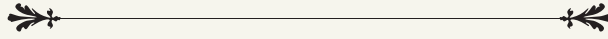




Securities Investors Association (Singapore)

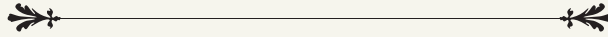
ANNUAL REPORT 2012/13

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AGENDA



1. To confirm minutes of AGM held on 25th September 2012.
2. To receive Annual Report and adopt the Audited Accounts for the year ended 30th June 2013.
3. To elect members to the Management Committee 2013 - 2015.
4. To appoint Auditors for the ensuing year.
5. To amend the Constitution to:
 - i. Appoint Sub-Committees without restricting the same and to inform members as soon as possible the name of the Chairman and the composition of each of the Sub-Committee appointed by the Management Committee.
 - ii. Provide criteria for the Nomination Committee to approve/disapprove a candidate to serve on the Management Committee.
 - iii. Allow the Management Committee to appoint up to two additional Committee Members, should the need arise.
6. To transact any other business of which 7 clear day's notice has been given in writing to the Honorary Secretary.

BY THE ORDER OF THE MANAGEMENT COMMITTEE
LOH UANTCHERN
HONORARY SECRETARY

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

MINUTES OF 13th ANNUAL GENERAL MEETING

HELD ON : 25th September 2012

VENUE : 5 Maxwell Road, MND Building Annexe A Singapore 069110

TIME : 7.00 pm

Meeting called to order : 7 .00 pm

Attendance : 43 members

Chairman : President, Mr David Gerald J.

Committee Members

Present : Mr Siow Chai Sheng, Vice President
Mr Loh Uantchern, Hon Secretary
Mr Kwok Wei Woon, Hon Treasurer
Mr Christopher Tan, Committee Member
Mr Cheong Boon Leong Christopher, Committee Member

1. The meeting was called to order by Chairman at 7.00pm with the Hon Secretary advising Chairman that there were 43 members in attendance, constituting a quorum.

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 30, 2011. Mr Teo Lye Hock proposed that the minutes be passed with Ms Sonia Tay seconding the motion. The minutes were confirmed.

3. Annual Report 2012

3.1. Chairman invited Mr Richard Dyason, General Manager of SIAS to read out the Annual Report 2012 for the meeting. Chairman informed the meeting that SIAS has increased its staff because of the increase in the number of activities. He highlighted that many retail investors are still not joining SIAS as a member but are benefiting from its free seminars and workshops. Hence, it is difficult to depend on membership for funds to maintain the Association. Chairman mentioned that SIAS has increased its activities since last year to help educate more investors in various investment areas whilst raising funds to run the Association from corporates and major events.

3.2. On Asian Investment Conference & Exhibition (AICE), Chairman informed that many exhibitors found that it did not really benefit them as most investors came to obtain goodie bags and seats in the seminar rooms were limited. Hence, our General Manager had suggested that SIAS should conduct a two full-day seminars focusing on educating investors with various investments related topics instead of AICE. The two full-day seminars was organised as "Singapore Investment Week" which started with a two-day investment seminars and followed by online interviews and evening investment workshops for the next five days of the Week. The event was held for the first time in August this year. This event could not be held in June or July, like the AICE event in the past as venues were not available during that period. Chairman indicated that Singapore Investment Week brought in an estimated \$60,000 profit for SIAS. However, the profit amount will be reflected in the July 2012 to June 2013 financial year. Hence, it could not help the loss in

revenue reflected for the financial year 2011 to 2012.

3.3. Chairman informed the meeting that corporate profile seminars were held as part of Shareholder Communication Services. SIAS charged S\$12,000 per annum to participating listed companies, providing the platform to them to meet members. About 30 companies have so far participated in this Service.

3.4. The meeting was also informed that the Dispute and Complaint Resolution is a free service that SIAS provides to its members although it is time consuming. The member will first write in to SIAS and the Membership department will go through and refer to the General Manager or CEO for advice. The dispute or complaint may sometimes be referred to a lawyer, who provides free legal advice to SIAS, to seek their legal advice for the member.

3.5. Chairman said that the Corporate Governance Week is a profitable event for SIAS yearly. However, it takes about six (6) months for staff to prepare for this big event. This year, speakers from United States, UK, Australia and most of the regulators from Asian countries are participating at the Asian Investors' Corporate Governance Conference. Chairman informed the meeting that SIAS has gained international recognition as a useful Association. He was recently invited by PCAOB, Washington DC to appear before the PCAOB Board to give our feedback on Independence of Auditors and Mandatory Rotation of Auditors. Further, he was also invited by OECD to sit on the OECD Roundtable. SIAS has also been invited to participate by OECD in its Investor Education Conferences. SIAS also was visited by 10 European Parliamentarians and officials from the United States Treasury Department. Both delegations came to find out more about how we have achieved success in investor education and corporate governance.

3.6. The meeting was advised that SIAS Research was formed for retail investors. Retail investors have to pay a subscription fee for the reports that SIAS Research analysts write. The subscription fee is used to defray the costs for hiring analysts, chartist and admin staff. Not many retail investors are supporting this initiative for them.

3.7. Overall, Chairman informed that SIAS has continued to reduce its expenses of the operations which have helped in the reserves of the Association. SIAS has also improved the cash position by over \$290,000. As a Group, the cash position improved to over \$400,000 compared to \$165,000 last year. The cash flow has improved over 75% over the period.

3.8. SIAS has recently signed a MOU Agreement with SGX for their funding to do more programmes. SGX has agreed to fund up to S\$200,000 on the understanding that SIAS will organise the agreed number of investor education events.

3.9. Chairman informed that SIAS has about 70,000 members on record. However, over 50,000 members do not pay subscription as they are founder members. Out of the 50,000 members, about 19,000 members come through companies who are our sponsors for investor education so they have free associate membership. About 1000 members only pay the annual membership fee.

Mr Steven Chen proposed that the Annual Report be passed and Mr Oh Kim Leng seconded. The Annual Report was passed.

4. Adoption of Audited Accounts for July 2011 to June 2012

The Treasurer presented the Audited Accounts for July 2011 to June 2012. Mr Joseph Kwok mentioned that SIAS revenue has improved quite well because of a few events that SIAS conducted last year. These events have received good feedback and raised a lot of sponsorships due to the hard work of Chairman and his team. SIAS is seeing good healthy growth in its top line. There may be a little issue with regard to the Association's expenses however, going forward, SIAS will be having more activities, more revenue, more sponsorships from its partners. Hence, the growth will continue to stay strong.

Chairman summed up that the loss shown in the financial report this year was due to the shifting of one of the major events to August. However, the revenue earned from the August event will be factored in July 2012 to June 2013 financial year.

Mr Edmund Tan proposed to pass the audited accounts and Mr Steven Chen seconded. There being no objections, the Audited Accounts were accepted.

