council of Social Services, Deputy Chairman of The National Art Gallery, Singapore and a Term Trustee of the Singapore Indian Development Association.

Mr Hsieh graduated from the University of Singapore in Business Administration in 1974.

Management Committee 2011 / 2012:

The Association is managed by Management Committee elected by members at the 2011 AGM comprising of the following members:

Mr David Gerald	<i>President</i>
Mr Siow Chai Seng	<i>Vice-President</i>
Mr Loh Uantchern	<i>Hon. Secretary</i>
Mr Robson Lee	<i>Asst. Hon. Secretary</i>
Mr Joseph Kwok	<i>Hon. Treasurer</i>
Mr James Leong	<i>Asst. Hon. Treasurer</i>
Mr Andrew Cheng	<i>Committee Member</i>
Mr Christopher Cheong	<i>Committee Member</i>
Prof Jeremy Goh	<i>Committee Member</i>
Mr Christopher Tan	<i>Committee Member</i>

All Management Committee members are professionals and are volunteers, except the President, who is also the Chief Executive Officer.

All Management Committee members are professionals and are volunteers, except the President, who is also the Chief Executive Officer serving full-time.

The Management Committee met six (6) times since their appointment to office to discuss the Association's policies relating to the constitutional objectives namely; investor education, corporate governance, investor rights and other activities of the Association and senior staff appointments. The Committee also considers the financial performance of the Association and gave guidance to management on income and expenditure items.



Mr David Gerald
President & CEO
SIAS



Mr. Siow Chai Seng
Retired Investment Advisor



Mr. Loh Uantchern
President
Institute of Internal
Auditors Singapore



Mr. Robson Lee
Partner
Shook Lin & Bok's Corporate &
Corporate Finance



Mr. Joseph Kwok
Sales Director
Standard Life
International
(Singapore)



Mr James Leong
Master Trainer
VisionsOne Consulting
Pte Ltd



Mr Andrew Cheng
Group General
Manager
Kingsmen Creative
Limited



Mr Christopher Cheong
Senior Lecturer
Singapore Polytechnic



Prof Jeremy Goh
Assoc Prof of Finance, SMU.
co-Director of Centre for
Corporate and Investor
responsibility, Sim Kee Boon
Institute for Financial
Economics



Mr Christopher Tan
CEO
Provident Pte Ltd

INTRODUCTION

SIAS continues to champion investor education as one of its pillars continuing efforts like the My Money series of seminars, in both English and Chinese, in association with the Association of Banks in Singapore (ABS) and MoneySENSE. In addition to the other already established investment education courses, this year SIAS launched the Value Investing series and the A-Z of Investing workshop series this year. This is to ensure that retail investors have the sound foundation for investing.

Corporate governance is yet another core pillar at SIAS. SIAS continues to champion corporate governance to raise the standard of good corporate governance among our listed companies. Good governance ensure that investors interests are protected and investors feel safe to invest in a well governed company. With Corporate Governance Award presented every year to companies excelling in good corporate governance practices, the regional corporate governance conference called the Asian Investors' Corporate Governance Conference was also supported by the OECD. Aiming to foster the professional development of corporate governance professionals in Asia as development of good corporate governance in listed companies is the cornerstone of Singapore as a financial centre in Asia. Besides being a revenue model, this annual event is for the gathering for corporate governance professionals in Asia to meet, discuss, update and track corporate governance developments in Asia. It has the support and endorsement of all the professional associations in Singapore and the region, the "Big Four" accountancy firms and the Singapore Exchange. In 2011, SIAS together with the Institute of Internal Audit launched the Internal Audit Excellence Award. This is to recognize the growing importance of the role of Internal Auditors in promoting corporate governance and securing shareholder interest.

The continuity of the Association very much depends on its members' support. We will continue to serve the interest of our members by inculcating in them the need to be educated and well informed in their investment decisions. To widen our reach, SIAS launched the SIAS Chinese website providing content in Mandarin. In addition, we have continued to provide more Mandarin seminars helping investors make informed investment decisions. SIAS will continue to focus to grow and reach more investors in the heartlands to educate investors with the recent MOU with SGX to provide more education seminars on the importance of investing wisely.

Top line revenue for SIAS grew in 2011 overall for the Association up to \$1,634,925 (12.5%) and as a Group \$2,225,138 (5.4%) respectively. Services consumed increased on higher activity by \$96,337 (23.8%) for the Association and by \$129,231 (30.2%) for the Group. This further helped by a reduction in other expenditure at both the Association and Group level with expenses falling by \$15,003 (6%) and \$33,805 (9%) respectively. However, there was a corresponding increase in Staff costs due to increased number and also increases to the CPF contribution rate. Staff costs for the Association increased by \$118,808 (15%) and the Group by \$120,013 (10%). This resultant increase in costs has the effect that the Association and Group managed a deficit of \$21,201 and \$27,168 respectively. Nevertheless, the Association and Group are having healthier cash reserves with increased cash at the end of the financial year at \$290,049 and \$401,443 respectively.

STAFF POSITION

The Association is managed by fifteen (15) full-time and one (1) part-time employee. The full-time staff comprise of a Chief Executive Officer, one General Manager, one Assistant General Manager, three Marketing Executives, two Event Executive, two IT Executives, three Membership Executives, one Receptionist cum Admin Assistant and one Executive cum Secretary to CEO. The committee employs part-time assistants from time to time to assist with the heavy workload especially during periods when the Association is engaged in organizing big events.

SIAS ACTIVITIES

➤ INVESTOR EDUCATION PROGRAMMES

The main objectives of our Investors Education programmes are:

To help investors to develop their own decision making process to identify investment opportunities and invest wisely; to promote healthy investment habits and encourage investment decisions based on sound fundamentals and to help develop the capital market and increase liquidity through education and information.

