

**WE ARE**   
**GROWING**   
**AN INVESTOR COMMUNITY**

ANNUAL REPORT 2013/14

**RIGHTS OF  
INVESTORS**

**FINANCIAL LITERACY**

**CORPORATE GOVERNANCE  
AND TRANSPARENCY**

**RESOLVING  
SHAREHOLDER ISSUE**

**IN THE BOARDROOM AND  
NOT THE COURT ROOM**

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# AGENDA

1. To confirm minutes of AGM held on 23<sup>rd</sup> October 2013.
2. To receive Annual Report and adopt the Audited Accounts for the year ended 30<sup>th</sup> June 2014.
3. To appoint Auditors for the ensuing year
4. To amend \*Clause 3.1 of the Constitution relating to Objects of the Association to be in alignment with the conditions for registration as a charity.
5. To transact any other business of which 7 clear day's notice has been giving in writing to the Honorary Secretary.

**BY THE ORDER OF THE MANAGEMENT COMMITTEE**  
**LOH UANTCHERN**  
**HONORARY SECRETARY**

# MINUTES OF 14<sup>TH</sup> ANNUAL GENERAL MEETING

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### MINUTES OF 14<sup>TH</sup> ANNUAL GENERAL MEETING

HELD ON : 23<sup>rd</sup> October 2013

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

TIME : 7.30 pm

Meeting called to order : 7.30 pm

Attendance : 114 members

Chairman of the Meeting : President, Mr David Gerald J.

Honorary Chairman

Present : Mrs Lim Hwee Hua

Committee Members

Present : Mr Siow Chai Sheng, Vice President  
Mr Loh Uantchern, Hon Secretary  
Mr Robson Lee, Asst Hon. Secretary  
Mr Andrew Kwek, Hon. Treasurer  
Mr Cheong Boon Leong Christopher, Asst Hon. Treasurer  
Mr Andrew Cheng, Committee Member  
Mr Christopher Tan, Committee Member  
Mr James Leong, Committee Member  
Prof Jeremy Goh, Committee Member

1. The meeting was called to order by Chairman at 7.00pm with the Hon Secretary advising Chairman that there were 114 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 25, 2012 which was posted on the website. Mr Christopher Cheong proposed that the minutes be passed with Mr Robson Lee seconding the motion. There being no objections, the minutes were confirmed.

#### 3. Annual Report 2013

3.1 Chairman informed the meeting that Mr Hsieh Fu Hua, the previous Chairman, is involved in 14 organisations and has requested to be relieved if we could find a suitable replacement. Mr Hsieh Fu Hua and the President of SIAS discussed possible candidates and decided on Mrs Lim Hwee Hua, the former Minister to be appointed as the next Chairman. She was approached by both and she, after carefully considering, kindly consented to become the third Chairman.

# MINUTES OF 14<sup>TH</sup> ANNUAL GENERAL MEETING

3.2 Chairman of the meeting in introducing the new Honorary Chairman of SIAS said that SIAS is fortunate to have Mrs Lim as our Honorary Chairman as she always had a keen interest in our work when she was Minister and knew SIAS from its very inception. She has a heart for retail investors and SIAS stands to benefit enormously from her experience in and her vast knowledge of the finance sector. Chairman read out her curriculum vitae. Members welcomed her warmly.

Chairman introduced the current Committee who were elected at the last AGM and informed the meeting that Mr Joseph Kwok who was elected as Honorary Treasurer had resigned due to heavy commitments at work and other private commitments could not continue and had resigned. He informed the meeting that the Committee met six times to consider the activities and financial position to see the objectives of the Association were being carried out.

Chairman then invited Mr Richard Dyason, General Manager of SIAS, to read out the Management Committee's Annual Report 2013 for the meeting. Chairman ran through the major events and ran through the salient features of the report and gave a quick summary of the financial performance of the Association. There were 190 activities and 24,000 attendees. The investor education activities take most part of our time for that is the main focus followed by corporate governance and investor rights activities. Going forward, Chairman said that SIAS will be forming investment chapters, similar to investment clubs where citizens can get together and under a mentorship of a trainer learn how to make their own investment decision. He also informed that SIAS do not run the Association with purely membership subscription as that is insufficient. SIAS depends a lot of corporate sponsorships. Chairman informed that SIAS has been doing very well for the past 14 years. This year, the revenue has jumped 29 percent as compared to last year.

Chairman asked for the annual report to be passed. Mr Robson Lee proposed to pass the audited accounts and Mr Kok Jong Foo seconded. There being no objections, the Annual Report was accepted.

Chairman announced that SIAS has sold SIAS Research to Mr Roger Tan, who was running SIAS Research because retail investors were not willing to pay for the reports and brokers are already providing free reports. Hence, it was not financially viable to run the company with a CEO, three analysts and two staff. It was time to end SIAS Research if not, SIAS will be in debt. Mr Roger Tan felt that the only way to continue SIAS Research was to run

# MINUTES OF 14<sup>TH</sup> ANNUAL GENERAL MEETING

corporate services which conflicts with SIAS objectives. SIAS, therefore, sold SIAS Research to Mr Roger Tan.

#### 4. **Adoption of Audited Accounts for July 2012 to June 2013**

The Treasurer presented the Audited Accounts for July 2012 to June 2013. Mr James Leong mentioned that overall, SIAS has maintained a healthy balance sheet. It has more than \$400,000 in terms of fixed deposit and cash command. He added that SIAS has also increased its accumulated surplus from \$420,000 in 2012 to \$457,000 in 2013 on Association basis.

Treasurer informed that as SIAS has disposed of SIAS Research this year, hence going forward, it will just be Association's numbers and no more group basis. Income statement wise, SIAS has a record year of \$2.1 million revenue and a large part is driven by the hard work the staff at SIAS has put together. He also informed that through the numerous events, SIAS has gathered a lot of sponsorship which jumped by 34 percent over the same period as last year. In spite of additional activities, we have been able to manage our expenses, which increased only by 12 to 13 percent. We received a surplus of \$37,000 (Year 2012/13) from a deficit of \$21,000 (Year 2011/12).

Mr Kok Jong Foo raised a question on the balance sheet whether SIAS Research is disposed at a loss or at cost.

Treasurer Mr James Leong responded that SIAS Research was disposed at a consideration of \$200,000. Chairman informed that the amount will be reflected in the next financial statement as it was disposed after the financial year ended in June this year. Hence, the fixed deposit will go back a little higher. Mr Christopher Cheong paraphrased Mr Kok's question and asked again if SIAS Research was sold at a loss or at cost. Chairman replied that SIAS Research was not sold at a loss or with a gain. SIAS invested \$250,000 in SIAS Research 4 years ago. Previously, Mr Roger Tan bought shares and paid \$50,000 into SIAS Research.