5. Appointment of Auditors

Chairman advised that PlanAssure PAC has been working well and closely with SIAS. They have been with the Association for 10 years and Chairman proposed that they be re-appointed as Auditors for the ensuing year Mr Oh Kim Leng proposed to pass the appointment and Mr Christopher Cheong seconded the motion. The motion was carried.

6. Any Other Business

6a. Chairman informed that at the last AGM meeting minutes dated 30 September 2011, it was not recorded that Mr Ng Cho Huat, Assistant Honorary Treasurer has been replaced by Mr Leong Chan Foo as the Assistant Honorary Treasurer and it is the requirement by the Maybank that it be recorded so that Mr Leong Chan Foo can be authorised as one of the bank signatories for the Association.

Mr Steven Chen proposed that it be recorded that Mr Leong Chan Foo succeeded Mr Ng Cho Huat the Assistant Honorary Treasurer of SIAS at the last AGM 2011. Mr Oh Kim Leng seconded. Accordingly, it was passed.

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

Loh Uantchern
Hon. Secretary

MANAGEMENT COMMITTEE'S ANNUAL REPORT 2013



THE CHAIRMAN

Honorary Chairman:

Mr Hsieh Fu Hua, was appointed as the Chairman under the Constitution in January 2012. Mr Hsieh is currently an adviser to PrimePartners Group, which he co-founded, and a director of ICAP plc, United Overseas Bank Limited, Fullerton Fund Management Company and Tiger Airways Holdings. He also serves on the boards of a number of non-profit organisations including National University of Singapore (NUS), The National Art Gallery, Singapore Indian Development Association, and the Stewardship and Corporate Governance Centre. He had previously served as Chief Executive Officer of Singapore Exchange (2003-2009), and as a board member of Temasek Holdings (2010-2012) and Government of Singapore Investment Corporation (2003-2010).

SIAS is pleased to announce the appointment of **Mrs Lim Hwee Hua**, former Minister, as our 3rd Honorary Chairman with effect from 21 October 2013 for a period of 3 years.

She has always shown keen interest in the work we do at SIAS and has a heart for the retail investors. As Chairman of SIAS, she now has the opportunity to work with the Committee to further enhance the work of SIAS in our market place. SIAS stands to benefit enormously from her knowledge and vast experience in the finance and securities industries.

Mrs Lim Hwee Hua is currently an Executive Director of Tembusu Partners Pte Ltd, a Senior Advisor to Kohlberg, Kravis & Roberts, an Independent Non-Executive Representative of the Ernst & Young Global Advisory Council, and a non-executive director of Jardine Cycle & Carriage Ltd and Stamford Land Corporation Ltd.

THE MANAGEMENT COMMITTEE

Management Committee 2013:

The Association is managed by Management Committee elected by members at the 2012 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 James Leong	<i>Asst. Hon. Treasurer</i>
Mr Andrew Cheng	<i>Committee Member</i>

Mr Christopher Cheong
 Prof Jeremy Goh
 Mr Christopher Tan

Committee Member
Committee Member
Committee Member

All Management Committee members are professionals and are volunteers, except the President, who is also the Chief Executive Officer. The Hon. Treasurer, Mr Joseph Kwok resigned on 14th June 2013 due to work and other commitments.

The Management Committee met 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. 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 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

FY 2013 has been a very busy year for SIAS. SIAS ramped up its commitment to champion investor education with the launch of Singapore Investment Week – an educational campaign to create awareness focusing on the importance of investing. The Singapore Investment Week kicked off in August 2012 with a 2 – day series of conference styled seminars followed by daily workshops and online video interviews. In addition, we published an investment guidebook – 3 Dimensions to Successful Investing – providing investors with a methodology to help them make more informed decisions and also educating on the risks of the various investment products. Other new initiatives like the President's regular Tea Sessions with members, online Investor Rights Q&A with Stamford Law and the Investor Forum were conducted.

SIAS too was very active in driving improvements in corporate governance standard in Singapore. Good governance ensures that investors' interests are protected. Several new initiatives helped drive the bar higher this year. Firstly, the scorecard of the Investor Choice Awards used to rate and reward companies with good corporate governance was revised. The new scorecard incorporated OCED principles with research conducted by Sim Kee Boon Institute at SMU. In addition, further input was provided by Brendan Wood International (BWI), a Canadian corporate intelligence company, with their Shareholder Confidence Index. This ensured that our companies meet international standards. For the first time, SIAS also awarded the TopGun CEO awards in collaboration with BWI. SIAS also launched the Corporate Governance Research, a snap shot of the corporate governance practices of selected companies based on OECD principles. With this research, investors can have a quick overview of the company's corporate governance practices easily.

Over the year, a total of 119 events and activities were conducted with over 24,000 attendees participating at these events. (see table 1.1 at page 11 for details)

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 and to have a financial plan. We will continue to focus on educating members to empower them to make the right decisions while driving investor rights responsibly to advance the cause of minority investors.

Total revenue for the Association in 2013 grew 29% to \$2,106,584 on the back of stronger sponsorships due to the increased number of events and activities. Correspondingly, the Association managed the expenses and it grew at a much slower rate from \$1,162,801 to \$1,311,723; a 13% increase over the same period.

As a group, the revenue increased by \$480,036 to \$2,705,174 or 21.5% with profitability improving from a deficit of \$27,168 in 2012 to a profit of \$101,848 in 2013. SIAS will continue to drive its revenue through events and sponsorship while maintaining a watch on expenses.

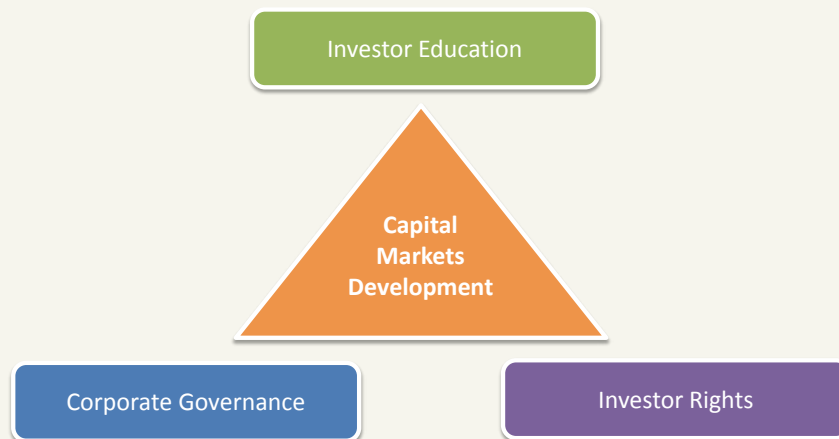
Our next step forward is to extend our reach into the community with Investment Chapters. With S\$65.8 billion* lying in deposits earning low interest rates, and with inflation rates around 4%, the interest earned cannot keep up with inflation. Our Investment Chapters will teach citizens to overcome the fear of investing and help them make informed investment decisions.