A total of 46 Investor Education programmes with a total of 7,440 members and investors participating, one investment education fair (AICE) attracting 10,500 visitors and the Corporate Governance Week attracting a total of over 2000 participants were organized during the financial year FY10/11. The programmes comprised educational seminars on investment products and strategies, Interpreting Annual Reports for Stock Selection workshops, My Money series in English and Chinese, and Corporate Profile seminars under the Shareholder Communication Services Programmes. In addition, we also organized our first Members' Night with fun and games where over 400 members participated. The following programmes were organized:

Interpreting Annual Reports for Stock Selection

Two (2) series of 'Interpreting Annual Reports for Stock Selection' workshops by Mr. James Leong, was conducted with each series divided into two (2) stages. A practical and useful Investor Education Programme for Shareholders of Public Listed Companies. This workshop provided members with the necessary knowledge to understand financial statements of companies better and thereby enhancing the ability to invest wisely in the stock market. A total of 47 members and investors attends Stage 1 and 52 members and investors attended Stage 2 of these workshops.



“My Money” Seminar Series

“My Money”, a Financial Literacy Programme, is organized by SIAS in collaboration with MoneySENSE and The Association of Banks in Singapore (ABS).

The objective of “My Money” is to enable consumers to be more informed and responsible investors in dealing with various investment products and strategies. Through these seminars SIAS hopes to help investors to understand the investment products that are suitable for their needs and if they match their risk appetite so as to empower them to take greater responsibility for their investing decisions.” This is the forth year that SIAS is organizing this series with all the content being webcast on the internet. 6 seminars were conducted in the FY11/12 in both English and Chinese. These attracted a total of 2400 attendees. The topics included understanding Bonds, Insurance and Property investing.



Representatives from ABS share the facts and risks of common financial products. Other speakers from the Singapore Management University (SMU) Sim Kee Boon Institute for Financial Economics and SIAS will share their views on various products, highlight the risk-return trade-offs and key issues consumers should consider before deciding whether to take up a product. Each seminar event is webcast on the SIAS website and members can revisit and review the information at their own pace.

Financial Literacy Workshop

Following the launch of the inaugural Financial Literacy Workshop for Tertiary Students, SIAS conducted 2 additional workshops, together with ACCA and CCS, with polytechnic students in FY11/12. The workshops were well attended with over 200 participants.

The objectives of the Workshop were to equip the students with fundamental money management knowledge and skills to handle their first and subsequent pay cheques, and to plan for their long term financial well-being.



New Investor Education Programmes in FY11/12

A-Z of Investing

This is a monthly workshop with the A – Z to Investing on Investment Planning, participants will be able to establish proper investment goals, understand time value of money, common

pitfalls of investment, the psychological aspects of investors & speculators, portfolio construction via the adopting of sustainable investment themes and different investment products such as stocks & unit trusts etc. This initiative was established this year.

Financial and Investment Planning (Mandarin) workshop

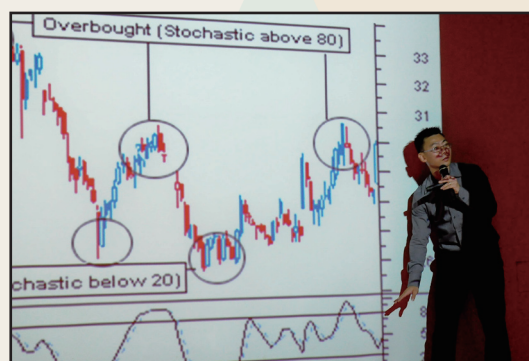


This is a new programme for SIAS in 2012 is designed to cater to the Mandarin speaking community and to be educated on the importance of proper financial and investment planning to achieve their goals. As most of the SIAS courses are in English, we feel that there is a growing need to cater to the Mandarin speaking audience and to ensure that they have the proper education to make informed investment decisions. Having a proper

financial plan and understanding the various investment instruments is vital in securing one's financial future. Participants will get an introduction to personal financial planning, understand the different financial planning models, maximizing returns from strategic asset allocation and also know what are some of the considerations to note before investing.

Value Investing

This is a newly introduced core course for SIAS. Participants learn the ability to read financial statements like a value investor and be able to identify the appropriate value stock, learn the principles of Asset Allocation and Portfolio management to achieve individual and family financial success. Learn how to value a stock so that you can identify the opportunity when the stock



is offered in the market at a discount. Also the role Financial Derivatives as advance tools and while these tools are a double edged sword as they are usually leveraged instruments, but when used correctly and can boost returns significantly and assist in managing risk.



Asian Investors Conference and Exhibition (AICE)

In Jul 2011 SIAS organized the 3rd Asian Investment Conference and Exhibition. The exhibition held over 2 days featured exhibitors and educators from the financial services industry. This year, over 10,000 visitors visited the exhibition with participation from listed companies like CapitaLand,

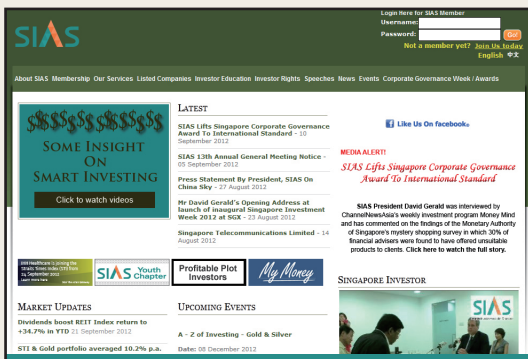
Spice i2i and DBS. With the theme of “Stretching Your Investment Dollar”, investors were impacted with over 30 talks over 2 days.