Mr R. Asokan proposed to pass the audited accounts and Mr Phillip John Smith seconded. There being no objections, the Audited Accounts were accepted.

#### 5. **Election of Members to the Management Committee 2013 - 2015**

Chairman informed that in June this year, SIAS has amended its constitution to provide for a new method to nominate and appoint management committee members. All nominees have to file their nomination in a prescribed form and the nominees have to be approved by a Nomination Committee. The Nomination Committee comprises of three Committee Members, Mr Ng Siew Quan from Pricewaterhousecooper, Mr Robert Yeo, former Treasurer

# MINUTES OF 14<sup>TH</sup> ANNUAL GENERAL MEETING

of SIAS and from Singapore Training And Development Association and Mr Vincent Chen, an investor, a former banker and former SIAS Committee Member. The Nomination Committee is to receive the nomination 21 days before the election to review if the candidates are suitable to stand as officers for the Association. Should anyone wishes to serve as a President, the Management Committee Members decided that he/she has to serve at least two terms in the Association or if the Management Committee Members so decide, minimum one term. Chairman mentioned that this is because the Committee felt that SIAS has reached the stage where SIAS could have people coming in on the day of the Annual General Meeting, may not be the person best suited to run the Association. We work with regulators, boards and senior managers. A certain level of calibre, qualification, background and standing is required to run the Association. Chairman said that although the Association has a mix of people, but at the same time we need to ensure that the Association is not, in any way, in danger of being side track or taken away from its objectives. It also cannot be subjected to politics or religion. Hence, for these reasons we need to tighten the entry qualification, the manner in which one could come into the Association.

The following nominees for Management Committee 2013 – 2015 are:

Mr David Gerald, President & CEO  
Mr Siow Chai Cheng, Vice President  
Mr Loh Uantchern, Honorary Secretary  
Mr Robson Lee, Assistant Honorary Secretary  
Mr James Leong, Committee Member  
Mr Christopher Cheong, Assistant Honorary Treasurer  
Mr Christopher Tan, Committee Member  
Mr Andrew Cheng, Committee Member  
Mr Andrew Kwek, Honorary Treasurer  
Prof Jeremy Goh, Committee Member

Chairman informed that Mr Joseph Kwok has stepped down as the Honorary Treasurer. Hence, he has invited Mr Andrew Kwek to join SIAS as Honorary Treasurer. Chairman advised that the above 10 candidates were uncontested and returned by the Nomination Committee. Chairman invited the meeting to welcome all 10 candidates on board with SIAS for a two-year term.

## 6. **Amendments to Constitution**

Chairman read out the following proposed amendments to constitution:

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- 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.
- Provide criteria for the Nomination Committee to approve/disapprove a candidate to serve on the Management Committee.
- Allow the Management Committee to appoint up to two additional Committee Members, should the need arise.

Chairman informed that the purpose of the amendments was to ensure that members know who is running which Committee. At the moment, only the main Committee is known to the members. Sometimes members may want to join sub-committees. However they are not informed who is heading which Sub-Committee thus far. Hence, with this amendment, members are informed of the sub-committees in SIAS and the Chairman's name. SIAS could also keep members informed by sending an email to them. SIAS would also like to make the nomination process of the election of the management committee members, the Management Committee should be guided by clear guidelines on the grounds that they can approve or disapprove a nomination. If they do not want to approve a candidate, they need to have clear guidelines. The member who is a griever could take it up to members. Chairman read out the proposed amendment to Clause 11.2.

In the current Clause 11.2 of the Constitution, it is stated that the Association is run by a President, a Vice-President, a Honorary Secretary, an Assistant Honorary Secretary, an Honorary Treasurer, an Assistant Honorary Treasurer and four Ordinary Committee Members. Chairman informed that it is felt by the Committee that sometimes, we may need additional one to two persons in case the activities increase and we need more people to share the responsibility. He mentioned that this practice is quite common in other Associations to have elected members and the Management Committee would like to be given the right to appoint or co-opt up to two members. Chairman said that it may or may not be done within the next two years depending on the requirements of the Management Committee.

Mr Oh Kim Leng, David proposed that the three amendments to constitution be passed and Mr Philip John Smith seconded. There being no objections, the three amendments to Constitution were passed.



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## 7. **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.

## 8. **Any Other Business**

Chairman informed that SIAS has not received any request for an item to be discussed to transact any other business in writing with 7 days clear notice. That being the case, Chairman announced the Annual General Meeting is now closed.

The meeting was called to an end at 8.18 pm.

**Loh Uantchern**  
**Hon. Secretary**

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## The Honorary Chairman

**Mrs Lim Hwee Hua**, former Minister, was appointed as 3<sup>rd</sup> 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.

## Management Committee 2014

The Association is managed by Management Committee elected by members at the 2013 AGM comprising of the following members:

Mr David Gerald	President
Mr Siow Chai Sheng	Vice-President
Mr Loh Uantchern	Hon. Secretary
Mr Andrew Kwek	Hon. Treasurer
Mr Robson Lee	Asst. Hon. Secretary
Mr Christopher Cheong	Asst. Hon. Treasurer
Mr Andrew Cheng	Committee Member
Prof Jeremy Goh	Committee Member
Mr Christopher Tan	Committee Member
Mr James Leong	Committee Member
Mr Robin Chin	Committee Member
Ms Vivian Claire Liew	Committee Member

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

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.





Andrew Cheng  
Committee Member



Jeremy Goh  
Committee Member



Christopher Tan  
Committee Member



James Leong  
Committee Member



Robin Chin  
Committee Member



Vivian Claire Liew  
Committee Member



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## INTRODUCTION

### 15 Years of existence

This year SIAS celebrates its 15<sup>th</sup> anniversary of its founding to fight the CLOB issue when the shares of Singaporeans invested in **112** Malaysian companies were seized by the Malaysian government. The association started with **49,887** members that were later made Founder members of SIAS. SIAS continues to grow the membership base through sponsor companies sponsoring their shareholders. Today, the SIAS membership stands at **71,704**.

From the onset, SIAS recognized that members and investors need investor education to make more informed decisions. Therefore, since 2000, SIAS has been focused on providing members and the community with meaningful and relevant investor education programmes. To date, SIAS has organized over **960** investor education programmes that have benefitted over **124,000** Singaporeans since 2000. The programmes range from educating beginners to overcome their fear of investing to trading strategies for sophisticated investors.

