



GLOBAL CORPORATE GOVERNANCE CONFERENCE
Is Corporate Governance in Step with Business - Help or Hindrance?
24th September 2018

Chief Guest of Honour
Launch of Singapore Corporate Governance Week
The Honourable Mr. K. Shanmugam
Minister for Home Affairs and Minister for Law, Singapore

Guest of Honour
Global Corporate Governance Conference
Mr. Robert L. Jackson Jr
Commissioner, U.S. Securities and Exchange Commission



CELEBRATING 20 YEARS OF SERVICE



20TH ANNIVERSARY

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PRESIDENT'S MESSAGE

Dear Members and Investors

SIAS was formed 20 years ago this year with the backing of over 50,000 retail investors affected by the CLOB saga. Many more were left stranded a year earlier when the Malaysian government froze about US\$5 billion worth of Malaysian traded on the then Stock Exchange of Singapore. The investors rallied to speak with one voice to protect their rights. That voice gave birth to SIAS.

We prevailed and managed to retain the investments for most Singapore investors. The difficult circumstances of our birth highlighted two pressing issues. First is the need for an organisation such as SIAS which would represent the interests of investors and preserve the rights of minorities. Second is that widespread, systematic investor education was sorely lacking. Many CLOB investors had merely taken a punt based on rumours and hearsay.

In the twinkling of an eye, 20 years have passed.

Major Milestones of Last 20 Years

Allow me now to briefly highlight the core initiatives of SIAS through the last 20 years.

1. Investor Education

In March 2000, we decided to embark on investor education and took our programmes to the heartlands. To-date, SIAS has organised over 1,400 investor education programmes ranging from basic investment seminars for novices to certificate courses for more advanced investors. During the CLOB campaign, meeting CLOB investors regularly all over Singapore, I discovered that very few had any knowledge of the fundamentals for making sound investment decisions. Singapore needed investor education. At SIAS, we decided to fill the gap.

Today, more than 200,000 retail investors have so far benefited from these programmes that are offered largely free of charge. We have been able to provide many of these programmes to Singapore citizens by forging partnership with MoneySense, SGX, People's

Association, ABS, financial institutions and listed companies. Our programmes are made freely available to all Singaporeans by both physical and online modes. We are planning to embark on the use of technology to benefit many more Singaporeans to better their financial well-being.

2. Corporate Governance

In 1999, transparency standards in listed companies were sorely lacking, with boiler plate disclosures. Access to financial information from companies was also not readily available unlike now. Retail investors had to rely largely on their remisiers and coffee shop talk. Financial news was not as robust as now. So, we decided to push for greater transparency and introduced the “Most Transparent Company Award” in year 2000 at our very first annual dinner.



Arising from the Asian financial crisis, OECD took the lead to issue its first guidance on good corporate governance principles and Singapore introduced its first Code in 2002. It was not prescriptive. In order to encourage listed companies to adopt those practices, SIAS pioneered the introduction of the one and only Singapore Corporate Governance Award in 2003.



Today, SIAS, in collaboration with NUS Business School Centre for Governance Institutions and Organisations (CGIO) and industry partners, recognises and rewards companies for their good corporate governance practices at the Investors' Choice Award. We strive to motivate companies to raise their standards of governance. This will help the investors make better investment choices. In the past, our award winners have even outperformed the STI Index.

The other important initiative, which is now gaining regional and international recognition, is our annual Global Corporate Governance Conference. It is supported by SGX, ACRA, ABS, OECD and other industry Organisations, and attracts participation from international governance experts. Singapore corporate governance practitioners, boards and senior managers and regulators are updated on the latest best global practices. In 2018, SIAS was invited by the Thai Securities Exchange Commission to organise jointly the inaugural Corporate Governance Conference in Bangkok.

3. Investor Rights

Before the advent of SIAS, a few individuals took upon themselves to challenge boards and senior management at AGMs seeking accountability for their investments. The tyranny of the majority always out-voted them. In order to succeed and resolve issues amicably, SIAS adopted a unique approach to resolve disputes amicably between investors and companies “in the boardroom, not the courtroom”. This was and is still necessary because the Asian culture of not “losing face” by owners and corporate leaders in public prevails. Over time and after much effort, shareholders have now come to realise that differences are best settled through SIAS with logic, reason and compromise founded on sound arguments and negotiation in the boardroom, instead of belligerence and confrontation.





In order to improve accountability and governance, SIAS saw the need to pose questions on governance, business strategies, and financial statements on every annual report with the hope of improving the quality of annual general meetings and the engagement between the boards and shareholders. To date, we have sent over 1000 sets of questions to about 600 companies.

However, when we have to, we are more than prepared to take on companies unwilling to cooperate at meetings and in the press. Examples would include NatSteel, Singpost and Sino-Environment. More recently, SIAS sent 34 probing questions to the board of troubled water treatment firm Hyflux, a move that surprised many.

Because of our stance of dialogue and yet calling a spade a spade, we have won the trust not just of minorities and retail investors, but also the corporates and the regulators. This paved the way for SIAS to help the corporates themselves address potentially thorny shareholder and investor issues in an acceptable way. Today, a good number of companies approach SIAS to discuss the best way forward when there are contentious issues or when undertaking corporate actions. For example, the merger of Pidemco and DBS Land many years back to form what is now known as CapitaLand, the scandal that was China Aviation Oil when we engaged the Chinese government to save the company, and the financial woes of several oil and gas companies like Ezion, Ezra, Nam Cheong where we helped in their stakeholder communication and even restructuring efforts. Just last year, we organised 40 such dialogue sessions. With the deterioration of the global geo-political environment affecting businesses, we expect to be holding more of such engagements as companies manage their strategies and engage their shareholders to help them understand and appraise the situation.