➤ Corporate Profile and Investment Seminar

Five (5) Corporate Profile & Investment Seminars were conducted this year. 16 companies participated, with a high proportion of REITs companies participating in the seminars and more than 1000 investors in attendance. Through the seminars, listed companies presented their financial performance and business strategies to the investors to allow for better understanding of the company. Investors were able to benefit from sharing sessions as they get to meet and hear directly from the senior management of the companies. SIAS will continue to engage more companies and create opportunities for investors to learn and understand about them.



➤ SIAS website (www.sias.org.sg)



The SIAS website has continued to be a popular site for members and the investing public. The total number of hits to SIAS increased to 11,504,577 last FY11/12 with the average hit rate of 958,714 per month. The website also recorded a total of 545,807 unique views over the year.

Investor education videos, leveraging off the My Money series, have been a useful reference for investors wanting to refresh themselves

on understanding the various products and more importantly, learning to ask the right questions before investing. Currently, there over 84 videos in both English and Chinese education on various instruments like structured deposits, bonds, insurance REITs, ETFs, and Unit Trusts. Together with the Singapore Investor e-magazine that uploads at least one new video a day, investors have the latest information to help them make informed decisions.

With the rise in social media and social networking, SIAS has also created our Fan Page on Facebook and a specific YouTube page to reach out and engage the online social communities. SIAS will continue to leverage on the power of the Internet to bring investor education to the wider audience.



➤ DISPUTE and complaints RESOLUTION PROGRAMME

SIAS received 40 complaints during the course of the year from members. The complaints were mainly regarding issues surrounding delisting, rights issues, corporate governance issues and a couple of trading issues relating to the Facebook IPO.

In addition, SIAS continued to champion the plight of investors in the Profitable Plots saga in April 2011 and conducted another dialogue session in December 2011 with the investors to discuss issues affecting their investments.

➤ SHAREHOLDER COMMUNICATION SERVICES

Retail investors are on the search for good companies as investment prospects as companies too need to meet investors. Hence, the SIAS Shareholder Communication Services was born in 2006 as a means for public listed companies to reach out to retail investors through the SIAS platform.



Companies enjoy a range of online and physical services such as seminars and pre-AGM meetings, companies pay an annual fee of \$8,000 to \$12,000 on the average, depending on the services requested. Total revenue attributed from this programme is about \$198,260 in the FY ending 30 Jun 2012 as compared to \$145,404 in the last period. The increase in revenue was mainly due to the increase in the number of companies who sign up for the programme.



SIAS SINGAPORE CORPORATE GOVERNANCE WEEK 2011

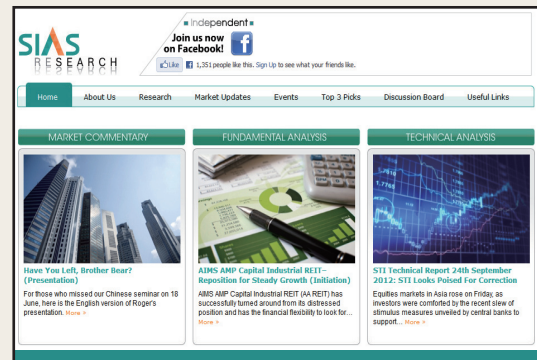
SIAS launched the inaugural Singapore Corporate Governance Week on 24 October to dedicate a week to promoting good corporate governance. Being the second year running, there was a need to provide impetus to the promotion of good corporate governance practices. The initiative was developed with the needs of the markets and the changing global regulatory environment, so that companies and investors, in Singapore and throughout Asia can benefit from the changes to the new order for greater disclosure and transparency for a shared responsibility. SIAS aims to re-enforce Singapore's goal of being a leading financial hub and a centre for corporate governance excellence. More than 350 delegates from both Singapore and the region participated in the week's programme which featured a 2-day Conference, Big Four Executive



Workshops and a workshop on crisis management and effective public relations. Also for the first time, to ensure that retail investors are also educated on governance issues, an Investor Forum was held.

SIAS RESEARCH SERVICES

The initiatives launched by SIAS Research, lead by Mr Roger Tan, Chief Executive Officer, have seen the company continue to do well from serving the needs of both companies and investors alike. For the financial year 2012, the team produced 200 reports covering more than 40 companies with about 1000 subscribers. The SIAS-NRA Corporate Initiated Report (SNCIR) scheme with NRA Capital, currently has 20 companies subscribing to this scheme. In addition to providing members with more high quality research and insights to companies and events, additional revenue streams from companies licensing to use and distribute SIAS Research reports have attributed to the profitability of SIAS Research.



We are confident SIAS members would continue to find useful insights from services provided by SIAS Research.

CONCLUSION

While SIAS has continued to reduce expenses of the operations which has helped in the building the reserves of the Association and Group; the Association has improved its cash position with by over \$290,000 and as a Group the cash position improved to over \$400,000 compared with \$165,256 (improving the cash position by over 75% over the same period). SIAS has recently signed an MOU with SGX to help fund more community programmes and will see SIAS be able to conduct more outreach programmes.

The current SIAS membership stands at about 70,000 and we will concentrate on membership growth by working with more listed companies to admit their shareholders as SIAS Associate members. We expect to see a growth in membership in the years to come. We will continue to focus on serving the needs of our members and promoting our constitutional objectives.