SIAS VISION

Our Vision is:

“To build a vibrant, enlightened and empowered investor community by championing investor rights, promotion of financial literacy, and advocacy of progressive industry practices.”

Our activities are center around developing and improving the Singapore capital markets through championing investor rights, investor education and raising the level of corporate governance.



STAFF POSITION

The Association is managed by seventeen (17) full-time and one (1) part-time employee. 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

Over the course of the year, SIAS conducted almost 120 activities reaching out to more than 24,000 attendees.

* Source: MAS, as at August 2013

Table 1.1

Description	No. of activities	No. of attendees
IE Workshops & Courses	57	4,397
Dialogue sessions	29	1,173
My Money	6	3,348
SIW (2012 & 13)	2	9,500
CG Conference	1	326
CG Workshops	5	248
Youth Chapter	13	3,390
Dinner & Others events	6	2,252
Total	119	24,634

INVESTOR EDUCATION PROGRAMMES

At SIAS of our Investors Education programmes are focused 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.

According to research with Investment Trends' (Singapore Trading Behaviour Study 2012), while many of SIAS members can be classified as "sophisticated" investors, with more than 60% of our members making their own decisions when making their trade and investing decisions and not seeking advice; but it is observed that over 40% did so without having any plan. SIAS will be focusing on the educating investors to having a plan before making any investment.

This year a total of 63 Investor Education programmes with a total of 7,745 members and investors attending. We also conducted two Investment Week programmes with 9,500 attendees and the Corporate Governance Week attracting a total of over 2000 participants were organized during the financial year FY2013. The programmes comprised educational seminars on investment products and strategies, Interpreting Annual Reports for Stock Selection workshops, My Money series in English and Chinese, Corporate Profile seminars under the Shareholder Communication Services Programmes, Value Investing and the A-Z of Investing workshops. The following programmes were organized:

➤ Interpreting Annual Reports for Stock Selection

This course is a part of the core course for SIAS. This year Six (6) ‘Interpreting Annual Reports for Stock Selection’ workshops by Mr. James Leong, was conducted. 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. The take up rate for these have improved following the adjustment of the course fees with a total of 360 attendees over all 6 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) has been running since 2009. In the FY 2013, 6 seminars in English and Chinese were held. With the objective of enabling 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. The seminars attracted a total of 3348 attendees. The topics included understanding investing with leverage and leverage instruments; property and property related investment instruments; comparing unit trusts with ILPs and traditional endowment plans, and understanding fixed income instruments like Bonds and Singapore Government Securities.

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.





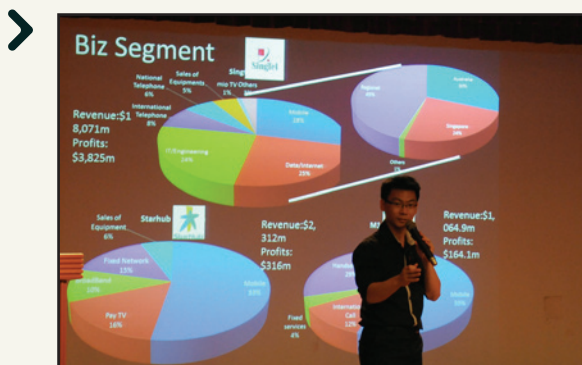
A-Z of Investing

SIAS kicked off the A-Z of Investing last year, as a monthly workshop, to cover all aspects of investing from financial planning, investment planning and understanding the various investment instruments. The monthly workshops covered topics like fundamental and technical analysis, unit trusts investing, equity and stock investments, commodities, ETFs and property investing including

REITs, in creating a portfolio. While the workshops have been fully subscribed, they were limited due to constraints of the premises. A review of this programme is currently being conducted.

Mandarin workshops

In addition to the MyMoney Mandarin seminars that have been running since 2009, on going Mandarin seminars that focus greater detail to educate investors in areas of stock investing, fundamental and technical analysis of stock investing were also held. 6 Mandarin workshops were conducted and these were attended by over 150 participants.



Value Investing

This core course, introduced last year, focuses on providing investors with the basics to help investors identify stocks with fundamental value and good long term investment opportunities. The same analysis was also applied to help investors identify companies of good value in the various sectors and how to pick stocks using this principle. 7 workshops were conducted in 2013 with over 500 members have benefitted from this initiative.

Corporate Profile and Investment Seminar

Three (3) Corporate Profile & Investment Seminars were conducted this year with companies from the various sectors of the market participating. Each event was also themed as SIAS collaborated with SGX to create awareness and education on the diversity of the SGX listed companies. This year saw nearly 600 investors in attendance. The platform provided the listed companies to share



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.

New Investor Education Programmes in FY12/13



Singapore Investment Week

In Singapore, campaigns have been proven to help change behavior. As such, SIAS decided that it was also timely that we should have a campaign about the importance of investing. A week dedicated to educating Singaporeans on the need to invest wisely from the importance of financial planning, developing an investment portfolio and understanding the strategies. The first

SIAS Singapore Investment Week was launched in August 2012 and ran from 25th – 31st August. With the theme, “Investing for a Secure Future”, the event kicked off with a series of seminars in a 2 day conference styled event. This is followed by daily workshops during the week as well as online videos and quizzes that help educate the investors on knowing the products, strategies and themselves. The first Singapore Investment Week 2012 attracted about 4500 attendees over the week-long event. Gold sponsors included CIMB Securities, Standard Chartered Bank, Dolphin Capital, UOB KayHian, World Gold Council and SSGA. Silver sponsors included AIA, Adam Khoo Learning Technologies and Mind Kinesis.



In 2013, we also held the 2nd Singapore Investment Week, from 13th – 19th April. Following the success of the 1st Singapore Investment Week, we added a Mandarin segment to the seminars to cater to the Mandarin speaking investors. The 2nd Singapore Investment Week attracted about 5000 participants over the week-long event of seminars, workshops and online videos. All the events and talks were also recorded and this helped those who could not attend obtain the information and also help refresh the information to those who attended the event.



Sector Performance and Insights

As part of an industry effort with SGX, SIAS also contributed to this initiative by also conducting events and activities to coincide with the theme. Each quarter a selected theme will be focused upon. The year commenced with the Telecommunications, Oil and Gas sector and was followed by Consumer Services, Real Estate and Utilities. The initiative is to educate on the various

sector companies and help investors put together a portfolio. Various seminars were held together with SGX as well as NLB.



Member Tea Sessions

In December 2012, SIAS began regular tea sessions with members. At these sessions, members are kept updated on the SIAS activities and also share investment issues and related topics with SIAS. The sessions are all held with the Founder and President of SIAS, Mr David Gerald. This is an ideal platform for SIAS to understand the issues and challenges faced by investors in today's investing climate. In total, 15 tea sessions were conducted with about 160 members participating in the sharing session since December 2012.