SIAS has also been active in protecting the interests of minority shareholders. To mention a few of the prominent issues, the CAO scandal, when the company went down with \$650m in derivative losses. Instead of taking the company to court, SIAS worked with the company and the China authorities to get it back to trading to help investors realize their investments. Another case, was that of NatSteel, where SIAS successfully championed the issue of conditional dividend payments. More recently, SIAS has taken issues on Olam, China Sky, MIIF, and Pteris Global among them. The “In the boardroom and not the court room” approach to resolving disputes has helped to maintain the investor relations peace in Singapore.

SIAS has been recognized globally for its efforts in investor protection and championing corporate governance. SIAS is a member of the OECD Round Table on corporate governance and has been invited to speak and share our experience at various international forums like the PCAOB (Public Company Accounting Oversight Board) in the US, IFRS (International Financial Reporting Standards), Economic and Monetary Affairs of the European Parliament, International Monetary Fund (IMF) and the US Treasury, just to name a few.

### Financial Year 2013/14

The Association, under the guidance of our new Chairman, Mrs Lim Hwee Hua, has been actively engaging new segments of the community in FY2014. SIAS' focus is to preserve investor rights and enhance investor welfare, with respect to investments in securities made through Singapore

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registered financial institutions. To realise this objective, SIAS will focus on three main areas:

- A) Investor rights and dispute resolution – to champion and protect investor rights in specific circumstances;
- B) Investor education – enhance investor knowledge to empower investors to make informed decisions
- C) Corporate governance – spur companies onto best corporate governance practices to protect investors' interests and drive greater shareholder value

The activities in FY 2014 were built on the back of community activities of the previous year. The 2014 Singapore Investment Week attracted about 5500 people to investor education events that spread across almost 3 weeks of activities. This is our main outreach programme to create the awareness of the importance of investing and planning for one's future. In addition, SIAS continued to organise regular seminars and workshops on various investment topics. A total of 79 events were held over the year.

New initiatives to help investors make more informed investment decisions were undertaken in 2014. SIAS, with knowledge partner RSM Ethos, published the "Understanding Annual Reports" handbook. SIAS also launched a new course, the "Investment Chapters", which is aimed at providing investors with knowledge and experiential learning to overcome the fear of investing. To facilitate this, SIAS also partnered with TrakInvest, a virtual trading platform which integrates global equities along with social media. Investors would be able to track other investors. Users of the platform, can learn to trade the markets in a "risk-free" environment with virtual cash. The platform provides quantitative and qualitative data to make smart investment decisions. SIAS also launched the Portfolio Development workshops to help investors in building and managing their portfolio.

In the last financial year, SIAS also organized the Global Corporate Governance Conference with Lord Chris Patten as the key note speaker with his address on "Politics and Governance" at the conference. In addition, SIAS also, for the first time, conferred the Investors' Choice Civil Governance Excellence Award to the President of the Republic of Philippines, Mr Benigno Aquino III for his efforts to promote a clean and efficient government that would be attractive to investors.

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



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## STAFF POSITION

The Association is managed by sixteen (16) full-time staff comprising of a Chief Executive Officer, one General Manager, one Assistant General Manager, One Head of Marketing & Operations, one Assistant Marketing Manager, two Marketing Executives, one Assistant Finance Manager, one Assistant Events Manager, one Event Executive, one IT Manager, one Senior IT and Events Executive, one Assistant Manager - Membership & SIAS Youth Chapter Development, one Membership Executive, one Receptionist and Admin Assistant and one PA to President/CEO & Senior Executive, HR. 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

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.”

### **Value Proposition**

To protect investor rights and enhance investor welfare, with respect to investments in securities and other investments made through Singapore registered financial institutions.





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Over the course of the year, SIAS conducted 79 activities reaching out to more than over 14,000 participants.

Description	No. of Activities	No. of Attendees
Investor Education workshop & courses	41	4160
Dialogue sessions / Investor Rights activities	13	751
SIW 2014	1 week - 10 events	5500
CG Week 2013	1 week - 6 events	1940
Youth Chapter	7	2274
Other events & Activities	2	220
Total	79	14845

## INVESTOR EDUCATION PROGRAMMES



At SIAS our Investors Education programmes are focused to help investors 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.

From our research collaboration with Investment Trends, an Australian research company, we found that the main factor why investors are not investing in the stock market is that they have not initiated opening a trading account. Almost 40% of the respondents mentioned that they had not

opened a trading account. This procrastination can be also linked to the next highest factor, the lack of knowledge and understanding with over 30% of the respondents citing this. The SIAS investor education programmes are designed to help investors gain knowledge, manage their risks and thereby overcome the fear of investing.

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In FY 2014, a total of **73** Investor Education programmes were conducted with a total number of **12,905** members and investors attending. 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 Portfolio Management workshops.

The investor education programmes are planned and organised by a team lead by our General Manager.

The following programmes were organized:

## **Interpreting Annual Reports for Stock Selection**

An important programme for SIAS members is the Interpreting Annual Reports for Stock Selection. Designed for those who have no prior background in accounting and finance and the workshop helps the investor to analyse a company's financial performance so as to become a confident and knowledgeable investor. The course takes investors through case studies in a step-by-step approach with technical financial language explained in simple terms. This year three (3) workshops were conducted by Mr James Leong who continually receives excellent ratings from attendees.



In addition to the workshop, SIAS also produces independent video reviews of selected company's annual report as an education tool to guide them. While they are no substitute for reading the annual report, these videos summarize the main points and issues for shareholders so that they are knowledgeable and better prepared for the AGM. This year 9 videos were produced.

## **“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 successfully running since 2009. In the FY 2014, 4 seminars in English and Chinese were held with 1902 people attending in total. 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 risk appetite so as to empower them to take greater responsibility for their investing decisions. Topics covered this year included the importance of planning and investing for retirement and understanding bonds, perpetual securities and

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preference shares. The My Money seminar was also part of the MoneySense 10<sup>th</sup> Anniversary celebrations at HDB Toa Payoh Hub.

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. Since 2009, a total of **221,508** Singapore viewers have viewed the “My Money” videos.



## Mandarin Workshops



In addition to the My Money Mandarin seminars that have been running since 2009, SIAS continues to run dedicated Mandarin investment seminars, in greater detail, to educate Singaporean on investing, fundamental and technical analysis of stock investing. 5 Mandarin workshops were conducted and these were attended by 214 participants.