❖ ————— ❖

Financial Statement 2011/12

❖ ————— ❖

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

and its subsidiary company

Association Registration No: - A2718059A

(Constituted in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 30 June 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

and its subsidiary company

PRESIDENT AND HONORARY TREASURERS' REPORT

For the financial year ended 30 June 2012

Honorary Chairman	:	Mr. Hsieh Fu Hua	
Management Committee	:	Mr. David Gerald Jeyasegaram	- President and CEO
		Mr. Siow Chai Seng	- Vice President
		Mr. Joseph Kwok	- Hon. Treasurer
		Mr. James Leong	- Asst. Honorary Treasurer
		Mr. Loh Uantchern	- Honorary Secretary
		Mr. Robson Lee	- Asst. Honorary Secretary
		Mr. Andrew Cheng	- Committee Member
		Mr. Christopher Cheong	- Committee Member
		Professor Jeremy Goh	- Committee Member
		Mr. Christopher Tan	- Committee Member
Registered Office	:	7 Maxwell Road, #05-03, MND Building, Annexe B, Singapore 069111	
Banker	:	Malayan Banking Berhad	
Auditors	:	PlanPartners PAC	

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SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

STATEMENT BY PRESIDENT AND HONORARY TREASURER
For the financial year ended 30 June 2012

We, David Gerald Jeyasegaram and Joseph Kwok, being the President and Honorary Treasurer of Securities Investors Association (Singapore), do hereby state that, in the opinion of the management committee,

- (i) the accompanying statement of financial position, statement of comprehensive income, statement of changes in accumulated surplus and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Association and of the Group as at 30 June 2012 and of the results of the activities, changes in accumulated surplus and cash flow of the Association and of the Group for the financial year then ended, and
- (ii) at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

On behalf of the management committee



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO



Joseph Kwok
Honorary Treasurer

Singapore, 10 September 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Report on the Financial Statements

We have audited the accompanying financial statements of SECURITIES INVESTORS ASSOCIATION (SINGAPORE) (the "Association") and its subsidiary (the "Group"), which comprise the statement of financial position as at 30 June 2012, statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 24.

Association's Management's Committee Responsibility for the Financial Statements

The Association's Management Committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Securities Investors Association (Singapore) Constitution (the "Constitution") and Singapore Financial Reporting Standards, 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 they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Public Accountants & Certified Public Accountants
138 Cecil Street #18-00 Cecil Court Singapore 069538
Email: enquiry@plpartnerspac.com.sg
Tel: 65 6224 1171
Fax: 65 6223 8718

Directors
Dean Tow (Managing)
Lawrence Phong
Patrick Lee

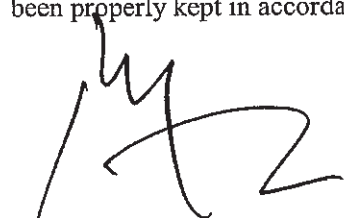
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**
(continued)

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Constitution and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group as at 30 June 2012 and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on other legal and regulatory requirements

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



PlanPartners PAC
*Public Accountants And
Certified Public Accountants*

Singapore, 10 September 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***STATEMENT OF FINANCIAL POSITION***As at 30 June 2012*

	Note	Group		Association	
		2012	2011	2012	2011
		\$	\$	\$	\$
ASSETS					
Non-current assets					
Plant and equipment	5	90,022	125,693	48,755	71,683
Investment in subsidiary	6	-	-	210,000	210,000
Total non-current assets		90,022	125,693	258,755	281,683
Current assets					
Trade and other receivables	7	470,861	311,900	315,209	209,620
Fixed deposits	8	143,729	143,059	143,729	143,059
Cash and bank balances	8	401,443	358,556	290,049	165,256
Total current assets		1,016,033	813,515	748,987	517,935
Total assets		1,106,055	939,208	1,007,742	799,618
RESERVES AND LIABILITIES					
Reserves					
Accumulated surplus of association		420,176	441,377	420,176	441,377
Accumulated loss of subsidiary		(115,371)	(110,941)	-	-
		304,805	330,436	420,176	441,377
Non-controlling interest		236,166	237,703	-	-
Total reserves		540,971	568,139	420,176	441,377
Current liabilities					
Other payables	9	565,084	370,335	587,566	357,507
Provision for taxation	10	-	734	-	734
Total current liabilities		565,084	371,069	587,566	358,241
Total liabilities		565,084	371,069	587,566	358,241
Total reserves and liabilities		1,106,055	939,208	1,007,742	799,618



Jeyasegaram David @
David Gerald Jeyasegaram
 President and CEO



Joseph Kwok
 Honorary Treasurer

Singapore, 10 September 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company


STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 30 June 2012

	Note	Group		Association	
		2012	2011	2012	2011
		\$	\$	\$	\$
Revenue	11	2,225,138	2,111,156	1,634,925	1,453,112
Other income	12	14,762	28,886	7,145	20,820
Services consumed	13	(556,934)	(427,703)	(501,906)	(405,569)
Staff costs	14	(1,323,857)	(1,203,884)	(901,099)	(782,291)
Depreciation of plant and equipment	5	(48,555)	(42,269)	(24,939)	(24,656)
Other expenditure		(339,158)	(372,963)	(236,763)	(251,766)
Operating (deficits)/surplus	15	(28,604)	93,223	(22,637)	9,650
Finance income	16	702	1,418	702	1,418
(Deficit)/Surplus before taxation		(27,902)	94,641	(21,935)	11,068
Taxation	10	734	-	734	-
(Deficit)/Surplus for the financial year		(27,168)	94,641	(21,201)	11,068

Attributable to:

Equity holders of the Company
Non-controlling interest

(25,378)	69,569
(1,790)	25,072
(27,168)	94,641



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO



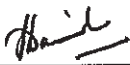
Joseph Kwok
Honorary Treasurer

Singapore, 10 September 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***STATEMENT OF CHANGES IN ACCUMULATED SURPLUS***For the financial year ended 30 June 2012*

Group	<u>Accumulatd surplus of Association</u> \$	<u>Accumulated losses of subsidiary</u> \$	<u>Non- controlling interest</u> \$	<u>Total</u> \$
Balance as at 1 July 2010	430,309	(169,442)	212,631	473,498
Total comprehensive income for the financial year	11,068	58,501	25,072	94,641
Balance as at 30 June 2011	441,377	(110,941)	237,703	568,139
Total comprehensive income for the financial year	(21,201)	(4,430)	(1,537)	(27,168)
Balance as at 30 June 2012	420,176	(115,371)	236,166	540,971