Investor Rights and Investor Forum "Ask SIAS"

In April 2013, SIAS, together with Stamford Law, launched a series of Investor Rights Q&A articles educating investors of their rights called Ask Stamford Law. The questions covered areas like delisting, rights of a minority shareholder in a unlisted company, understanding conditional and unconditional offers, and can shareholders apply to court to stop a company paying exorbitant remuneration to directors and senior manager, just to name a few.

SIAS also launched the Investor Forum "Ask SIAS", where members can raise issues and the questions raised are answered a panel of distinguished professionals from law, banking and finance.



SIAS Corporate Governance Research

CapitaLand Limited

CapitaLand's corporate governance practices as measured using OECD framework are consistently high. CapitaLand scores the highest in most of the five categories, making it a model for all firms in industry to follow. However, there are room for improvement on the Disclosure and Transparency category.

SIAS Investors' Choice Awards Record (Year 2010 – 2012)

- Year 2010 – Winner, Properties, Most Transparent Company Award
- Year 2011 – Winner, Properties, Most Transparent Company Award
- Year 2012 – Winner, Real Estate & Golden Circle, Most Transparent Company Award

Components of the Corporate Governance Score

A. Shareholders' rights
Quality of AGM notice is good, objectives and reasons for meeting items are included. Dividend policy is specified with amount only. Detailed AGM minutes available on company website.

B. Equitable treatment of shareholders
No apparent cross shareholding. No apparent pyramid holding structure. 59.45% free float proportion of the outstanding shares. Proxy voting facilitated.

C. Rights of stakeholders
Good welfare policy/benefit and professional development and training for employees. Business partners are honored but only superficial coverage for customers/clients. Serious commitment to environmental issues and contributes to the communities. Explicitly mentions the obligations to the shareholders.

D. Disclosure and transparency
Non transparent ownership structure. Quality of annual report is good, only superficial coverage disclosure for related-party transactions. Quality of company website is high. IR person specified with contact information.

E. Board responsibilities
Internal audit operation established as a separate unit. There is room for improvement in the Audit Committee report. Good board meeting attendance. Risk management policy in place. Chairman is independent director. Big board size. High proportion of independent directors; employee stock option plan available.

SCGI

Within the Corporate Governance Star Rating Category, the top 10% of listed companies receive five stars, the next 20% four stars, the middle 30% three stars


Corporate Governance Indicator	CapitaLand
CEO and Chairman Duality	No
Independent Directors	52%
Management Shareholding	0.04%
Internal Audit Unit	Yes
Dividend Policy	No
Transparent Ownership Structure	No
Board Meeting Attendance	92%
Employee Stock & Options Plan	Yes
Pyramid Shareholding	No
External Auditor	KPMG LLP

How to Interpret Singapore CG Index

All Singapore listed companies are rated by SCGI on a scale of 0 (lowest) to 100 (highest).
 Sub-index A is Shareholders' rights
 Sub-index B is Equitable treatment of shareholder
 Sub-index C is Rights of stakeholders
 Sub-index D is Disclosure and Transparency
 Sub-index E is Board responsibilities

Source: Sim Kee Boon Institute of Financial Economics, SMU

Total return percent change



Corporate Governance Research

In our efforts to drive corporate governance standards, SIAS launched the Corporate Governance (CG) Research. This is a snap shot of the corporate governance practices of a company based on OCED principles of corporate governance. The CG Reports also provide information on how the company's corporate governance practices fair relative to its peers in the industry as well as the overall market.

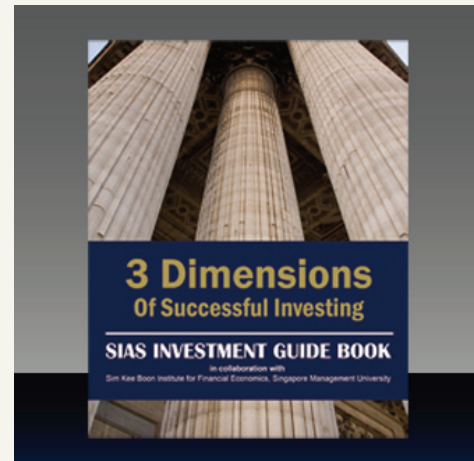
The report highlights the components of the OECD principles which include shareholders' rights, the equitable treatment of shareholders, rights of shareholders, disclosure and transparency and the Board responsibilities. The information published is drawn from publicly available documents and information. The reports are available on the SIAS

website and are developed in collaboration with Prof Jeremy Goh of the Sim Kee Boon Institute at SMU.

Currently we have published the CG Research of the winners from the Investor Choice Awards. Moving forward SIAS will be looking to publish the top 100 companies.

SIAS Investment Guidebook – 3 Dimension of Successful Investing

In August 2012, SIAS launched the self-published investment guidebook – the 3 Dimensions of Successful Investing. Developed by our General Manager with the collaboration of the Sim Kee Boon Institute for Financial Economics at SMU, the book provides an overview of investing principles, strategies and knowledge of the various investment instruments. Also highlighted in the book are the various risks that investors need to understand before putting down their monies.



The guidebook sponsored by SGX, covers both listed and unlisted investment instruments and is an independent guide to help investors make informed investment decisions. The book retails for \$25 and SIAS members can get the guidebook at a subsidized price of only \$5.



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 from 11,504,577 to 14,361,004 in 2013 with the average hit rate of 1,196,750 per month this is an increase of 24.8% over the year. The website also recorded a total of 657,755 (up from 545,807, a 20.8% increase) 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. Videos in both English and Chinese educate 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.

In addition to the educational and news information on the SIAS website, we have been focused on developing content to help shareholders in their investments. Independent analysis of selected company annual reports that provide the key highlights in an annual report delivered in a 15 minute video help investors understand the issues before attending the AGM and are thus better equipped and ask the relevant questions at the AGM.



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. To date, we have 1345 Likes on the SIAS Facebook page and there is also one dedicated to the youths called the SIAS Youth Chapter that has 781 Likes. We also have 115 videos in the SIAS YouTube that have recorded 46,0002 viewership with 342 subscribers.



Dispute and complaints Resolution Programme

SIAS received 77 complaints during the course of the year from members. The complaints were mainly regarding issues surrounding delisting, rights issues, and corporate governance issues.

SIAS continued to champion the plight of investors. When China Sky was suspended, SIAS conducted

a dialogue session and actively worked with the independent directors, Board and SGX to mediate to break the impasse caused when the company failed to comply with regulatory order from SGX to conduct a Special Audit. SIAS was also proactive in engaging the Board and shareholders in the Olam saga when Muddy Waters issued a damaging report and shorted the shares.

SIAS also conducted shareholder discussions with the shareholders and the boards of Macquarie International Infrastructure Fund (MIIF) and F&N on rights issues relating to the divestment of the assets. Through their sessions, SIAS was able to help educate stakeholders on the issues surrounding the company and help them make informed decisions with their shares.