## Value Investing Workshop

This core subject, introduced in 2012, focuses on providing investors with the basics to help investors identify stocks with fundamental value and good long term investment opportunities. In FY2014, SIAS extended our reach to teach university students the importance of starting investing early and understanding the principles of value investing. We hope to inculcate in them the correct investing attitudes.



## 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. The themes of the seminars covered business trusts, healthcare and industrial sector and dividend yield companies. This year saw nearly 382 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



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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.

## **Singapore Investment Week**

Singapore Investment Week, launched in 2012, is an outreach programme for SIAS, and together with the industry partners, to educate and raise the awareness of the importance of investing among Singapore citizens. Following the successful launch in 2012, the 3<sup>rd</sup> Singapore Investment Week that ran from 17<sup>th</sup> – 24<sup>th</sup> May 2014, attracted about 5500 participants over the week- long event of seminars, workshops and online videos. The theme for this year was “Investing for a Secure Retirement” featured 22 speakers over one week with the programme consisting of seminars and workshops.



This year, the event featured a dedicated Youth Forum as well as a special seminar on Investing in Malaysia. All the events and talks were also video recorded and webcast to benefit those who did not attend.

## **President's Tea Sessions with Members**



As part of our on going engagement with members and also as a means for new members to get to know the association better, members are invited to a tea session hosted by the President. Here, the participants get to engage and share some experiences on investing and how to better their knowledge and skills. 8 sessions were held in the last financial year with a total of 91 members, most of them newly registered members of SIAS.

## **Investor Rights and Investor Forum “Ask SIAS”**

As part of the SIAS' efforts to educate investors on their rights and highlight issues, Investor Forums are organised regularly. This programme helps investors to better understand the issues. Industry experts, lawyers and seasoned investors answer questions posed by members at the forum. The platform also provides members and investors to share and discuss issues and market changes relating to their investments. Topics discussed included delisting, privatization and impact of changes of Companies Act on retail investors, the penny stock saga, and the proposed



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changes to the securities market structure. A total of 4 investor forums were held during the last financial year with 359 people attending them. Industry experts, lawyers and seasoned investors answer questions posed by members at the forum. The platform provides members and investors to share and discuss issues and market changes relating to their investment.

Topics discussed included delisting and privatization, impact of changes of Companies Act for retail investors, the penny stock saga, and the proposed changes to the securities market structure. A total of 4 investor forums were held during the last financial year with 359 people attending them.

SIAS also organized dialogue sessions with several listed companies to understand the issues surrounding corporate actions. 5 dialogue sessions with the following companies were organized – Healthway Medical for the distribution in specie of IHC shares, CapitaLand for the voluntary offer of CapitaMalls Asia shares, and Pteris Global's for the acquisition of CIMC-TIANDA from China International Marine Containers (HK) Ltd and Shenzhen TGM Ltd.

## NEW PROGRAMMES AND INITIATIVES

**“Over the long term, the stock market news will be good. In the 20<sup>th</sup> century, the United States endured two world wars and other traumatic and expensive military conflicts; the Depression; a dozen or so recessions and financial panics; oil shocks; a flu epidemic; and the resignation of a disgraced president. Yet the Dow rose from 66 to 11,497.”**

*Warren Buffet*

### Investment Chapters



To further investors' knowledge and provide experiential learning to overcome the fear of investing, SIAS launched the Investment Chapters. This is a course that takes place over 5 sessions which kicked off at the beginning of 2014. The programme covers understanding the need for investing, having an awareness of your psychology of investing, and introducing the basics of investing.

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The feedback from the pilot programme was extremely encouraging with the majority rating the course as “Excellent” and meeting the expectations of the course. Here are some of the comments:

“■ Excellent Workshop ■ Speakers are very willing to share their knowledge. Learnt quite a fair bit from these few lessons ■ This is a good workshop. Please conduct again, will refer a friend. ■ Very informative”

Moving forward this will be an anchor core investor education programme for SIAS.

## Portfolio development



In investing the axiom “don’t put all your eggs in one basket” hold true for most investors. The objective of launching the portfolio development workshop is to help investors develop and review their portfolio regularly.

Research conducted by AC Neilson show that Singapore investors review their portfolios less frequently than others in Asia. On average, investors in Singapore last review their portfolio 13.1 months ago, while the Asia average stands at 8.8 months. Investors are encouraged to review their portfolio regularly. The workshop discusses the importance of asset allocation and the putting a portfolio together using various styles of investing. The new workshop kicked off in January 2014 and has already conducted two workshops.

## TrakInvest

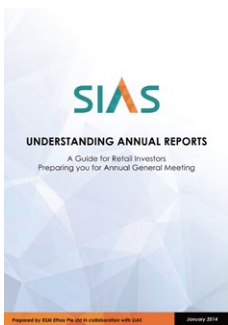
TrakInvest is a Virtual Trading platform which integrates Global Equities trading along with social media providing users with both qualitative and quantitative data to make smart investment decisions. The risk free environment provides users opportunities to learn and test their trading ideas on a virtual platform. The platform also offers opportunities to track influential users. SIAS kicked off this collaboration with a competition with the Youth Chapter and university students. Here students pit their trading skills against one another and the winners got internships with Reuters.





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## Publication – Understanding Annual Reports



An annual report is a comprehensive report on a company's activities throughout the preceding year. Annual reports are intended to give shareholders and other interested people information about the company's activities and financial performance. SIAS published, with RSM Ethos, this guide is to help investors understand how to read the annual report and understand the various sections within the annual report.

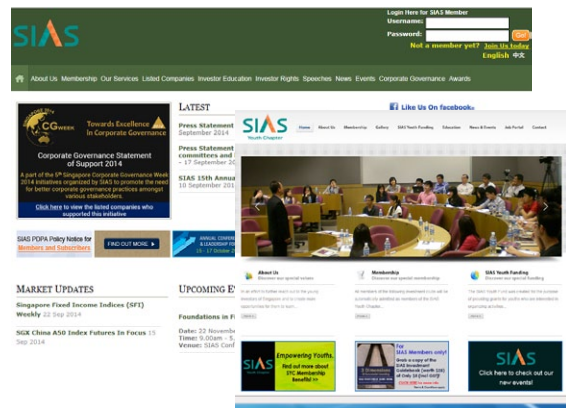
This publication is available free to all members.

## ONLINE PORTALS & SOCIAL MEDIA

### SIAS website ([www.sias.org.sg](http://www.sias.org.sg))

### SIAS Youth Chapter website ([www.sias.org.sg/yc](http://www.sias.org.sg/yc))

The SIAS website and Youth Chapter website have continued to be a popular site for members and the investing public. The total number of hits to SIAS increased marginally from **14,361,004** to **14,808,302** in 2014 with the average hit rate of **1,234,025** per month this is an increase of slightly over 3% over the year. The website also recorded a total of **522,324** unique views over the year.