Where SIAS Is Today

These initiatives that SIAS has put in place over the last 20 years have helped SIAS gain recognition in the local equity capital market as a trusted organisation. SIAS is represented on SGX's Listing Advisory Committee and MAS's Corporate Governance Advisory Council.

Beyond Singapore, SIAS sits on the Asian Corporate Governance Roundtable of the OECD and the Advisory Committee of the International Forum of Independent Audit Regulators. These two highly prestigious positions enable us to keep abreast of the latest global governance practices. In 2010, SIAS was recognised the Gold Standard Awards by Public Affairs Asia for our corporate governance initiatives and in 2014, we received a special achievement award for championing individual investors' rights from the Minority Shareholder Watchdog Group in Malaysia.

Today, SIAS is a Charity and an Institution of Public Character (IPC), and the largest organized investor group in Asia.

What's Next For SIAS?

The biggest challenge for SIAS has been funding. Over the last 20 years, SIAS has been fortunate to receive support by way of donations and sponsorship from companies which believe in our cause. We are now assured of continuity by the support of MAS, which has agreed to provide long term funding for SIAS. We are grateful and say a big Thank You to MAS on behalf of all investors in Singapore.

In a world full of constant changes and upheavals, investors need sound information and guidance to navigate the difficulties. SIAS will be there for them. Let me outline some of the initiatives moving forward

i) Expanding corporate governance to embrace sustainability (extending to ESG)

Investor interests globally on environmental, social, and governance (ESG) issues have finally reached a tipping point. SIAS will do more by incorporating sustainability questions into our questions to companies on the annual reports and also help shareholders understand sustainability reports and ask the right questions, especially in the areas of risk disclosures. Sustainability reporting should be an integral part of the annual report and no longer a side show.

ii) Embracing technology for investor education and equity research for wider reach

Today, how the millennials consume information has changed. SIAS too must continue to evolve and develop the way we interact with and provide information to this new generation of investors. We are looking to develop digital tools to maximise our engagement with the investment community of all ages.

We also plan to re-start equity research on companies much needed by retail investors, and provide guidance to them. This will widen our reach to help more investors invest wisely.

As the affluence of Singaporeans grow, so too must our engagement and education. We have widened our mandate to expand our engagement with high-net-worth individuals and family offices with our first Master Series Investment Conference in July 2019 and moving forward, we expect to take this programme overseas as well. This segment of investors can expect more interaction with SIAS.

iii) Advancing investor rights – to be proactive and not reactive

At inception of SIAS, we decided that resolving issues in the boardroom and not the courtroom would be our primary modus operandi to achieve success. We felt strongly that this approach would help Singapore's economy, its capital markets and its investors by focusing on value preservation and minimising disruption. We put Singapore first.

We will increase our interactions with companies so as to be more proactive in advancing investor rights in Singapore. We will commence by engaging companies to publish their responses to our questions on their annual report and track companies conducting corporate actions, for example general offers and delisting to ensure that rights of minority shareholders are advanced. Nevertheless, we will continue with our tripartite approach of resolving issues "in the boardroom, not the courtroom".

We seek your continued support as we evolve and serve more people and to ensure that **Smart Investors Always Succeed!**

David Gerald J
Founder, President & CEO



CONGRATULATORY MESSAGES



“ SIAS plays a valuable role in Singapore's corporate governance ecosystem. It was originally created to protect the interests of Singaporean investors who were stranded when CLOB was forced to close. Since then, SIAS has expanded its mandate, and kept up its good work for two decades. Generations of investors have benefited from SIAS efforts to advocate their rights and promote financial education. Congratulations SIAS on your 20th Anniversary! ”

MR. LEE HSIEN LOONG
Prime Minister

“ Congratulations to the Securities Investors' Association Singapore (SIAS) on your 20th Anniversary.

SIAS has played a key role in the country's investment landscape, championing the interests of retail investors and empowering them through financial education efforts, as well as promoting good corporate governance amongst companies in Singapore. Over the last two decades, SIAS has always stepped forward when needed. SIAS has also demonstrated to investors and listed companies that it is an independent, effective and responsible investor body that puts the interests of Singapore and investors first. I am also encouraged to learn that SIAS is working with the People's Association to help educate elderly citizens about financial abuse and scams. Thank you for being a responsible community partner and for your dedicated service. To all winners of this year's Investors' Choice Awards, I congratulate you for demonstrating your commitment to excellence in corporate governance. I encourage you to continue striving for ever-higher standards in the industry. It is only through the collective efforts of all stakeholders that we can have a vibrant and conducive investing landscape in Singapore for all investors. ”



MR. HENG SWEE KEAT
Deputy Prime Minister and Minister for Finance



“ Congratulations to SIAS on your 20th anniversary!

Since 1999 SIAS has contributed significantly to the development of Singapore's financial landscape. SIAS' efforts to protect minority rights through conciliatory means and thoughtful negotiations have achieved much in dispute resolution. In the area of corporate governance, SIAS' initiative in working with boards and senior managements to ensure best practices is helpful to our capital markets. SIAS' efforts to promote financial education at all levels have benefited thousands of retail investors over the years guiding them and providing them with the necessary knowledge to invest prudently. In particular, the efforts of SIAS to reach out to the elderly to help them manage their money and avoid financial abuse is commendable. I am confident that SIAS will continue to play an important role in Singapore for many more years to come. ”

DR. TONY TAN KENG YAM
Former President of Singapore and Chief Patron Securities Investors Association (Singapore)



“ SIAS has made great strides from its beginnings twenty years ago, when a group of investors came together during the CLOB saga to represent their collective interests. SIAS is today viewed as a credible and steadfast advocate for retail investors, in their engagements with listed companies and the stock exchange. Its roles have also grown to cover industry standards in the distribution of investment products, and educational outreach to help investors make better informed decisions, in partnership with government agencies and the private

sector. I commend SIAS for its outstanding efforts in each of these areas, and wish it continued success in the years to come. ”

MR. THARMAN SHANMUGARATNAM

Senior Minister and Chairman of the Monetary Authority of Singapore

“ Considering the mighty efforts and achievements of SIAS, it is surprising to realise that it has enjoyed a history of just twenty years. A lot of punch has been packed into those twenty years, starting with the trigger for its genesis. That trigger was the suspension of CLOB (Central Limit Order Book) by the Malaysian authorities in the wake of the Asian financial crisis of 1996. The determined resolution shown by SIAS and its long-serving President, David Gerald Jeyasegaram, has been sustained throughout its existence. It accounts for the strong support the Association has received, not just from investors on the local bourse, SGX, but listed companies and regulators as well.