➤ Shareholder Communication Services

The revised Singapore Corporate Governance code of 2012 now has a specific Principle on shareholder rights and communication with shareholders. The SIAS Shareholder Communication Services provides public listed companies to reach out to retail investors through the SIAS platform and engage shareholders.

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 \$224,671 in the FY ending 30 Jun 2012 as compared to \$198,260 in the last period. While the number of companies participating had remained constant at 19, the increase in revenue recorded is due to additional services provided to the participating companies like the provision of the SIAS Corporate Governance Research.



➤ SIAS Singapore Corporate Governance week 2012 and Investor Choice Awards

Following the success of the inaugural Corporate Governance (CG) Week, the 2nd CG Week held in October 2012 commenced with a 2 day conference followed by workshops, an Investor Forum to educate the retail investors on the importance of corporate governance and the Investor Choice Awards, celebrating the achievements of the best in corporate governance practices in Singapore.



The Investor Choice Awards also underwent a major in the criteria and a new scorecard, based on the OECD corporate governance principles, were adopted. It was also the first time that SIAS collaborated with Brendan Wood International (BWI), a leading capital markets intelligence agency based in Toronto, to provide research based on a

Shareholder Confidence Index which polled over 2000 global institutional fund managers, analysts and high net worth individuals. It was also the first time that SIAS presented, together with BWI, the TopGun CEO awards.

➤ **SIAS Research Services**

With more and more broking houses providing free research reports to retail investors, and a lack luster growth in subscriptions, SIAS Research has to implement new and innovative membership strategies to further differentiate itself. The introduction of a new premium membership is one example but such a strategy was not consistent with SIAS' believes. As such, with dwindling retail support SIAS decided to divest its investment in the company to the CEO, Mr Roger Tan, so as to enable both organizations to be more focused on their own objectives.

SIAS Research has been renamed Voyage Research.

Conclusion

The Association's effort on focusing on managing expenses has been fruitful. Despite the increased number of activities in 2013, expenses grew at a much slower pace. With additional new activities like the introduction of Singapore Investment Week, and additional services like the development of the Corporate Governance Research goes a long way in driving the revenue for SIAS. In 2013, SIAS achieved a record revenue of just over \$2.1 million with sponsorships of SIAS' activities driving the growth.

The current SIAS membership stands at about a 70,161 and we will concentrate on membership growth by working with more listed companies to admit their shareholders as SIAS Associate members. We will continue to focus on serving the needs of our members and promoting our constitutional objectives.

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Financial Statement 2012/13

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SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

and its subsidiary company

Association Registration No: - A2718059A

(Constituted in Singapore)

FINANCIAL STATEMENTS

For the financial year ended 30 June 2013

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

PRESIDENT AND HONORARY TREASURERS' REPORT
For the financial year ended 30 June 2013

Honorary Chairman	:	Mr. Hsieh Fu Hua	
Management Committee	:	Mr. David Gerald Jeyasegaram	- President and CEO
		Mr. Siow Chai Sheng	- 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 2013

We, David Gerald Jeyasegaram and James Leong, being the President and Assistant 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 2013 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



James Leong
Assistant Honorary Treasurer

Singapore, 17 OCT 2013

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 2013, 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.



PLANPARTNERS PAC

Public Accountants & Chartered 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 2013 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
Chartered Accountants

Singapore, 17 OCT 2013

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

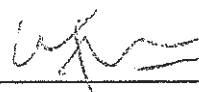
STATEMENT OF FINANCIAL POSITION
As at 30 June 2013

	Note	Group		Association	
		2013 \$	2012 \$	2013 \$	2012 \$
ASSETS					
Non-current assets					
Plant and equipment	5	53,172	90,022	34,987	48,755
Investment in subsidiary	6	-	-	210,000	210,000
Total non-current assets		53,172	90,022	244,987	258,755
Current assets					
Trade and other receivables	7	346,983	470,861	165,536	315,209
Fixed deposits	9	150,588	143,729	150,588	143,729
Cash and bank balances	8	428,801	401,443	255,534	290,049
Total current assets		926,372	1,016,033	571,658	748,987
Total assets		979,544	1,106,055	816,645	1,007,742
RESERVES AND LIABILITIES					
Reserves					
Accumulated surplus of association		457,467	420,176	457,467	420,176
Accumulated loss of subsidiary		(70,181)	(115,371)	-	-
		387,286	304,805	457,467	420,176
Non-controlling interest		255,533	236,166	-	-
Total reserves		642,819	540,971	457,467	420,176
Current liabilities					
Other payables	10	336,725	565,084	359,178	587,566
Provision for taxation	11	-	-	-	-
Total current liabilities		336,725	565,084	359,178	587,566
Total liabilities		336,725	565,084	359,178	587,566
Total reserves and liabilities		979,544	1,106,055	816,645	1,007,742



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO

Singapore, 17 OCT 2013



James Leong
Assistant Honorary Treasurer

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 30 June 2013

	Note	Group		Association	
		2013 \$	2012 \$	2013 \$	2012 \$
Revenue	12	2,705,174	2,225,138	2,106,584	1,634,925
Other income	13	31,703	14,762	26,233	7,145
Services consumed	14	(830,639)	(556,934)	(784,607)	(501,906)
Staff costs	15	(1,346,533)	(1,323,857)	(992,927)	(901,099)
Depreciation of plant and equipment	5	(52,295)	(48,555)	(29,213)	(24,939)
Other expenditure		(406,366)	(339,158)	(289,583)	(236,763)
Operating (deficits)/surplus	16	101,044	(28,604)	36,487	(22,637)
Finance income	17	804	702	804	702
(Deficit)/Surplus before taxation		101,848	(27,902)	37,291	(21,935)
Taxation	11	-	734	-	-
(Deficit)/Surplus for the financial year		101,848	(27,168)	37,291	(21,935)

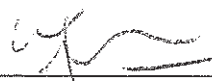
Attributable to:

Equity holders of the Company	82,481	(25,378)
Non-controlling interest	19,367	(1,790)
	101,848	(27,168)



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO

Singapore, 1 OCT 2013



James Leong
Assistant Honorary Treasurer

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

STATEMENT OF CHANGES IN ACCUMULATED SURPLUS

For the financial year ended 30 June 2013

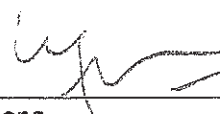
Group	<u>Accumulatd surplus of Association</u> \$	<u>Accumulated losses of subsidiary</u> \$	<u>Non- controlling interest</u> \$	<u>Total</u> \$
Balance as at 1 July 2011	441,377	(110,941)	237,703	568,139
Total comprehensive income for the financial year	(21,201)	(4,430)	(1,537)	(27,168)
Balance as at 30 June 2012	420,176	(115,371)	236,166	540,971
Total comprehensive income for the financial year	37,291	45,190	19,367	101,848
Balance as at 30 June 2013	<u>457,467</u>	<u>(70,181)</u>	<u>255,533</u>	<u>642,819</u>