SIAS continues to leverage the website to share content and information. Videos from the My Money event are recorded and uploaded onto the website after the event. Educational content on various asset classes including Bond, Property, Gold and instruments like ETF, REITs and stocks are covered. We also produce independent analysis of selected annual reports of listed companies so that investors understand the issues before attending the AGM and are thus better to make informed decisions 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 **1777** Likes on the SIAS Facebook page and there is also one dedicated to the youths called the SIAS Youth Chapter that has **838** Likes. We also have **225** videos in the SIAS YouTube that have recorded **90,334** viewership with **706** subscribers.

# MANAGEMENT COMMITTEE'S ANNUAL REPORT 2013/14

## DISPUTE AND COMPLAINTS RESOLUTION PROGRAMME

SIAS received 43 complaints during the course of the year from members. The complaints were mainly regarding issues surrounding delisting, rights issues, and corporate governance issues.

Issues relating to corporate actions by listed companies continued to dominate with a raise relating to offers for delisting and RTOs being of focus in 2014. SIAS continued to champion the issue of China Sky with the regulators with the aim to get the issuer back to trading.

## SHAREHOLDER COMMUNICATION PROGRAMME

**“The art of communication  
is the language of leadership”** *James Humes*

The revised Singapore Corporate Governance code of 2012 has a specific Principle on shareholder rights and communication with shareholders. The SIAS Shareholder Communication Programme offers programmes to public listed companies to reach out to retail investors through SIAS platform and help them to 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 \$258,838 in the FY ending 30 Jun 2104. 9 new companies joined the Shareholder Communications Programme in FY 2014 with a total of 25 companies subscribing to this service.

## SIAS Singapore Corporate Governance Week 2013 and Investor Choice Awards

**“It is clear that good corporate governance  
makes good sense.  
The name of the game for a company  
in the 21st Century will be conform while it performs.”** *Meruyn King*



# MANAGEMENT COMMITTEE'S ANNUAL REPORT 2013/14



The SIAS Corporate Governance Week which focuses on raising the standards of corporate governance best practice in Singapore benefits all stakeholders and improves the protection for retail investors. In 2013, SIAS, as part of the Corporate Governance Week activities, organized the Global Corporate Governance Conference with Lord Chris Patten giving the key note address on Politics and Governance at the conference. Lord Chris Patten was formerly the Governor of Hong Kong and is currently the Chancellor of the University of Oxford and Chairman of BBC Trust.

SIAS also conferred the Investors' Choice Civil Governance Excellence Award to the President of the Republic of Philippines, Mr Benigno Aquino III for his efforts to promote a clean and efficient government that would be attractive to investors.

The Investors' Choice Awards, which is held annually as part of the Corporate Governance Week, identifies companies that practice good corporate governance. SIAS also awards market participants for the exemplary performance. In 2013, SIAS also presented the Media Excellence in Community Investor Education Award to acknowledge the role of media impacting the investing community with information to help them make informed decisions.

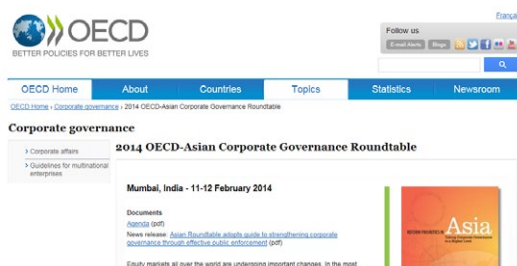


The SIAS Corporate Governance Week is for all companies to communicate to shareholders their commitment to upholding good corporate governance. As part of our engagement with listed companies, SIAS publishes the companies that uphold good governance. Last year 114 organisations ranging from listed companies to professional firms like accountancy and law firms to trade bodies and leading institutions publicly pledged their support to uphold good corporate governance.

# MANAGEMENT COMMITTEE'S ANNUAL REPORT 2013/14

## REPRESENTATION AT OVESEAS EVENTS AND CONFERENCES 2014

### OCED Corporate Governance Roundtable



SIAS is a member of the OECD Corporate Governance Roundtable and was invited to participate at the OECD Asian Corporate Governance Roundtable in Mumbai in February 2014. Our President, Mr David Gerald, was invited to speak in a panel at the OECD Corporate Governance Policy – Dialogue on Institutional Investors.

### Minority Shareholders' Watchdog Group - Malaysia-ASEAN Corporate Governance Awards

SIAS was also invited to attend the presentation of the 1<sup>st</sup> Malaysia – ASEAN Corporate Governance Awards in KL last year with a presentation of the research methodology and selection of companies based on OECD standards that make up ASEAN Corporate Governance Scorecard.



## CONCLUSION

The Association continues to focus on promoting investor education and corporate governance. Despite a challenging market environment, SIAS has managed to keep maintain its revenue in 2014 at over \$2.16 million. SIAS aims to continue to serve and extend our reach in the community by partnering with People's Association. A real challenge the Association faces is that Singaporeans do not see the need and are unwilling to pay for these services until a problem arises. As the work that SIAS undertakes has a high level of community impact, SIAS intends to become a charity and an institution of public character (IPC). By becoming an IPC we naturally sever the public interest. It will also facilitate funding.

The current SIAS membership stands at 71,704 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.

# SIAS SALUTES OUR INVESTOR EDUCATION SPONSORS



# FINANCIAL STATEMENT 2013 / 2014

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### PRESIDENT AND HONORARY TREASURERS' REPORT

*For the financial year ended 30 June 2014*

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Honorary Chairman	:	Mrs. Lim Hwee Hua	
Management Committee	:	Mr. David Gerald Jeyasegaram	- President and CEO
		Mr. Siow Chai Sheng	- Vice President
		Mr. Loh Uantchern	- Honorary Secretary
		Mr. Robson Lee	- Asst. Honorary Secretary
		Mr. Andrew Kwek	- Hon. Treasurer
		Mr. Christopher Cheong	- Asst. Honorary Treasurer
		Mr. Andrew Cheng	- Committee Member
		Mr. James Leong	- Committee Member
		Professor Jeremy Goh	- Committee Member
		Mr. Christopher Tan	- Committee Member
		Mr. Robin Chin	- Committee Member
		Ms. Vivian Claire Liew	- 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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Statement of Changes in Accumulated Surplus	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 21

**SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**

**STATEMENT BY PRESIDENT AND HONORARY TREASURER**


*For the financial year ended 30 June 2014*

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

- (i) the accompanying statement of financial position, statement of comprehensive income, statement of changes in accumulated surplus and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Association as at 30 June 2014 and of the results of the activities, changes in accumulated surplus and cash flow of the Association 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



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Jeyasegaram David @  
David Gerald Jeyasegaram  
President and CEO



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Andrew Kwek  
Honorary Treasurer

Singapore, 03 OCT 2014

**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"), which comprise the statement of financial position as at 30 June 2014, 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 5 to 21.