Association	<u>Accumulated surplus of Association</u> \$	<u>Total surplus</u> \$
Balance as at 1 July 2010	430,309	430,309
Surplus for the financial year	11,068	11,068
Balance as at 30 June 2011	441,377	441,377
Deficit for the financial year	(21,201)	(21,201)
Balance as at 30 June 2012	420,176	420,176


Jeyasegaram David @
David Gerald Jeyasegaram
 President and CEO



Joseph Kwok
 Honorary Treasurer


Singapore, 10 September 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

STATEMENT OF CONSOLIDATED CASH FLOWS
For the financial year ended 30 June 2012

	Note	Group 2012 \$	2011 \$	Association 2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
(Deficit)/surplus before taxation		(27,902)	94,641	(21,935)	11,068
Adjustments for:-					
Depreciation of plant and equipment		48,555	42,269	24,939	24,656
Interest income		(702)	(1,418)	(702)	(1,418)
Surplus/(deficit) before working capital changes		19,951	135,492	2,302	34,306
<i>Movements in working capital:-</i>					
Trade and other receivables		(158,961)	8,997	(105,589)	64,607
Other payables		194,749	37,586	149,659	138,423
Cash generated from operations		55,739	182,075	46,372	237,336
Interest income		702	1,418	702	1,418
Net cash generated from operating activities		56,441	183,493	47,074	238,754
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of plant and equipment		(12,884)	(30,373)	(2,011)	(10,856)
Plant and equipment written off		-	2,928	-	-
Amount owing to a subsidiary		-	-	80,400	(94,760)
Net cash used in investing activities		(12,884)	(27,445)	78,389	(105,616)
CASH FLOWS FROM FINANCING ACTIVITIES					
Fixed deposit		(670)	58,582	(670)	58,582
Net cash (used in)/generated from financing activities		(670)	58,582	(670)	58,582
NET INCREASE IN CASH AND CASH EQUIVALENTS		42,887	214,630	124,793	191,720
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		358,556	143,926	165,256	(26,464)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	8	401,443	358,556	290,049	165,256


Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO


Joseph Kwok
Honorary Treasurer

Singapore, 10 September 2012

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

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

1. General

The Association was registered in Singapore on 16 June 1999.

The address of the Association's registered office and its principal place of business is at 7 Maxwell Road, #05-03, MND Building, Annexe B, Singapore 069111.

The principal activities of the Association are those of providing forum discussion of investment interests of members; presenting views to Singapore Exchange and other appropriate bodies; providing educational information and conducting research into all aspects of investments to and advisory services to members; and to act on behalf of members in Court of law, tribunals, conferences and administrative bodies to protect the interest of members.

Details of the subsidiary are stated in Note 6 to the financial statements.

2. Basis of preparation

2.1 Statement of compliance

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

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention basis .

2.3 Functional currency

These financial statements are presented in Singapore Dollar, which is the Group's functional currency.

2.4 Changes in accounting policies

On 1 July 2011, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reports for the current or prior financial year.

3. Critical accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with FRSs requires the Management Committee to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

3. Critical accounting estimates, assumptions and judgments (Continued)

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements, and assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is discussed below:

3.1 Determination of functional currency

In determining the functional currency of the entity, judgment is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currency of the entity is determined based on the Management Committee assessment of the economic environment in which the entity operates and the entity's process of determining sales prices.

3.2 Allowance for doubtful trade accounts

An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. The Management Committee generally analyse trade accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful trade accounts. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

3.3 Income taxes

The Group is subject to income taxes in Singapore. Significant judgement is involved in determining the Company-wide provision for income taxes. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income taxes and deferred tax provisions in the period in which such determination is made.

3.4 Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The directors estimate the useful lives of these plant and equipment to be within 3 to 5 years. The carrying amount of the Group's plant and equipment are set out in Note 5. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

3. Critical accounting estimates, assumptions and judgments (continued)

3.5 Provisions and contingent liabilities

Estimates of the Group's obligations arising from contracts exist as at end of the reporting period may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on the directors' knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3.6 Impairment of investments and financial assets

The Group follows the guidance of FRS 39 Financial Instruments: Recognition and Measurement on determining when an investment or financial asset is other than temporarily impaired. This determination requires significant judgement. The Group evaluates, among other factors, the duration and extent to which the fair value of an investment and financial asset is less than its cost; and the financial health of and near-term business outlook for the investment of financial asset, including factors such as industry and sector performance, changes in technology and operational and financing

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.4, which addresses changes in accounting policies.

4.1 Group accounting

(i) Business combinations

Business combinations are accounted for under the purchase method. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to the profit or loss in the period of the acquisition.

(ii) Subsidiary

Subsidiary is entity controlled by the Group. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiary have been changed when necessary to align them with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2012

4. Significant accounting policies (*continued*)

4.1 Group accounting (*continued*)

(iii) *Transaction eliminated on consolidation*

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(iv) *Accounting for subsidiary*

Investment in subsidiary is stated in the Association's statement of financial position at cost less accumulated impairment losses.

4.2 Financial assets

Loans and receivables include "cash and cash equivalent" and "trade and other receivable" in the statement of financial position.

These financial assets are initially recognised at fair value plus transaction cost and subsequently carried at amortised cost using the effective interest method. They are presented as current assets, except for those maturing later than 12 months after the end of the reporting period which are presented as non-current assets.