Association	<u>Accumulated surplus of Association</u> \$	<u>Total surplus</u> \$
Balance as at 1 July 2011	441,377	441,377
Deficit for the financial year	(21,201)	(21,201)
Balance as at 30 June 2012	420,176	420,176
Surplus for the financial year	37,291	37,291
Balance as at 30 June 2013	<u>457,467</u>	<u>457,467</u>



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO

Singapore, 7 OCT 2013



James Leong
Assistant Honorary Treasurer

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

and its subsidiary company

STATEMENT OF CONSOLIDATED CASH FLOWS

For the financial year ended 30 June 2013

	Note	Group		Association	
		2013 \$	2012 \$	2013 \$	2012 \$
CASH FLOWS FROM OPERATING ACTIVITIES					
(Deficit)/Surplus before taxation		101,848	(27,902)	37,291	(21,935)
Adjustments for:-					
Depreciation of plant and equipment	5	52,295	48,555	29,213	24,939
Interest income		(804)	(702)	(804)	(702)
Surplus before working capital changes		153,339	19,951	65,700	2,302
<i>Movements in working capital:-</i>					
Trade and other receivables		123,878	(158,961)	149,673	(105,589)
Other payables		(228,359)	194,749	(149,452)	149,659
Cash generated from operations		48,858	55,739	65,921	46,372
Interest income		804	702	804	702
Net cash (used in)/generated from operating activities		49,662	56,441	66,725	47,074
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of plant and equipment		(15,445)	(12,884)	(15,445)	(2,011)
Fixed asset written off		-	-	-	-
Amount owing to a subsidiary		-	-	(78,936)	80,400
Net cash used in investing activities		(15,445)	(12,884)	(94,381)	78,389
CASH FLOWS FROM FINANCING ACTIVITIES					
Fixed deposit		(6,859)	(670)	(6,859)	(670)
Net cash (used in)/generated from financing activities		(6,859)	(670)	(6,859)	(670)
NET INCREASE IN CASH AND CASH EQUIVALENTS		27,358	42,887	(34,515)	124,793
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR		401,443	358,556	290,049	165,256
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	8	428,801	401,443	255,534	290,049



Jeyasegaram David @
David Gerald Jeyasegaram
President and CEO

Singapore,

11th 2013



James Leong
Assistant Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

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 except for those disclosed in the significant accounting policies.

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

The accounting policies adopted are consistent with those of the previous financial period except in the current financial year the Company has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 July 2012. The adoption of these standards did not have any effect on the financial performance or position of the Company.

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 2013

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

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

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.

(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.

4.1 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

4. Significant accounting policies (continued)

4.1 Financial assets (continued)

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.

(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
Computers software	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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

4. Significant accounting policies (continued)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2013

4. Significant accounting policies (continued)

4.7 Income tax (continued)

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

5. Plant and equipment

Group	<u>Computer</u>	<u>Computer</u>	<u>Furniture &</u>	<u>Office</u>	<u>Renovation</u>	<u>Total</u>
	Computer	software	fittings	equipment		
	\$	\$	\$	\$	\$	\$
<u>Cost</u>						
As at 01.07.11	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
Additions	4,993	5,021	4,968	463	-	15,445
As at 30.06.13	50,516	5,021	32,847	6,299	135,774	230,457
<u>Accumulated depreciation</u>						
As at 01.07.11	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
Depreciation charge	10,359	4,855	9,393	533	27,155	52,295
As at 30.06.13	34,756	4,855	25,101	5,539	107,034	177,285
<u>Carrying value</u>						
As at 30.06.13	15,760	166	7,746	760	28,740	53,172
As at 30.06.12	21,126	-	12,171	830	55,895	90,022
<u>Association</u>						
Association	<u>Computers</u>	<u>Computer</u>	<u>Furniture &</u>	<u>Office</u>	<u>Renovation</u>	<u>Total</u>
	Computers	software	fittings	equipment		
	\$	\$	\$	\$	\$	\$
<u>Cost</u>						
Balance as at 1 July 2011	40,476	-	38,040	19,235	97,851	195,602
Addition	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
Additions	4,993	5,021	4,968	463	-	15,445
Balance as at 30 June 2013	10,619	5,021	17,017	4,379	97,851	134,887
<u>Accumulated depreciation</u>						
Balance as at 1 July 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
Depreciation charge	3,389	1,674	4,432	148	19,570	29,213
Balance as at 30 June 2013	6,846	1,674	9,271	4,009	78,100	99,900
<u>Carrying value</u>						
Balance as at 30 June 2013	3,773	3,347	7,746	370	19,751	34,987
Balance as at 30 June 2012	2,169	-	7,210	55	39,321	48,755

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

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. Subsequent to the financial year, the Association disposed its subsidiary at the consideration of \$200,000 (refer to Note 22).

	Association	
	2013	2012
	\$	\$
Unquoted shares, at cost		
Balance at beginning and end of the financial year	<u>210,000</u>	<u>210,000</u>

Details of the subsidiary as at 30 June 2013 are as follows:-

Name of Company	Principal activities	Country of incorporation	Percentage of equity held		Cost of investment	
			2013	2012	2013	2012
			%	%	\$	\$
SIAS Research Pte Ltd, now known as Voyage Research Pte Ltd	Providing investment and financial advisory services	Singapore	70%	70%	210,000	210,000

7. Trade and other receivables

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Trade receivables				
- Non-related parties	290,804	423,518	135,355	280,100
- Subsidiary	-	-	43	-
	<u>290,804</u>	<u>423,518</u>	<u>135,398</u>	<u>280,100</u>
Other receivable				
- Deferred income	13,000	-	-	-
- Staff loan	8,000	15,000	8,000	15,000
- Deposits	29,338	21,400	22,138	14,200
- Prepayments	5,841	10,943	-	-
- Amount owing by subsidiary	-	-	-	5,909
	<u>56,179</u>	<u>47,343</u>	<u>30,138</u>	<u>35,109</u>
Total trade and other receivables	<u>346,983</u>	<u>470,861</u>	<u>165,536</u>	<u>315,209</u>

Amount owing by subsidiary is non-trade in nature, unsecured, interest free and repayable on demand.

8. Cash and cash equivalents

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Bank balances	428,562	401,143	255,407	289,786
Cash balances	239	300	127	263
	<u>428,801</u>	<u>401,443</u>	<u>255,534</u>	<u>290,049</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

9. Fixed deposits

	Group and Association	
	2013	2012
	\$	\$
Maturity within 1 year	<u>150,588</u>	<u>150,588</u>

Fixed deposits mature in November 2013 and February 2014. Fixed deposits earn interest at 0.40% to 0.70% (2012: 0.875%) per annum (refer to *Note 17*).