***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.

***Opinion***

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Association Constitution and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the as at 30 June 2014 and the results, changes in equity and cash flows of the Association for the financial year ended on that date.

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*Incorporating the following:*

*Patrick Lee & Co., practicing since 1973*

*K S Liaw & Co., practicing since 1976*

*PS Tay & Co., practicing since 1984*

*PlanPartners PAC (Registration No.201117522Z) is a Public Accounting Corporation established under the Singapore Companies Act, Cap 50 with limited liability.*

# PLANPARTNERS PAC

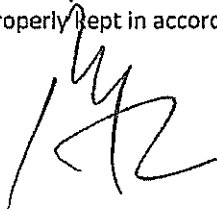
Public Accountants & Chartered Accountants  
138 Cecil Street #18-00 Cecil Court Singapore 069538  
Tel: 65 6224 1171  
Fax: 65 6223 8718

Directors  
*Dean Tow (Managing)*  
*Lawrence Phong*  
*Patrick Lee*

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

### *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, 03 OCT 2014

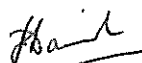


SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	Note	2014 \$	2013 \$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Plant and equipment	5	7,142	34,987
Investment in subsidiary	6	-	210,000
<b>Total non-current assets</b>		<u>7,142</u>	<u>244,987</u>
<b>Current assets</b>			
Trade and other receivables	7	227,472	165,536
Fixed deposits	9	251,475	150,588
Cash and cash equivalents	8	332,160	255,534
<b>Total current assets</b>		<u>811,107</u>	<u>571,658</u>
<b>Total assets</b>		<u>818,249</u>	<u>816,645</u>
<b>RESERVES AND LIABILITIES</b>			
<b>Reserves</b>			
Accumulated surplus of association		464,905	457,467
<b>Total reserves</b>		<u>464,905</u>	<u>457,467</u>
<b>Current liabilities</b>			
Other payables	10	353,344	359,178
<b>Total current liabilities</b>		<u>353,344</u>	<u>359,178</u>
<b>Total liabilities</b>		<u>353,344</u>	<u>359,178</u>
<b>Total reserves and liabilities</b>		<u>818,249</u>	<u>816,645</u>



Jeyasegaram David @  
David Gerald Jeyasegaram  
President and CEO



Andrew Kwek  
Honorary Treasurer

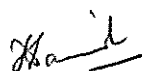
Singapore, 03 OCT 2014

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2014

	Note	2014 \$	2013 \$
Revenue	12	2,164,031	2,106,584
Other income	13	20,757	26,233
Services consumed	14	(751,672)	(784,607)
Employee benefits	15	(1,079,375)	(992,927)
Depreciation of plant and equipment	5	(29,863)	(29,213)
Other expenditure		(317,327)	(289,583)
Operating surplus	16	6,551	36,487
Finance income	17	887	804
Surplus before taxation		7,438	37,291
Taxation	11	-	-
Surplus for the year, representing total comprehensive income for the year		7,438	37,291



Jeyasegaram David @  
David Gerald Jeyasegaram  
President and CEO

Singapore, 03 OCT 2014,




Andrew Kwek  
Honorary Treasurer

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

STATEMENT OF CHANGES IN ACCUMULATED SURPLUS

For the financial year ended 30 June 2014

	<u>Accumulated surplus</u> \$	<u>Total surplus</u> \$
Balance as at 1 July 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>
Surplus for the financial year	7,438	7,438
Balance as at 30 June 2014	<u><u>464,905</u></u>	<u><u>464,905</u></u>



Jeyasegaram David @  
David Gerald Jeyasegaram  
President and CEO



Andrew Kwek  
Honorary Treasurer

Singapore, 03 OCT 2014

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2014

	Note	2014 \$	2013 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Surplus before taxation		7,438	37,291
Adjustments for:-			
Depreciation of plant and equipment	5	29,863	29,213
Interest income		(887)	(804)
Loss on disposal of subsidiary		10,000	-
Surplus before working capital changes		46,414	65,700
<i>Movements in working capital:-</i>			
Trade and other receivables		(61,936)	149,673
Other payables		36,516	(149,452)
Cash generated from operations		20,994	65,921
Interest income		887	804
Net cash generated from operating activities		21,881	66,725
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment	5	(2,018)	(15,445)
Proceeds from disposal of subsidiary		200,000	-
Amount owing to a subsidiary		(42,350)	(78,936)
Net cash generated from/(used in) investing activities		155,632	(94,381)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Fixed deposit		(100,887)	(6,859)
Net cash used in financing activities		(100,887)	(6,859)
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		76,626	(34,515)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>		255,534	290,049
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	8	332,160	255,534



Jeyasegaram David @  
David Gerald Jeyasegaram  
President and CEO



Andrew Kwek  
Honorary Treasurer

Singapore, 03 OCT 2014

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2014*

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

#### 1. Domicile and activities

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.

#### 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 Association'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 Association has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 July 2013. The adoption of these standards did not have any effect on the financial performance or position of the Association.

#### 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 2014

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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 Association is subject to income taxes in Singapore. Significant judgement is involved in determining the Association-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 Association 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 Association'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 Association'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 2014

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

3.6 *Impairment of financial assets*

The Association 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 Association 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 cash flow.

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 Financial instruments

Trade and other receivables are initially recognised at the transaction price. All sales are made on the basis of normal credit terms, and the receivables do not bear interest. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss. Loans and receivables include "cash and cash equivalent" and "trade and other receivable" in the statement of financial position.

Financial liabilities are initially recognised at the transaction price (including transaction costs). Trade payables are obligations on the basis of normal credit terms and do not bear interest. Interest bearing liabilities are subsequently measured at amortised cost using the effective interest method.

4.2 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 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 Association, 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.

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

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#### 4. Significant accounting policies (continued)

##### 4.2 Plant and equipment (continued)

###### (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 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 Association will obtain ownership by the end of the lease term.

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.

##### 4.3 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

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4. Significant accounting policies (continued)

4.4 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.