The Group assesses at each end of the reporting period whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Allowance for impairment is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

4.3 Plant and equipment

(i) *Recognition and measurement*

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss. When revalued assets are sold, the amounts included in the revaluation reserve are transferred to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

4. Significant accounting policies (continued)

4.3 Plant and equipment (continued)

(ii) *Subsequent costs*

The cost of replacing a part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) *Depreciation*

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

	<u>Useful lives</u>
Computers	3 years
Furniture and fittings	5 years
Office equipment	5 years
Renovation	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.4 Impairment of non-financial assets

Plant and equipment

Plant and equipment and investments in subsidiaries, associated companies and joint ventures are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

4. Significant accounting policies (continued)

4.4 Impairment of non-financial assets (continued)

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

4.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with bank and fixed deposit which are subject to an insignificant risk of change in value.

4.6 Payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

4.7 Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

4. Significant accounting policies (continued)

4.7 Income tax (continued)

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.8 Revenue recognition

- i) Subscription income is recognised on an accrual basis.
- ii) Sponsorship income of the Association is recognised on accrual basis.
- iii) Sponsorship income of the subsidiary is recognised on receipt basis.
- iv) Revenue from rendering of services that are of short duration is recognized when the services are completed.
- v) Interest income is accrued on a time proportionate basis by reference to the principal outstanding and at the interest rate applicable, on an effective yield basis.

4.9 Leases

Operating leases

Leases of factories and warehouses where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

4.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

4.11 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlements

Employee entitlements to the annual leave are recognised when they accrue to employees. An accrual is made for estimated liability for annual leave as a result of service rendered by employees up to the end of the reporting period.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2012

5. Plant and equipment

Group	Computers \$	Furniture & fittings \$	Office equipment \$	Renovation \$	Total \$
<u>Cost</u>					
As at 01.07.10	65,727	56,026	22,915	134,562	279,230
Additions	23,365	6,108	-	900	30,373
Written off	-	-	-	(2,928)	(2,928)
As at 30.06.11	89,092	62,134	22,915	132,534	306,675
Additions	5,301	4,343	-	3,240	12,884
Written off	(48,870)	(38,598)	(17,079)	-	(104,547)
As at 30.06.12	45,523	27,879	5,836	135,774	215,012
<u>Accumulated depreciation</u>					
As at 01.07.10	52,415	38,434	20,952	26,912	138,713
Depreciation charge	8,295	7,359	694	25,921	42,269
As at 30.06.11	60,710	45,793	21,646	52,833	180,982
Depreciation charge	12,557	8,513	439	27,046	48,555
Written off	(48,870)	(38,598)	(17,079)	-	(104,547)
As at 30.06.12	24,397	15,708	5,006	79,879	124,990
<u>Carrying value</u>					
As at 30.06.12	21,126	12,171	830	55,895	90,022
As at 30.06.11	28,382	16,341	1,269	79,701	125,693

Association	Computers \$	Furniture & fittings \$	Office equipment \$	Renovation \$	Total \$
<u>Cost</u>					
Balance as at 1 July 2010	36,628	31,932	19,235	96,951	184,746
Addition	3,848	6,108	-	900	10,856
Balance as at 30 June 2011	40,476	38,040	19,235	97,851	195,602
Additions	1,328	683	-	-	2,011
Written off	(36,178)	(26,674)	(15,319)	-	(78,171)
Balance as at 30 June 2012	5,626	12,049	3,916	97,851	119,442
<u>Accumulated depreciation</u>					
Balance as at 1 July 2010	36,031	24,772	19,070	19,390	99,263
Depreciation charge	1,729	3,302	55	19,570	24,656
Balance as at 30 June 2011	37,760	28,074	19,125	38,960	123,919
Depreciation charge	1,875	3,439	55	19,570	24,939
Written off	(36,178)	(26,674)	(15,319)	-	(78,171)
Balance as at 30 June 2012	3,457	4,839	3,861	58,530	70,687
<u>Carrying value</u>					
Balance as at 30 June 2012	2,169	7,210	55	39,321	48,755
Balance as at 30 June 2011	2,716	9,966	110	58,891	71,683

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2012***6. Investment in subsidiary**

The Association's investment in SIAS Research Pte Ltd is jointly held in trust, and is directly controlled by the President and Committee Member.

	Association	
	2012	2011
	\$	\$
Unquoted shares, at cost		
Balance at beginning and end of the financial year	210,000	210,000

Details of the subsidiary as at 30 June 2012 are as follows:-

Name of Company	Principal activities	Country of incorporation	Percentage of equity held		Cost of investment	
			2012 %	2011 %	2012 \$	2011 \$
SIAS Research Pte Ltd	Providing investment and financial advisory services	Singapore	70	70	210,000	210,000

7. Trade and other receivables

	Group		Association	
	2012 \$	2011 \$	2012 \$	2011 \$
Trade receivables				
- Non-related parties	423,518	266,662	280,100	168,828
- Related party	-	-	5,909	8,985
	423,518	266,662	286,009	177,813
Other receivable				
- Other receivables	15,000	6,667	15,000	6,667
- Deposits	21,400	22,340	14,200	15,140
- Prepayments	10,943	16,231	-	10,000
	47,343	45,238	29,200	31,807
Total trade and other receivables	470,861	311,900	315,209	209,620

8. Cash and cash equivalents

	Group		Association	
	2012 \$	2011 \$	2012 \$	2011 \$
Bank balances	401,143	358,050	289,786	164,871
Cash balances	300	506	263	384
	401,443	358,556	290,049	165,256

Fixed deposits at the balance sheet date have a maturity of 12 months and earn interest at 0.875% (2011: 0.875%) per annum (refer to *Note 16*).