10. Other payables

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Deferred revenue				
- SNCIR scheme	13,000	98,248	-	-
- Subscriptions in advance	-	14,718	-	-
- Unutilised funds from sponsorship	176,685	313,348	176,685	313,348
- Communication services	102,019	120,690	102,019	120,690
Total deferred revenue	<u>291,704</u>	<u>547,004</u>	<u>278,704</u>	<u>434,038</u>
Accruals	9,940	6,900	3,000	3,000
Other creditor	18,019	11,180	18,062	11,180
Amount owing to subsidiary	-	-	42,350	139,348
GST payables	17,062	-	17,062	-
Total other payables	<u>336,725</u>	<u>565,084</u>	<u>359,178</u>	<u>587,566</u>

Amount owing to subsidiary is unsecured, interest free and is repayable on demand.

11. Taxation

(a) Tax expense

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
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% (2012: 17%) to profit before income tax as a result of the following differences:-

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
(Deficits)/surplus before taxation	<u>101,848</u>	<u>(27,902)</u>	<u>37,291</u>	<u>(21,935)</u>
Income tax expense at statutory rate	17,314	(4,743)	6,339	(3,729)
Non deductible expenses	10,248	8,255	6,324	4,240
Non taxable items	(850)	(850)	-	-
Utilisation of capital allowance	(20,317)	(5,942)	(19,031)	(3,791)
Unutilised capital allowance brought forward	(6,395)	3,280	6,368	3,280
Over-provision in prior year	-	734	-	734
	<u>-</u>	<u>734</u>	<u>-</u>	<u>734</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

11. Taxation (continued)

(b) <u>Provision for taxation</u>	Group		Association	
	2013 \$	2012 \$	2013 \$	2012 \$
Balance at beginning of the financial year	-	734	-	734
Less: Over-provision in prior year	-	(734)	-	(734)
	-	-	-	-

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	
	2013 \$	2012 \$	2013 \$	2012 \$
<u>Unutilised tax losses</u>				
Amount at beginning of year	189,903	190,012	46,084	78,239
Addition in current year	-	-	-	-
Over-provision in prior year	(42,926)	(109)	-	(32,155)
Utilised during the year	-	-	-	-
Amount at the end of year	146,977	189,903	46,084	46,084

	Group		Association	
	2013 \$	2012 \$	2013 \$	2012 \$
<u>Unabsorbed capital allowances</u>				
Amount at beginning of year	52,452	25,854	19,296	19,262
Addition in current year	75,304	26,685	67,737	14,420
Utilised during the year	(113,397)	(2,302)	(73,685)	(2,302)
Under/(Over)-provision in prior year	24,913	2,215	24,913	(12,084)
Amount at end of year	39,272	52,452	38,261	19,296

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.

12. Revenue

	Group		Association	
	2013 \$	2012 \$	2013 \$	2012 \$
Copyright revenue	437,760	420,360	-	-
Investors' Choice Award	338,450	239,900	338,450	239,900
Market research	31,000	25,000	-	-
Subscriptions	68,187	64,538	35,207	30,484
Service providers	2,508	30,448	2,508	34,448
Seminars and conferences	353,375	293,676	338,375	263,676
Shareholders' communication services	224,671	198,260	224,671	198,260
Sponsorship	1,175,373	854,157	1,167,373	868,157
SNCIR Scheme	73,850	98,799	-	-
	2,705,174	2,225,138	2,106,584	1,634,925

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2013

13. Other income

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Administration fees	19,000	-	19,000	-
Donation	1,580	-	1,580	-
Rental of SIAS data	-	6,500	-	6,500
Sales of book	3,153	-	3,153	-
Service provided	-	2,000	-	-
SME cash grant	5,000	5,000	-	-
Others	470	1,262	-	645
Website banner	2,500	-	2,500	-
	<u>31,703</u>	<u>14,762</u>	<u>26,233</u>	<u>7,145</u>

14. Services consumed

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Annual dinner	316,324	206,158	316,324	206,158
Course fees	1,120	-	1,120	-
Seminars, courses and conferences	365,777	209,824	360,986	207,512
Services provided	74,263	56,626	40,500	26,700
Website expenses	73,155	84,326	65,677	61,536
	<u>830,639</u>	<u>556,934</u>	<u>784,607</u>	<u>501,906</u>

15. Employee benefits

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
CPF contribution	140,639	136,360	100,810	88,687
Medical fees	552	996	127	785
Salaries and related expenses	1,205,342	1,186,501	891,990	811,627
	<u>1,346,533</u>	<u>1,323,857</u>	<u>992,927</u>	<u>901,099</u>

16. Operating (deficits)/surplus

	Group and Association	
	2013	2012
	\$	\$
<i>This is arrived at after charging:-</i>		
Rental of office premise	<u>62,025</u>	<u>60,776</u>

17. Finance income

	Group and Association	
	2013	2012
	\$	\$
Interest on fixed deposits	<u>804</u>	<u>702</u>

Fixed deposits earn interest at 0.875% (2012: 0.875%) per annum (refer to Note 9).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

18. 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:

	2013 \$	2012 \$
<i>SIAS Research Pte Ltd</i>		
Rental of premise and counter	33,184	32,388
Sponsorship received	-	14,000
Utilities charges	5,487	5,296
Service charged by subsidiary	103,450	4,000
	<u>103,450</u>	<u>4,000</u>

19. 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	
	2013 \$	2012 \$	2013 \$	2012 \$
<i>Lease of office premise:</i>				
Payable within 1 year	116,554	63,900	116,554	63,900
Payable after 1 year but within 5 years	116,554	-	116,554	-
	<u>233,108</u>	<u>63,900</u>	<u>233,108</u>	<u>63,900</u>
Rental expense for the financial year	<u>62,025</u>	<u>91,164</u>	<u>62,025</u>	<u>60,776</u>
<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	9,800	16,400	9,800	16,400
	<u>17,000</u>	<u>23,600</u>	<u>17,000</u>	<u>23,600</u>
Rental expense for the financial year	<u>7,842</u>	<u>6,527</u>	<u>7,842</u>	<u>6,527</u>

20. 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

20. Financial risk management (continued)

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 counter-parties and customers unless otherwise disclosed in these notes to the financial statements.