4.5 Income tax

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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.

4.6 Revenue recognition

- i) Subscription income is recognised on an accrual basis.
- ii) Sponsorship income of the Association is recognised on accrual basis.
- iii) 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.

4.7 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.

4.8 Provisions

A provision is recognised if, as a result of a past event, the Association 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.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

## 4. Significant accounting policies (continued)

## 4.9 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 Association pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Association 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.

## 5. Plant and equipment

	<u>Computers</u>	<u>Computer software</u>	<u>Furniture &amp; fittings</u>	<u>Office equipment</u>	<u>Renovation</u>	<u>Total</u>
	\$	\$	\$	\$	\$	\$
<u>Cost</u>						
Balance as at 1 July 2012	5,626	-	12,049	3,916	97,851	119,442
Addition	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
Additions	1,851	-	-	167	-	2,018
Balance as at 30 June 2014	12,470	5,021	17,017	4,546	97,851	136,905
<u>Accumulated depreciation</u>						
Balance as at 1 July 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
Depreciation charge	4,006	1,674	4,432	181	19,570	29,863
Balance as at 30 June 2014	10,852	3,348	13,703	4,190	97,670	129,763
<u>Carrying value</u>						
Balance as at 30 June 2014	1,618	1,673	3,314	356	181	7,142
Balance as at 30 June 2013	3,773	3,347	7,746	370	19,751	34,987

## 6. Investment in a subsidiary company

	2014 \$	2013 \$
Unquoted equity investments, at cost	210,000	210,000
Less: Accumulated impairment losses	-	-
	210,000	210,000
Less: Disposal of subsidiary	(210,000)	-
Carrying value	-	210,000

In August 2013, the Association disposal off its investment in subsidiary company at a consideration of \$200,000. The loss on disposal of subsidiary amounting \$10,000 is recognised in the Statement of Comprehensive Income.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

6. Investment in a subsidiary company (continued)

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

	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Association		Cost of investment	
			2014	2013	2014	2013
			%	%	\$	\$
SIAS Research Pte Ltd, now known as Voyage Research Pte Ltd	Providing investment and financial advisory services	Singapore	-	70	-	210,000

7. Trade and other receivables

	2014	2013
	\$	\$
Trade receivables		
- Non-related parties	138,730	135,355
- Subsidiary	-	43
	<u>138,730</u>	<u>135,398</u>
Other receivable		
- Staff loan	1,000	8,000
- Deposits	81,393	22,138
- Prepayments	111	-
- Non-related party	6,238	-
	<u>88,742</u>	<u>30,138</u>
Total trade and other receivables	<u>227,472</u>	<u>165,536</u>

8. Cash and cash equivalents

	2014	2013
	\$	\$
Bank balances	331,600	255,407
Cash balances	560	127
Cash and cash equivalents in the Statement of Financial Position and Statement of Cash Flow	<u>332,160</u>	<u>255,534</u>

9. Fixed deposits

	2014	2013
	\$	\$
Maturity within 1 year	<u>251,475</u>	<u>150,588</u>

Fixed deposits mature in November 2014, August 2014 and February 2015. Fixed deposits earn interest at 0.40% to 0.70% (2013: 0.40% to 0.70%) per annum (refer to Note 17).

10. Other payables

	2014	2013
	\$	\$
Deferred revenue		
- Unutilised funds from sponsorship	142,523	176,685
- Communication services	125,848	102,019
Total deferred revenue	<u>268,371</u>	<u>278,704</u>
Accruals	21,593	3,000
Non-related party	10,008	60,412
GST payables	42,086	17,062
Total other payables	<u>353,344</u>	<u>359,178</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

11. Taxation

	2014 \$	2013 \$
Current year income tax	-	-

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2013: 17%) to profit before income tax as a result of the following differences:-

	2014 \$	2013 \$
Surplus before taxation	7,438	37,291
Income tax expense at statutory rate	1,264	6,339
Non deductible expenses	5,077	6,324
Utilisation of capital allowance	(5,735)	(19,031)
Unutilised capital allowance brought forward	(606)	6,368
	-	-

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:-

	2014 \$	2013 \$
<u>Unutilised tax losses</u>		
Amount at beginning and end of year	46,084	46,084

	2014 \$	2013 \$
<u>Unabsorbed capital allowances</u>		
Amount at beginning of year	38,261	19,296
Addition in current year	1,085	67,737
Utilised during the year	(3,567)	(73,685)
Under/(Over)-provision in prior year	(34,694)	24,913
Amount at end of year	1,085	38,261

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

	2014 \$	2013 \$
Investors' choice award	342,171	338,450
Subscriptions	19,945	35,207
Service providers	26,708	2,508
Seminars and conferences	507,207	338,375
Shareholders' communication services	258,838	224,671
Sponsorship	1,009,162	1,167,373
	2,164,031	2,106,584



SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

<b>13. Other income</b>		
	2014	2013
	\$	\$
Administration fees	-	19,000
Donation	2,710	1,580
Wage credit scheme	13,431	-
Sales of book	1,662	3,153
Sundry income	2,954	-
Website banner	-	2,500
	<u>20,757</u>	<u>26,233</u>
<b>14. Services consumed</b>		
	2014	2013
	\$	\$
Annual dinner	137,461	316,324
Course fees	-	1,120
Events expenses	66,756	-
Seminars, courses and conferences	447,219	360,986
Services provided	36,762	40,500
Website expenses	63,474	65,677
	<u>751,672</u>	<u>784,607</u>
<b>15. Employee benefits</b>		
	2014	2013
	\$	\$
CPF contribution	112,298	100,810
Medical fees	3,500	127
Salaries and related expenses	963,577	891,990
	<u>1,079,375</u>	<u>992,927</u>
<b>16. Operating surplus</b>		
	2014	2013
	\$	\$
<i>This is arrived at after charging:-</i>		
Bad debts written off	6,667	-
Loss on disposal of subsidiary	10,000	-
Rental of office premise	77,702	62,025
	<u>77,702</u>	<u>62,025</u>
<b>17. Finance income</b>		
	2014	2013
	\$	\$
Interest on fixed deposits	887	804
	<u>887</u>	<u>804</u>

Fixed deposits earn interest at 0.4% to 0.7% (2013: 0.875%) per annum (refer to Note 9).