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2012***9. Other payables**

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Deferred revenue				
- Advance received	-	25,000	-	25,000
- SNCIR scheme	98,248	-	-	-
- Subscriptions in advance	14,718	19,128	-	-
- Unutilised funds from sponsorship	313,348	175,844	313,348	175,844
- Communication services	120,690	94,617	120,690	94,617
Total deferred revenue	547,004	314,589	434,038	295,461
Accruals	6,900	22,228	3,000	3,100
Other creditor	11,180	-	11,180	-
Amount owing to subsidiary	-	33,518	139,348	58,946
Total other payables	565,084	370,335	587,566	357,507

10. Taxation**(a) Tax expense**

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Over-provision in prior year	734	-	734	-

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2011: 17%) to profit before income tax as a result of the following differences:-

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
(Deficits)/surplus before taxation	(27,902)	94,641	(21,935)	11,068
Income tax expense at statutory rate	(4,743)	16,089	(3,729)	1,882
Non deductible expenses	8,255	6,376	4,240	3,382
Non taxable items	(850)	(5,447)	-	-
Utilisation of capital allowance	(5,942)	-	(3,791)	-
Unutilised capital allowance brought forward	3,280	(15,734)	3,280	(3,980)
Unutilised tax losses carried forward	-	(1,284)	-	(1,284)
Over-provision in prior year	734	-	734	-
	734	-	734	-

(b) Provision for taxation

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Balance at beginning of the financial year	734	734	734	734
Less: Over-provision in prior year	(734)	-	(734)	-
	-	734	-	734

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2012***10. Taxation (continued)**

The Association has estimated unutilised tax loss carried forward and tax timing differences from capital allowances available for offsetting against future taxable income as follows:-

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
<u>Unutilised tax losses</u>				
Amount at beginning of year	190,012	188,251	78,239	11,858
Addition in current year	-	73,933	-	73,933
Over-provision in prior year	(109)	-	(32,155)	-
Utilised during the year	-	(72,172)	-	(7,552)
Amount at the end of year	189,903	190,012	46,084	78,239

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
<u>Unabsorbed capital allowances</u>				
Amount at beginning of year	25,854	19,214	19,262	751
Addition in current year	26,685	103,952	14,420	46,683
Utilised during the year	(2,302)	(97,312)	(2,302)	(28,172)
Under/(Over)-provision in prior year	2,215	-	(12,084)	-
Amount at end of year	52,452	25,854	19,296	19,262

Tax benefit arising from the estimated unutilised tax losses and unabsorbed capital allowances has not been recognised in the financial statements as the realization of the benefit depends on future profitability and whether there are changes in the shareholders as required by provisions of the Income Tax Act.

11. Revenue

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Copyright revenue	420,360	578,666	-	-
Investors' Choice Award	239,900	230,500	239,900	230,500
Market research	25,000	-	-	-
Subscriptions	64,538	110,862	30,484	67,523
Service providers	30,448	102,348	34,448	96,348
Seminars and conferences	293,676	203,646	263,676	186,207
Shareholders' communication services	198,260	145,404	198,260	145,404
Sponsorship	854,157	740,130	868,157	727,130
SNCIR Scheme	98,799	-	-	-
	2,225,138	2,111,156	1,634,925	1,453,112

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2012***12. Other income**

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Commission	-	8,625	-	8,625
Donation	-	5,000	-	5,000
Rental of SIAS data	6,500	-	6,500	-
Service provided	2,000	-	-	-
SME cash grant	5,000	-	-	-
Others	1,262	15,261	645	7,195
	14,762	28,886	7,145	20,820

13. Services consumed

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Annual dinner	206,158	225,536	206,158	225,536
Course fees	-	2,408	-	2,408
Seminars, courses and conferences	209,824	110,198	207,512	96,648
Services provided	56,626	25,183	26,700	33,090
Website expenses	84,326	64,378	61,536	47,887
	556,934	427,703	501,906	405,569

14. Employee benefits

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
CPF contribution	136,360	118,138	88,687	70,347
Medical fees	996	12,418	785	10,051
Salaries and related expenses	1,186,501	1,073,328	811,627	701,893
	1,323,857	1,203,844	901,099	782,291

15. Operating (deficits)/surplus

	Group and Association	
	2012	2011
	\$	\$
<i>This is arrived at after charging:-</i>		
Rental of office premise	60,776	60,776

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)*and its subsidiary company***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 30 June 2012***16. Finance income**

	Group and Association	
	2012	2011
	\$	\$
Interest on fixed deposits	702	1,418

Fixed deposits earn interest at 0.875% (2011: 0.875%) per annum (refer to Note 8).

17. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Association and its subsidiary company at terms agreed between the parties:

	2012	2011
	\$	\$
<i>SIAS Research Pte Ltd</i>		
Rental of premise and counter	32,388	30,388
Sponsorship received	14,000	1,000
Utilities charges	5,296	5,659
Service charged by subsidiary	4,000	11,000

18. Operating lease commitments

At the balance sheet date, the Group was committed to making the following payments in respect of non-cancellable operating leases with a term of more than one year:

	Group		Association	
	2011	2011	2012	2011
	\$	\$	\$	\$
<i>Lease of office premise:</i>				
Payable within 1 year	63,900	91,664	63,900	91,164
Payable after 1 year but within 5 years	-	68,373	-	68,373
	63,900	159,537	63,900	159,537
Rental expense for the financial year	91,164	91,164	60,776	60,776
<i>Lease of office equipment:</i>				
Payable within 1 year	7,200	7,200	7,200	7,200
Payable after 1 year but within 5 years	16,400	20,400	16,400	20,400
	23,600	27,600	23,600	27,600
Rental expense for the financial year	6,527	8,346	6,527	8,346

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2012

19. Financial risk management

Financial risk factors

The Group's activities expose it to currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management strategy seek to minimize potential adverse effects from the unpredictability of financial markets on the financial performance of the Group.