Congratulations to SIAS. May it continue to render valuable service to all segments of our capital markets. ”

MR. J Y PILLAY

Rector, College of Alice & Peter Tan, National University of Singapore



“ Congratulations to SIAS on 20 years of distinguished service, representing the interests of retail investors in Singapore. SIAS has taken a comprehensive approach in carrying out its function – not just championing the cause of aggrieved retail investors with listed companies, but also mounting educational programmes to help investors keep pace with a rapidly changing investment environment and engaging the boards of listed companies to strengthen corporate governance practices. SIAS has been a valued partner of

MAS on many fronts, and I want to particularly thank SIAS for its longstanding support of MoneySense, the national financial well-being programme. MAS looks forward to furthering its partnership with SIAS to make the environment for retail investors in Singapore more supportive and conducive. ”

MR. RAVI MENON

Managing Director, Monetary Authority of Singapore

“ SIAS has been, and continues to be, Singapore's key champion for retail investors. While its establishment in 1999 was unexpected, its subsequent development was by no means accidental. Over the years, SIAS has worked hard to advocate sustainable and mutually-beneficial stakeholder relationships. SGX, who also turns 20 this year, shares SIAS' goal to build an educated, engaged and empowered investment community. We look forward to continue our partnership with SIAS for the betterment of our ecosystem, for many more years to come. ”



MR. KWA CHONG SENG

Chairman, Singapore Exchange Limited

CELEBRATING 20 YEARS

1999

“Mr David Gerald Founder”
The man with Fire in his Belly



Protem Committee
formed to resolve CLOB issue



2000

CLOB issue resolved



SIAS 1st Anniversary Celebration
& Investors' Choice Awards
(Launched Most Transparent
Company Award)



Investor Education Launched



2001

Featured in Forbes Magazine
Cover Page for “CLOB” victory



2002

Launched Dispute Resolution
Committee



SIAS 3rd Anniversary Celebration
& Investors' Choice Awards
(Launched *Financial Journalist of the
Year Award*)



2002

SIAS 4th Anniversary Celebration
& Investors' Choice Awards
(Launched *Singapore Corporate
Governance Award*)



Incorporation of
SIAS Research Pte Ltd



OF SERVICE

<p>2004</p> <p>to</p>	<p>Restructuring of China Aviation Oil</p> 	<p>Launched Financial Planning for Families in conjunction with MoneySENSE</p> 	<p>Natsteel: Proposed payment of conditional dividend</p> 	
<p>2008</p>	<p>Isetan Tax credit section 44 claim</p> 	<p>Yellow Pages: Dismissal of independent director</p> 	<p>Launched the Inaugural Singapore Corporate Governance Conference</p> 	
<p>2009</p>	<p>Launched SIAS Youth Chapter</p> 	<p>Launched the Inaugural Asian Investment Conference & Exhibition</p> 	<p>Assisted minibonds investors' filing of claims with US Trustee</p> 	<p>SIAS: the Association That Empowers</p> 
<p>2010 to 2011</p>	<p>Launched the "Singapore Inaugural Corporate Governance Week" with the support of OECD</p> 	<p>Awarded The Gold Standard Award for Good Governance by Public Affairs Asia</p> 	<p>Established the "Internal Audit Excellence Award" with IIAS and SMU SKBI</p> 	
<p>2012</p>	<p>Launched the Singapore Investment Week</p> 			

CELEBRATING 20 YEARS

2013

Introduced Civil Governance Excellence Award



Launched the “Media Excellence in Community Investor Education Award”



2014

Launched Investment Chapters



Launched the inaugural “Understanding Money for Senior Citizens and Young Working”, in collaboration with People’s Association

UNDERSTANDING MONEY FOR SENIOR CITIZENS
年长者对于金钱的认识



Presented “Investor Watchdog Peer Recognition” Award

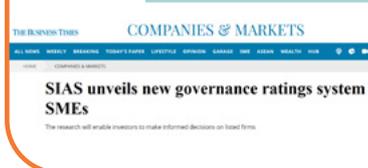


2015

Became a registered Charity and later in August 2015 an Institution of Public Character



Developed The Governance Evaluation for Mid and Small Caps (GEMS) in collaboration with CSIS



2016

Champion minority shareholder’s interest in Tiger Airways



Represent bondholders in debt restructuring in oil and gas debacles



OF SERVICE

2017

Commenced SIAS' Q&A on Annual Reports posing questions on business strategy, financial statements and corporate governance



Launched the Scam Investment Education campaign in collaboration with MoneySense



Appointed Dr Tony Tan Keng Yam, former President, as First Chief Patron of SIAS



2017

Appointed by the Charity Council to organise the 2017 Charity Governance Conference as part of the Corporate Governance Week



Launched of My Money @ Campus in association with MoneySENSE



Commenced weekly Market Updates and commentaries in Business Times on investment issues



2018

Won Gold in Best Idea – Government Sector Marketing at the MARKIES Award



Represent three classes of investors in the Hyflux saga



2019

Launched SIAS Inaugural Master Series Investment Conference



VISION & MISSION

Our Vision

An **Educated,**
Engaged and Empowered
investment community

Our Mission

WE ADVOCATE

Sustainable and stable stakeholder relationships in the investment community

WE SAFEGUARD AND PROTECT

Investor rights in Singapore

WE EMPOWER

Investors through education and timely information

WE PROMOTE

Fair and transparent corporate governance standards, regulations and practices

Charity Registration Information

Name of Organisation	: Securities Investors Association (Singapore)
UEN No.	: S99SS0111B
Charity Status	: Registered
Date of Charity Registration	: 08/05/2015
IPC Status	: Live
IPC Period	: From 06/08/2018 To 05/08/2021
Address	: 7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Website	: www.sias.org.sg

The information above is also available in the Charity Portal at www.charities.gov.sg.