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

#### 18. Operating lease commitments

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

	2014	2013
	\$	\$
<i>Lease of office premise:</i>		
Payable within 1 year	116,554	116,554
Payable after 1 year but within 5 years	-	116,554
	<u>116,554</u>	<u>233,108</u>
Rental expense for the financial year	<u>77,702</u>	<u>62,025</u>
<i>Lease of office equipment:</i>		
Payable within 1 year	9,800	7,200
Payable after 1 year but within 5 years	-	9,800
	<u>9,800</u>	<u>17,000</u>
Rental expense for the financial year	<u>6,850</u>	<u>7,842</u>

The lease of office premise commenced in July 2013 and expires in June 2015. The lease of office equipment commenced in May 2010 and expires in April 2015.

#### 19. Financial risk management

##### *Financial risk factors*

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

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 Association has no significant exposure to currency risk.

##### *Credit risk*

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

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2013: 30 days). But some customers take a longer period to settle amounts.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

19. Financial risk management (continued)

*Credit risk (continued)*

By type of customers

	2014	2013
	\$	\$
Non-related parties	138,730	135,355
Related party	-	43
	<u>138,730</u>	<u>135,398</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:

	2014	2013
	\$	\$
Trade receivables that are neither past due nor impaired	<u>107,220</u>	<u>2,718</u>

(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:

	2014	2013
	\$	\$
31 to 60 days	11,180	132,680
61 to 90 days	16,050	-
90 days above	4,280	-
Total	<u>31,510</u>	<u>132,680</u>

*Liquidity risk*

Liquidity risk is the risk that the Association will encounter difficulty in meeting financial obligations due to shortage of funds. The Association's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Association's objective is to maintain a level of cash and cash equivalents deemed adequate by management to finance the Association's operations and mitigate the effects of fluctuations in cash flows.

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

	2014		2013	
	One year or less \$	Total \$	One year or less \$	Total \$
<b>Financial assets:</b>				
Trade and other receivables	227,472	227,472	165,536	165,536
Fixed deposits	251,475	251,475	150,588	150,588
Cash and cash equivalents	332,160	332,160	255,534	255,534
Total undiscounted financial assets	<u>811,107</u>	<u>811,107</u>	<u>571,658</u>	<u>571,658</u>
<b>Financial liabilities:</b>				
Other payables	353,344	353,344	359,178	359,178
Total undiscounted financial liabilities	<u>353,344</u>	<u>353,344</u>	<u>359,178</u>	<u>359,178</u>
Total net undiscounted financial assets	<u>457,763</u>	<u>457,763</u>	<u>212,480</u>	<u>212,480</u>

## SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2014

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#### 20. 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.

#### 21. Capital management

The Association's objectives when managing its funds are to safeguard its ability to maintain adequate working capital to continue as going concern and to continue its principal activities. These objectives remain unchanged from previous year.

#### 22. Currently effective requirements

With effect from 1 July 2013, the Association has adopted all the following new, revised and amendments to FRS that are mandatory for financial years beginning on or after 1<sup>st</sup> January 2013. The adoption of these new, revised and amendments to FRS has no significant impact on the Association.

<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 113	Fair Value Measurement	1 January 2013
FRS 107	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
FRS 1, FRS 16 and FRS 32	Improvements to FRSs 2012	1 January 2013

*Future changes in accounting policies*

The Association 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 Association.

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 30 June 2014***22. Currently effective requirements (continued)***Future changes in accounting policies (continued)*

<u>FRS</u>	<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
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 32	Offsetting Financial Assets and Financial Liabilities	1 January 2014
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

**23. Authorisation of financial statements**

The Management Committee of Securities Investors Association (Singapore) authorised these financial statements for issue on 03 OCT 2014.

**SECURITIES INVESTORS ASSOCIATION (SINGAPORE)****INCOME AND EXPENDITURE STATEMENT***For the financial year ended 30 June 2014*

	2014	2013
	\$	\$
REVENUE		
Investors' choice award	342,171	338,450
Seminars and conferences	507,207	338,375
Services provided	26,708	2,508
Shareholder communication services	258,838	224,671
Subscriptions	19,945	35,207
Sponsorships	1,009,162	1,167,373
	<u>2,164,031</u>	<u>2,106,584</u>
LESS : COST OF SERVICES		
Annual dinner	137,461	316,324
Course fees	-	1,120
Event expenses	66,756	-
Seminars and conferences	447,219	360,986
Services provided	36,762	40,500
Website expenses	63,474	65,677
	<u>751,672</u>	<u>784,607</u>
GROSS SURPLUS	1,412,359	1,321,977
OTHER INCOME		
Aministration fees	-	19,000
Donation	2,710	1,580
Interest income	887	804
Wage credit scheme	13,431	-
Sale of book	1,662	3,153
Sundry income	2,954	-
Website banner	-	2,500
	<u>1,434,003</u>	<u>1,349,014</u>
LESS: EXPENDITURE (APPENDIX I)	(1,426,565)	(1,311,723)
SURPLUS FOR THE FINANCIAL YEAR	<u>7,438</u>	<u>37,291</u>

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*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 2014

APPENDIX I

	2014	2013
	\$	\$
EXPENDITURE		
Accounting, audit and tax fees	11,100	9,400
Administrative expenses	-	1,980
Advertisement	9,226	39,820
Bad debts written off	6,667	-
Bank charges	330	400
Credit card and Paypal charges	1,298	2,901
Casual labour	2,021	3,157
CPF contribution	112,298	100,810
Depreciation of plant and equipment	29,863	29,213
Donation	600	-
Entertainment	10,726	9,317
Filling fee	50	-
General expenses	40	37
Gift and condolences	3,891	3,887
GST expenses	-	500
Insurance	14,422	1,305
Legal and professional fees	-	800
Licence fee	13,200	-
Loss on disposal of subsidiary	10,000	-
Membership fee	-	3,080
Medical expenses	3,500	127
Office expenses	2,715	7,226
Postage and couriers	8,588	834
Printing and stationery	17,515	11,817
Promotion	-	11,635
Registration fee	260	-
Rental of office equipment	6,850	7,842
Rental of office premise	77,702	62,025
Rental of auditorium hall	59,473	48,256
Rental of storage space	-	5,151
Repairs and maintenance	5,169	2,709
Salaries and related expenses	963,577	891,990
Sponsorship	20,954	12,378
Staff recruitment expenses	-	230
Staff welfare	2,972	-
Telephone and faxes	11,034	12,745
Transportation expenses	3,510	4,413
Travelling expenses	8,188	13,814
Utilities	8,826	11,924
	<u>1,426,565</u>	<u>1,311,723</u>

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



**SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**

*Association Registration No: - A2718059A*

*(Constituted in Singapore)*

**FINANCIAL STATEMENTS**

*For the financial year ended 30 June 2014*