By type of customers

	Group		Association	
	2013	2012	2013	2012
	\$	\$	\$	\$
Non-related party	290,804	423,518	135,355	280,100
Related party	-	-	43	5,909
	<u>290,804</u>	<u>423,518</u>	<u>135,398</u>	<u>286,009</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	
	2013	2012	2013	2012
	\$	\$	\$	\$
Trade receivables that are neither past due nor impaired	67,949	276,087	2,718	283,083

(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	
	2013	2012	2013	2012
	\$	\$	\$	\$
31 to 60 days	156,680	70,494	132,680	2,926
61 to 90 days	12,870	1,603	-	-
90 days above	53,305	75,334	-	-
Total	<u>222,855</u>	<u>147,431</u>	<u>132,680</u>	<u>2,926</u>

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 Company's objective is to maintain a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Company's financial assets and liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

20. Financial risk management (continued)

Liquidity risk (continued)

<u>Group</u>	2013		2012	
	One year or less \$	Total \$	One year or less \$	Total \$
Financial assets:				
Trade and other receivables	389,376	389,376	470,861	470,861
Cash and cash equivalents	428,801	428,801	401,443	401,443
Total undiscounted financial assets	<u>818,177</u>	<u>818,177</u>	<u>872,304</u>	<u>872,304</u>
Financial liabilities:				
Other payables	379,118	379,118	565,084	565,084
Total undiscounted financial liabilities	<u>379,118</u>	<u>379,118</u>	<u>565,084</u>	<u>565,084</u>
Total net undiscounted financial assets	<u>439,059</u>	<u>439,059</u>	<u>307,220</u>	<u>307,220</u>

Association

	2013		2012	
	One year or less \$	Total \$	One year or less \$	Total \$
Financial assets:				
Trade and other receivables	165,536	165,536	315,209	315,209
Cash and cash equivalents	255,534	255,534	290,049	290,049
Total undiscounted financial assets	<u>421,070</u>	<u>421,070</u>	<u>605,258</u>	<u>605,258</u>
Financial liabilities:				
Other payables	359,178	359,178	587,566	587,566
Total undiscounted financial liabilities	<u>359,178</u>	<u>359,178</u>	<u>587,566</u>	<u>587,566</u>
Total net undiscounted financial assets	<u>61,892</u>	<u>61,892</u>	<u>17,692</u>	<u>17,692</u>

21. Fair values of financial instruments

The fair value of a financial instrument is the amount at which the instrument could be exchanged or period between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximate fair value

Management has determined that the carrying amounts of cash and bank balances, current trade and other receivables/payables and fixed deposit, based on their notional amounts, reasonably approximate their fair values because they are mostly short-term in nature or are repriced frequently.

Methods and assumptions used to determine fair values

The following methods and assumptions are used by management to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value are as follows:-

Cash and bank balances, other receivables, other payables and accruals

The carrying amounts of these amounts approximate their fair values due to their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

22. Subsequent event

Subsequent to the financial year, the Association disposed its subsidiary, SIAS Research Pte Ltd, at the consideration of \$200,000 (refer to Note 6).

23. Currently effective requirements

With effect from 1 January 2012, the Company has adopted all the following new, revised and amendments to FRS that are mandatory for financial years beginning on or after 1st January 2012. The adoption of these new, revised and amendments to FRS has no significant impact on the Company.

<u>FRS</u>	<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS107	Disclosures – Transfers of Financial Asset	1 July 2011
Amendments to FRS 12	Deferred Tax – Recovery of Underlying Asset	1 January 2012

Future changes in accounting policies

The Company has not adopted the following new, revised and amendments to FRS that have been issued but not yet effective. Those new, revised and amendments to FRS are not expected to have significant impact to the Company.

<u>FRS</u>	<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 1	Amendments to FRS 1 Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 19	Employee Benefits	1 January 2013
FRS 27	Separate Financial Statements	1 January 2014
FRS 28	Investments in Associates and Joint Ventures	1 January 2014
FRS 110	Consolidated Financial Statements	1 January 2014
FRS 111	Joint Arrangements	1 January 2014
FRS 112	Disclosure of Interest in Other Entities	1 January 2014
FRS 113	Fair Value Measurement	1 January 2013
FRS 107	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
FRS 32	Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 1, FRS 16 and FRS 32	Improvements to FRSs 2012	1 January 2013

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)
and its subsidiary company

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 30 June 2013

23. Currently effective requirements (*continued*)

Future changes in accounting policies (continued)

FRS 110, FRS 111 and FRS 112	Amendments to the transition guidance of FRS 110 Consolidated Financial Statements, FRS 111 Joint Arrangements and FRS 112 Disclosure of Interests in Other Entities	1 January 2014
FRS 110, FRS 112 and FRS 27	Amendments to FRS 110, FRS 112 and FRS 27: Investment Entities	1 January 2014

24. Authorisation of financial statements

The Management Committee of Securities Investors Association (Singapore) authorised these financial statements for issue on 17 OCT 2013

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**INCOME AND EXPENDITURE STATEMENT***For the financial year ended 30 June 2013*

	2013	2012
	\$	\$
REVENUE		
Investors' Choice Award	338,450	239,900
Seminars and conferences	338,375	263,676
Services provided	2,508	34,448
Shareholder communication services	224,671	198,260
Subscriptions	35,207	30,484
Sponsorships	1,167,373	868,157
	<u>2,106,584</u>	<u>1,634,925</u>
LESS : COST OF SERVICES		
Annual dinner	316,324	206,158
Course fees	1,120	-
Seminars and conferences	360,986	207,512
Services provided	40,500	26,700
Website expenses	65,677	61,536
	<u>784,607</u>	<u>501,906</u>
GROSS SURPLUS	1,321,977	1,133,019
OTHER INCOME		
Administration fees	19,000	-
Donation	1,580	-
Interest income	804	702
Rental of SIAS data	-	6,500
Sale of book	3,153	-
Website banner	2,500	-
Others	-	645
	<u>1,349,014</u>	<u>1,140,866</u>
LESS: EXPENDITURE (APPENDIX I)	(1,311,723)	(1,162,801)
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR	<u>37,291</u>	<u>(21,935)</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 2013

APPENDIX I

	2013	2012
	\$	\$
EXPENDITURE		
Accounting, audit and tax fees	9,400	9,100
Administrative expenses	1,980	2,400
Advertisement	39,820	18,057
Bank charges	400	247
Credit card and paypal charges	2,901	900
Casual labour	3,157	1,049
CPF contribution	100,810	88,687
Depreciation of plant and equipment	29,213	24,939
Sponsorship	12,378	22,000
Entertainment	9,317	7,077
General expenses	37	721
Gift and condolences	3,887	4,006
GST expenses	500	-
Insurance	1,305	11,692
Late interest and fine	-	-
Legal and professional fees	800	-
Membership fee	3,080	-
Medical expenses	127	785
Office expenses	7,226	-
Postage and couriers	834	1,366
Printing and stationery	11,817	32,829
Promotion	11,635	2,414
Rental of office equipment	7,842	6,527
Rental of office premise	62,025	60,776
Rental of auditorium hall	48,256	10,676
Rental of storage space	5,151	-
Repairs and maintenance	2,709	3,438
Salaries and other related expenses	891,990	811,627
Security service	-	428
Staff recruitment expenses	230	-
Telephone and faxes	12,745	14,148
Transportation expenses	4,413	4,811
Travelling expenses	13,814	12,774
Utilities	11,924	9,327
	<u>1,311,723</u>	<u>1,162,801</u>

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