GOVERNANCE REPORT

OUR HONORARY APPOINTMENTS



CHIEF PATRON
DR. TONY TAN KENG YAM

Former President,
Republic of Singapore

Date of Appointment: 12 Oct 2017



PATRON
DR. STEPHEN RIADY

Executive Chairman,
OUE Limited

Date of Appointment: 1 Jun 2018



PATRON
MR. JOHN LIM HWEE CHIANG

Co-Founder and Group Chief Executive Officer,
ARA Asset Management Limited

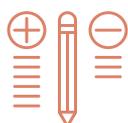
Date of Appointment: 1 Jan 2019



CHAIRMAN
MR. DANIEL TEO TONG HOW

Chairman and Managing Director,
Hong How Group of Companies

Date of Appointment: 1 Aug 2018



MANAGEMENT COMMITTEE

(2017 - 2019)

The Association is managed by a Management Committee (MC) elected by members at the 2017 AGM comprising of the following members:



MR. DAVID GERALD
PRESIDENT

First elected to MC: Jun 1999 as President
Elected as President from Oct 2017-Oct 2019

Mr David Gerald, a former lawyer, magistrate and DPP, is the Founder and CEO of SIAS. He is a member of the Listing Advisory Committee of Singapore Exchange and a member of the Corporate Governance Advisory Committee of MAS. He also serves on the Advisory Committee of International Forum of Independent Audit Regulators (IFIAR) in the Investor and Other Stakeholders Working Group.



MR. LOH UANTCHERN
VICE PRESIDENT

& Chairman, Remuneration Committee

First elected to MC: Sep 2011-2015 as Hon. Secretary; as Vice President: Oct 2015-2017
Elected as Vice-President from Oct 2017-Oct 2019

Mr Loh Uantchern is the CEO, Asia Pacific for Black Sun, an international stakeholder communications agency. He was the President of the Institute of Internal Auditors in Singapore from 2009 to 2012. He also volunteers at the Central Singapore CDC, Kidney Dialysis Foundation and Shared Services for Charities.



MR. LAWRENCE LEOW
HONORARY SECRETARY

First appointed to MC: Jan 2016-Sep 2017 as Committee Member;
Elected as Hon Secretary: Oct 2017-2019

Mr Lawrence Leow is Chairman & Chief Executive Officer of Crescendas Group. He is Patron to Yew Tee Citizens' Consultative Committee, a board director of Ren Ci Hospital, President of Singapore Badminton Association, an executive member of the Singapore National Olympic Council. He is also a former Nominated Member of Parliament.





MR. LIM CHUANG
HONORARY TREASURER

First appointed to MC: Oct 2016 as Committee Member;
Elected as Hon Treasurer: Oct 2017-Oct 2019

Mr. Lim Chuang was former CFO of SATS and Senior Vice President Finance at Resorts World Sentosa.



MR. ROBSON LEE
ASST. HONORARY SECRETARY

& Chairman, Legal & Discipline Committee

First elected to MC: Sep 2011-2017 as Asst. Hon Secretary
Elected as Asst. Hon Secretary from Oct 2017- Oct 2019

Mr Robson Lee is partner in Gibson Dunn's Singapore office and a member of the firm's Mergers & Acquisitions and Capital Markets Practice Groups. He is also a member of the Audit Committee of the law society of Singapore.



MR. BENJAMIN TAN
ASST. HONORARY TREASURER

First elected to MC: Oct 2017-2019 as Asst Hon Treasurer

Mr. Benjamin Tan is Director of BT Capital and formerly an investment banker at Credit Suisse and UBS.



MR. ANG HAO YAO, CFA
COMMITTEE MEMBER

& Chairman, Audit Committee

First elected to MC: Sep 2003-2009; Oct 2015-2017 as
Committee Member

Elected as Committee Member from Oct 2017-Oct 2019

Mr Ang Hao Yao is a private investor and serves as a Director of Credit Counselling Singapore and past Chairman of SATA CommHealth. Mr Ang is the Chairman of SGX Investor Education Committee. He also serves on the Finance Committees of the charities The National Kidney Foundation and the SingHealth Fund.





**MR. MELVIN YONG
COMMITTEE MEMBER**

First elected to MC: Oct 2015 as Committee Member
Elected as Committee Member from Oct 2017-Oct 2019

Mr Melvin Yong is Singapore Country Head of CPA Australia and former Executive Business Editor/Presenter at Mediacorp. He is a well-known media veteran in Singapore and the Asia Pacific region, with more than 24 years' experience in corporate and financial journalism, discussion moderation, public relations, news presentation and digital integration.



**MR. ROBIN CHIN
COMMITTEE MEMBER**

First appointed to MC: Jan 2014-Sep 2015; Oct 2017 as
Committee Member
as Hon Treasurer: Oct 2015-2017
Elected as Committee Member from Oct 2017-Oct 2019

Mr Robin Chin is Senior Partner at Foo Kon Tan LLP.