The Management Committee manage and monitor such exposures to ensure appropriate risk management measures are implemented on timely and effective manners. However, these are not documented in formal written documents. The following guidelines are followed:

- (i) Minimise interest rate, currency, credit and market risks for all kinds of transactions.
- (ii) All financial risk management activities are carried out and monitored by the directors.
- (iii) All financial risk management activities are carried out following market practices.

There has been no significant change to the manner in which it manages and measures these risks.

Currency risk

The Group has no significant exposure to currency risk.

Credit risk

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. Credit risk on cash balances with banks is limited as the counterparties are entities with acceptable credit ratings. For credit risk on receivables, an ongoing credit evaluation is performed of the financial condition of the debtors and a loss from impairment is recognized in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are monitored. There is no significant concentration of credit risk, as the exposure is spread over a large number of counterparties and customers unless otherwise disclosed in these notes to the financial statements.

By type of customers

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Non-related party	423,518	266,508	280,100	168,828
Related party	-	-	5,909	8,985
	<u>423,518</u>	<u>266,662</u>	<u>286,009</u>	<u>177,813</u>

(i) Receivables that are neither past due nor impaired

Ageing analysis of the age of trade receivable amounts that are neither past due nor impaired:

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Trade receivables that are neither past due nor impaired	276,087	183,990	283,083	177,813

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2012

19. Financial risk management (continued)

(ii) Receivables that are past due but not impaired

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired are as follows:

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
31 to 60 days	70,494	28,500	2,926	-
61 to 90 days	1,603	7,798	-	-
90 days above	75,334	46,374	-	-
Total	147,431	82,672	2,926	-

Liquidity risk

The following table analyses financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Group		Association	
	2012	2011	2012	2011
	\$	\$	\$	\$
Other payables:				
Less than 1 year	565,084	370,335	587,566	357,507

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The other payables are within short-term durations. Apart from the classification of the assets in the statements of financial position, no further analysis is deemed necessary.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset. It is expected that all the liabilities will be paid at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

The financial assets and liabilities at amortised cost are at a carrying amount that is a reasonable approximation of fair value.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2012

20. Currently effective requirements

Below is a list of standards and interpretations, including the subsequent amendments to the standards and interpretations, in issue at 15 September 2011 that are effective for annual reporting periods beginning on 1 January 2011. In addition, standards and interpretations that are effective for the first time have been marked with a + on their effective dates.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date</u>
FRS 1	Presentation of Financial Statements	1 January 2009
	Subsequent amendments:	
	- Presentation of statement of changes in equity	1 January 2011 +
FRS 24	Related Party Disclosures	1 January 2011 +
FRS 101	First-time Adoption of Financial Reporting Standards	1 January 2004
	Subsequent amendments:	
	- Accounting policy changes in the year of adoption	1 January 2011 +
	- Revaluation basis as deemed cost	1 January 2011 +
	- Use of deemed cost for operations subject to rate regulation	1 January 2011 +
FRS 107	Financial Instruments: Disclosures Subsequent Amendments:	1 January 2008
	- Credit risk disclosures	1 January 2011 +

21. Authorisation of financial statements

The Management Committee of Securities Investors Association (Singapore) authorised these financial statements for issue on 10 September 2012.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**INCOME AND EXPENDITURE STATEMENT***For the financial year ended 30 June 2012*

	2012 \$	2011 \$
REVENUE		
Investors' Choice Award	239,900	230,500
Seminars and conferences	263,676	186,207
Services provided	34,448	96,348
Shareholder communication services	198,260	145,404
Subscriptions	30,484	67,523
Sponsorships	868,157	727,130
	<u>1,634,925</u>	<u>1,453,112</u>
LESS : COST OF SERVICES		
Investors' Choice Award	206,158	225,536
Course fees	-	2,408
Seminars and conferences	207,512	96,648
Services provided	26,700	33,090
Website expenses	61,536	47,887
	<u>501,906</u>	<u>405,569</u>
GROSS SURPLUS	1,133,019	1,047,543
OTHER INCOME		
Commission	-	8,625
Donation	-	5,000
Interest income	702	1,418
Rental of SIAS data	6,500	-
Others	645	7,195
	<u>1,140,866</u>	<u>1,069,781</u>
LESS: EXPENDITURE (<i>APPENDIX I</i>)	(1,162,801)	(1,058,713)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	<u>(21,935)</u>	<u>11,068</u>

The above statement does not form part of the audited financial statements.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**INCOME AND EXPENDITURE STATEMENT***For the financial year ended 30 June 2012**APPENDIX I*

	2012 \$	2011 \$
EXPENDITURE		
Accounting, audit and tax fees	9,100	9,200
Administrative expenses	2,400	3,363
Advertisement	18,057	32,536
Bank charges	247	188
Credit card and paypal charges	900	-
Casual labour	1,049	1,846
CPF contribution	88,687	70,347
Depreciation of plant and equipment	24,939	24,656
Entertainment	7,077	16,495
General expenses	721	1,966
Gift and condolences	4,006	2,273
Insurance	11,692	11,605
Late interest and fine	-	206
Legal and professional fees	-	2,000
Membership fee	-	6,562
Medical expenses	785	10,051
Postage and couriers	1,366	1,091
Printing and stationery	32,829	16,618
Promotion	2,414	4,080
Rental of office equipment	6,527	8,346
Rental of office premise	60,776	60,776
Rental of auditorium hall	10,676	21,402
Repairs and maintenance	3,438	1,808
Salaries and other related expenses	811,627	701,893
Security service	428	-
Sponsorship	22,000	-
Telephone and faxes	14,148	11,068
Transportation expenses	4,811	18,042
Travelling expenses	12,774	11,272
Utilities	9,327	9,023
	<u>1,162,801</u>	<u>1,058,713</u>

The above statement does not form part of the audited financial statements.