**MS. EMILY GOH
COMMITTEE MEMBER**

First appointed to MC: Oct 2017-2019 as Committee
Member

Ms Emily Goh is Portfolio Director at Elite Partners Capital. Emily has served on the board of several listed and unlisted companies across Asia. She has also overseen financial reporting and compliance, managing relations with Limited Partners and communication and outreach to the wider investment community.



**MR. BERNARD TANG
COMMITTEE MEMBER**

First appointed to MC: Oct 2017-2019 as Committee
Member

Mr. Bernard Tang is Managing Director of Evergrowth Capital Management.

OUR GOVERNANCE FRAMEWORK

One of the three tenets of SIAS is promoting good corporate governance practices. Therefore, it is important to us that SIAS practices what we preach. It has now become even more essential for SIAS as a Charity and an IPC to embrace good governance practices. The following are some of the key initiatives undertaken by the Management Committee to adopt good governance at SIAS by appointing an Honorary Chairman and three governance committees.

Honorary Chairman

Mr. Daniel Teo was appointed as the 5th Honorary Chairman with effect from 1 August 2018.

The appointment of the Honorary Chairman, who will be independent and non-executive, is to provide the check and balance within the Association, as provided for by our Constitution. This Constitutional appointment is all the more necessary as the current President is also the Chief Executive. The Chairman is empowered to intervene in the event he is of the view that the President and or the Committee has acted in breach of the Association's Constitution or not acting in the interest of the Association. In such a situation, he can direct the President or the Committee, as the case may be, to comply with the Constitution forthwith and to act in the interest of the Association. The Chairman has to be a person of high stature and extensive knowledge and experience.

Mr. Daniel Teo is presently a director of the Tong Eng Group of Companies, and is the Chairman and Managing Director of the Hong How Group of Companies. As a noted real estate developer and investor, Mr. Teo was the President of the Real Estate Development Association of Singapore for numerous terms, the last term being from 1998 to 2001. He was also the World President of the International Real Estate Federation from 2000 to 2001. Some of his projects have won the Urban Redevelopment Authority's Architectural Heritage Award for Conservation and Adaptive Re-use in 1995, 2010 and 2013. Mr. Teo is an active promoter of culture and arts in Singapore. In 1981, he was the founder member of the Singapore Cultural Foundation which has since merged into the National Arts Council. Mr. Teo was awarded "Patron of Heritage" by the National Heritage Board for 2008 and 2013.

Key Functions:

To ensure President and Management Committee comply with the Constitution and act in the interest of the Association.

Composition of the Management Committee

The Management Committee strives to ensure that the members, as a group, have core competencies in areas such as accounting and finance, management, law, strategic planning, social enterprise and community-related experience and that they bring on board a degree of diversity and viewpoints, expertise and experiences. No Management Committee member shall be related to another member by blood or marriage. Except for the Founder and President, who is also the CEO and staff of the Association, and is a member of the Management Committee allowed by the Constitution, no other staff is on the SIAS Management Committee. In addition, other members of management are invited from time to time to attend and make presentations at Management Committee meetings.



The Management Committee believes that to be effective it should not be too large, whilst at the same time ensuring that there is sufficient range and diversity of expertise, gender, and viewpoints. Our Management Committee size ensures a good balance between continuity, renewal, and compliance with charity regulations. The Management Committee has a formalised process for the appointment/ re-appointment of committee members; including the President and members of Governance Committees and forms part of the Constitution. All candidates have to be cleared by the Nomination Committee to ensure compliance with the requirements of the Constitution.

Management Committee Meetings

The Management Committee (MC) is required under the Constitution to meet once in two months. The MC met seven (7) times during the financial year ended 30 June 2018, on the following dates:

18 July 2018	6 August 2018	12 September 2018	24 October 2018
16 January 2019	13 March 2019	22 May 2019	

As and when needed, the Management Committee may also hold additional meetings. The Management Committee also reviews the vision, mission and strategies of SIAS and undertakes performance reviews of the Association during the above meetings.

Below please find the attendance of the Management Committee. (Note, the current Management Committee was elected to office on 31 Oct 2017.)

Name	Attendance	Name	Attendance
Mr David Gerald President	7 out of 7	Mr Ang Hao Yao Committee Member	7 out of 7
Mr Loh Uantchern Vice President	6 out of 7	Mr Robin Chin Committee Member	4 out of 7
Mr Lawrence Leow Hon. Secretary	2 out of 7	Mr Melvin Yong Committee Member	7 out of 7
Mr Robson Lee Asst. Hon. Secretary	3 out of 7	Mr Bernard Tang Committee Member	5 out of 7
Mr Lim Chuang Hon. Treasurer	2 out of 7	Ms Emily Goh Committee Member	6 out of 7
Mr Benjamin Tan Asst. Hon. Treasurer	4 out of 7		



Governance Committee

Audit Committee

The Audit Committee is a Constitutional appointment by the Management Committee. Its members are appointed for a term of 4 years. The primary function of this Committee is to assist the Management Committee in fulfilling the oversight and fiduciary responsibilities, to act in the interest of SIAS' members and stakeholders as a whole, in particular, in the areas of financial accountability and reporting.

The Committee oversees and appraises the nature and extent of the audit process carried out by the external auditors. It also reviews the findings of the external auditors relating to their assessment of the adequacy and effectiveness of the significant internal controls, including operational, financial, compliance controls, risk management processes and evaluated adherence to established policies, processes and practices. It also reviews the actions proposed to be taken by the management to address the findings of the auditors.

The Committee also undertakes the review of the financial statements with the external auditors and recommend to the Management Committee for approval. The Audit Committee has examined the audited accounts and has met with the senior management to clarify matters arising from the preparation of the audited accounts making sure the processes are complete. The external auditors have unrestricted access to the audit committee.



Chairman	Members	
 <p>Mr Ang Hao Yao, CFA Director, Credit Counselling Singapore / Committee Member, SIAS</p>	 <p>Mr Ravi Manchanda Co-Head Principle Investments, Asia - Asean & India, Pepper Group</p>	 <p>Mr Th'ng Beng Hooi, CFA Managing Director, A.B. Maximus <i>(stepped down on 19 Jul 2019)</i></p>

The Audit Committee met twice on 16 July 2018 and 11 October 2018 in the financial year and discussed various issues including establishing a whistleblowing policy and IT security. The attendance of meetings is as follows:

Name	Attendance	Name	Attendance
Mr Ang Hao Yao	2 out of 2	Mr Ravi Manchanda	1 out of 2
Mr Th'ng Beng Hooi	2 out of 2		

Nomination Committee

The Nomination Committee is a Constitutional appointment by the Management Committee. The objective of the Nomination Committee is to lead the process of selection of the most suitable candidate or candidates for appointment to the Management Committee and to make recommendation to the Management Committee. The members are appointed for a term of 3 years.

The Nomination Committee reviews the applications from members intending to stand for the Management Committee, at least 21 days from the Annual General Meeting, and submitted to the Nomination Committee for approval within 7 days of submission. Once the Nomination Committee has approved the nomination, then election will follow at the Annual General Meeting on a simple majority.

The Nomination Committee shall ensure that the candidate is of good standing, is free from any criminal record and is not an undischarged bankrupt. The candidate should not have been removed from any Committee or Members of an Organisation for poor performance, neglect or unruly conduct.



Chairman	Members	
 Mr Ng Siew Quan Partner, PWC	 Mr Robert Yeo Former Executive Director & CEO, STADA	 Mr Vincent Chen Private Investor Former Banker

The Nomination Committee did not have to meet during the financial year as there was no election of committee members in the financial year.

Remuneration Committee

The Remuneration Committee is a Constitutional appointment by the Management Committee. The Remuneration Committee exercises oversight of the remuneration policies in SIAS. It ensures that SIAS has appropriate remuneration policies and decides on the remuneration of its senior executives, which includes performance incentive plans and other compensation and benefits.

The committee ensures salary competitiveness, reviews the basis and quantum for the performance bonus payment and annual salary increments.

Chairman	Members	
 <p data-bbox="363 904 756 994">Mr Loh Uantchern Chief Executive Officer, Black Sun Vice President, SIAS</p>	 <p data-bbox="874 904 1053 994">Mr Lim Chuang Hon.Treasurer, SIAS</p>	 <p data-bbox="1177 904 1461 994">Mr Andrew Cheng Chief Operating Officer, Kingsmen</p>

The committee met twice during the year to review the bonuses to staff and discuss their performance with the CEO. The CEO who is also the Founder and President was not involved in the discussion of his performance and bonus, which is decided by the MC recommended by the Remuneration Committee.



Governance Evaluation Checklist (as at 30 Jun 2019)

S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
Board Governance				
1	Induction and orientation are provided to incoming governing board members upon joining the Board.	1.1.2	Complied	New MC members are briefed by the President on their roles and responsibilities. They are provided with a kit about the organisation e.g. Constitution, organisation chart, MC Meetings schedule, latest approval financial statement, latest Annual Report and terms of reference of committees. They are also provided links to legislations like the Charities Act. They are required to sign a Confidentiality Agreement and Disclosure of conflict of interest.
2	Are there governing board members holding staff appointments?		Yes	The President is also the CEO of the Association and Founder of the Association. The Constitution allows the President to be CEO. The CEO is a staff appointment.
3	Staff does not chair the Board and does not comprise more than one third of the Board.	1.1.3	Not Complied	The Constitution provides for the President, who is also the Founder to be CEO of the Association. He is the only staff on the Management Committee. The rest of the Management Committee members are independent volunteers.
4	There are written job descriptions for the staff's executive functions and operational duties, which are distinct from the staff's Board role.	1.1.5	Complied	Staff executive functions and operational duties are details in the employment contract which is distinct from roles on the Management Committee which are detailed in the Constitution.





S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
5	The Treasurer of the charity (or any person holding an equivalent position in the charity, e.g. Finance Committee Chairman or a governing board member responsible for overseeing the finances of the charity) can only serve a maximum of 4 consecutive years. If the charity has not appointed any governing board member to oversee its finances, it will be presumed that the Chairman oversees the finances of the charity.	1.1.7	Complied	The Treasurer's position is for a maximum of two consecutive years under the Constitution.
6	All governing board members must submit themselves for re-nomination and re-appointment, at least once every 3 years.	1.1.8	Complied	The Management Committee members are to be re-elected every 2 years according to the Constitution.
7	The Board conducts self evaluation to assess its performance and effectiveness once during its term or every 3 years, whichever is shorter.	1.1.12	Complied	The committees, namely, Audit, Remuneration and Nomination committees have their own terms of reference and are approved by the Management Committee
8	Is there any governing board member who has served for more than 10 consecutive years?		Yes	The President who is the Founder is the only person serving longer than 10 years. No other member has exceeded 10 years. The Nomination Committee discussed and evaluated suitability and agreed that the President and Founder provided strong leadership for the associated.



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
9	The charity discloses in its annual report the reasons for retaining the governing board member who has served for more than 10 consecutive years.	1.1.13	Complied	The President who is the Founder is the only person serving longer than 10 years. No other member has exceeded 10 years. The Nomination Committee discussed and evaluated suitability and agreed that the President and Founder provided strong leadership for the associated.
10	There are documented terms of reference for the Board and each of its committees.	1.2.1	Complied	The committees, namely, Audit, Remuneration and Nomination committees have their own terms of reference and are approved by the Management Committee.
Conflict of Interest				
11	There are documented procedures for governing board members and staff to declare actual or potential conflicts of interest to the Board at the earliest opportunity.	2.1	Complied	The conflict of interest policy is reproduced in this Annual Report and each Management Committee member and staff is to declare their conflict of interest as per the policy.
12	Governing board members do not vote or participate in decision making on matters where they have a conflict of interest.	2.4	Complied	As per the conflict of interest policy, the member will have to declare his/her conflict, if it arises, and will not participate in the discussion or programme and will not vote.
Strategic Planning				
13	The Board periodically reviews and approves the strategic plan for the charity to ensure that the charity's activities are in line with the charity's objectives.	3.2.2	Complied	The Management Committee approves the Annual Plan and reviews the activities on an ongoing basis.



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
Human Resource and Volunteer Management				
14	The Board approves documented human resource policies for staff.	5.1	Complied	An Employee Handbook, approved by the Management Committee, is provided to all staff and this is reviewed and updated periodically.
15	There is a documented Code of Conduct for governing board members, staff and volunteers (where applicable) which is approved by the Board.	5.3	Not Complied	SIAS has a documented Code of Conduct for staff but not for Management Committee which is being developed and incorporated into the Management Committee manual.
16	The Board approves documented human resource policies for staff.	5.5	Complied	The Association conducts bi-Annual performance appraisals. The Association also supports staff professional development and encourages self – improvement.
17	Are there volunteers serving in the charity?		No	The only volunteers serving in SIAS are members of the Management Committee.
Financial Management and Internal Controls				
19	There is a documented policy to seek the Board's approval for any loans, donations, grants or financial assistance provided by the charity which are not part of the charity's core charitable programmes.	6.1.1	Not Complied	SIAS does not provide loans, donations, grants or financial assistance to staff or external parties. This policy will be documented in the Employee Handbook.
20	The Board ensures that internal controls for financial matters in key areas are in place with documented procedures.	6.1.2	Complied	SIAS has established policies and procedures for procurement, delegation of authority and approval limits which are documented.



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
21	The Board ensures that reviews on the charity's internal controls, processes, key programmes and events are regularly conducted.	6.1.3	Complied	The Association's key programmes and events are updated at Management Committee meetings regularly.
22	The Board ensures that there is a process to identify, and regularly monitor and review the charity's key risks.	6.1.4	Not Complied	The MC regularly monitors and discusses risks like funding, manpower, resources, and IT. However, SIAS has yet to establish and document a process to identify, monitor and review key risks. SIAS will be appointing a risk committee.
23	The Board approves an annual budget for the charity's plans and regularly monitors the charity's expenditure.	6.2.1	Complied	The Management Committee through the oversight of the Treasurer approves the Association's annual plan and budget.
24	Does the charity invest its reserves (e.g. in fixed deposits)?		Yes	SIAS has limited reserves placed in fixed deposit with 2 local banks.
25	The charity has a documented investment policy approved by the Board.	6.4.3	Not Complied	SIAS adopts a conservative low-risk strategy by placing its reserves in low-risk fixed deposits. There are no investments beyond fixed deposits. However, there is no formal documented policy of this practice.
Fundraising Practices				
26	Did the charity receive cash donations (solicited or unsolicited) during the financial year?		Yes	



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
27	All collections received (solicited or unsolicited) are properly accounted for and promptly deposited by the charity.	7.2.2	Complied	All donations received are promptly accounted for and deposited into the bank. Donation receipts are issued once cheques are cleared and deposited into the bank zccount. Donations and list of donors are disclosed to the dollar and is appended in the Annual Report. List of donors are also disclosed and updated on the SIAS website.
28	Did the charity receive donations in kind during the financial year?		No	
Disclosure and Transparency				
30	The charity discloses in its annual report — (a) the number of Board meetings in the financial year; and (b) the attendance of every governing board member at those meetings.	8.2	Complied	SIAS discloses the number of Management Committee (MC) meetings, the dates of the MC meetings as well as the attendance of the MC members at the MC meetings in the Annual Report.
31	Are governing board members remunerated for their services to the Board?		No	No Management Committee member is remunerated for their service as a Management Committee member. The President, who is the CEO is remunerated for his role as CEO only.
34	Does the charity employ paid staff?		Yes	



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
35	No staff is involved in setting his own remuneration.	2.2	Complied	The Remuneration Committee reviews the performance and remuneration of the senior management including the CEO. The Remuneration Committee reviews the remuneration of all other staff on the recommendation of the CEO.
36	The charity discloses in its annual report — (a) the total annual remuneration for each of its 3 highest paid staff who each has received remuneration (including remuneration received from the charity's subsidiaries) exceeding \$100,000 during the financial year; and (b) whether any of the 3 highest paid staff also serves as a governing board member of the charity. The information relating to the remuneration of the staff must be presented in bands of \$100,000. OR The charity discloses that none of its paid staff receives more than \$100,000 each in annual remuneration.	8.4	Complied	SIAS discloses the salaries of staff exceeding \$100,000. The CEO who is also the President and Founder of the Association is a paid staff and serves on the Management Committee governing the Association, and is allowed for under the Constitution. The salary of the CEO is disclosed, to the dollar, in the Financial Statement and Annual Report.



S/N	Code Guideline	Code ID	Response (select whichever is applicable)	Explanation (if Code guideline is not complied with)
37	The charity discloses the number of paid staff who satisfies all of the following criteria: (a) the staff is a close member of the family* belonging to the Executive Head* or a governing board member of the charity; (b) the staff has received remuneration exceeding \$50,000 during the financial year. The information relating to the remuneration of the staff must be presented in bands of \$100,000. OR The charity discloses that there is no paid staff, being a close member of the family* belonging to the Executive Head* or a governing board member of the charity, who has received remuneration exceeding \$50,000 during the financial year.	8.5	Complied	There are no staff, who are close members, of any members of the Management Committee in SIAS.
Public Image				
38	The charity has a documented communication policy on the release of information about the charity and its activities across all media platforms.	9.2	Complied	It is documented in the Constitution that only the President shall release information for and by SIAS to any media.

Conflict of Interest Policy

1. Purpose

1.1 The Audit Committee is a Constitutional appointment by the Management Committee. Its members are appointed for a term of 4 years. The primary function of this Committee is to assist the Management Committee in fulfilling the oversight and fiduciary responsibilities, to act in the interest of SIAS' members and stakeholders as a whole, in particular, in the areas of financial accountability and reporting.

1.2 Such conflicts may create problems that may result in the following:

- a. Cause damage to the Charity's reputation which may lead to its inability to sustain operations;
- b. Influence the members' judgment and compromise objectivity when conducting the Charity's affairs;
- c. Restrict free discussion, thus resulting in decisions or actions that are not in the interests of the Charity; and
- d. Risk the impression that the Charity has acted improperly.

1.3 This Policy aims to protect both the Charity and its members from any appearance of impropriety.

2. Definitions

2.1 "Charity" refers to the Securities Investors Association (Singapore) (SIAS) as the issuer of this document.

2.2 "Member" refers to a Management Committee member or management member or staff member or volunteer member of the charity.

2.3 "Policy" refers to the Conflict of Interest Policy.

2.4 "Interest" means any commitment, investment, relationship, obligation, or involvement, financial or otherwise that may influence a person's judgement. This would include:

- a. Direct interest – ownership in the name of the member/staff;
- b. Indirect interest – ownership beneficially held through another investment, estate, trust or other intermediary;
- c. Vested interest – personal stake or involvement, which may or may not include an expectation of financial gain; and
- d. Deemed interest – a member/ staff is deemed to have an interest which his/her spouse/ domestic partner holds an interest.

2.5 A conflict of interest arises when the personal interests of the member/staff may potentially interfere with the performance of his/her duties in the charity. When actual, potential or perceived conflict of interest arises, the integrity, fairness and accountability of the person may be affected, which could impede the best interest of the charity.

3. Declaration of Interests

3.1 Given the stated purpose of this Policy, we are asking



- a. Management Committee and management members to declare their interests, and any gifts or hospitality received in connection with their role in the Charity; and
 - b. staff and volunteer members to declare when the transaction to be effected may result in a conflict of interest.
- 3.2 A declaration of interests form is provided for this purpose. The types of interest to be declared will include, but not limited to the following
- a. Members who have friends or other personal or business relationships must carefully consider whether those relationships create conflicts of interest with their entrusted role in the Charity. Examples include:
 - i. hiring a relative or friend as an employee or vendor,
 - ii. buying or selling goods or services from / to a family business for which others might compete,
 - iii. having a personal relationship where there is an immediate reporting relationship,
 - iv. volunteering and/or having memberships in any other charities, or
 - v. receiving goods/services as beneficiaries.
 - b. Members must disclose any outside activities, financial interest or relationship that may pose a real, potential or perceived conflict of interest. Disclosures are to be made to the Management Committee/ senior management/ supervisors and head of the Human Resources Department, with the required approval obtained before accepting any position as an officer or director of an outside business.
- 3.3 To be effective, the declaration of interests needs to be updated in written form at least annually and also when any changes occur.
- 3.4 In situations where members are not sure what to declare, or whether/when your declaration needs to be updated, they are strongly encouraged to err on the side of caution or seek advice from the Management Committee/ senior management/supervisors.
- 3.5 All disclosure of interest made by members and decisions made by the Management Committee/ senior management of the charity on such matters must be recorded, updated and filed with the head of the Human Resources Department (or his designee).

4. **Operating Procedures**

- 4.1 If the Management Committee needs to make a decision on an issue where the Management Committee member(s) has/have an interest, it is the responsibility of the Management Committee member(s) to:
- a. Identify the potential conflict of interest;
 - b. Not participate in discussion of the program or motion being considered; and
 - c. Not vote on the issue.
- 4.2 If the Management Committee needs to make a decision on an issue where the Management Committee member(s) has/have an interest, it is the responsibility of the Management Committee to ensure that:
- a. All decisions are made by vote, with a two-thirds majority required based on the presence of a quorum; and



- b. Interested board members must not vote on matters affecting their own interests.

4.3 It is the responsibility of the Management Committee to:

- a. Only decide to hire or contract with any vendor if they are the best qualified individuals available, and willing to provide the goods or services needed at the best price. The Management Committee's decision shall not be influenced in any way by the fact that a Management Committee member has an interest in the contract.
- b. Record in the minutes of the Management Committee Meeting the potential conflict of interest, and the use of the procedures and criteria of this policy.

4.4 It is the sole responsibility of any member of the Charity to report any possible real, potential or perceived conflict of interest. If it is an oversight of the Charity, the member shall promptly inform the Charity that he has been put in such a position of conflict of interest.

4.5 No member of the Charity shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation with the Charity. Each individual shall disclose to the Charity any personal interest which he or she may have in any matter pending before the organisation and shall refrain from participation in any decision on such matter.

4.6 Any member of the Charity or of a client organisation or vendor of the Charity shall identify his or her affiliation with such agency or agencies; further, he shall not participate in the decision affecting that agency.

4.7 Any member of the Charity or its Consultants / Business Partners shall refrain from obtaining any list of clients for personal or private solicitation purposes at any time during the term of their affiliation.

4.8 Any member who is also a user of the Charity's services, or the carer of someone who uses the charity's services shall not be involved in decisions that directly affect the service received by the person he / she cares for. He / She shall declare his / her interest at the earliest opportunity and withdraw from any subsequent discussion. The same applies if the conflict concerns any other reason(s).

4.9 A member of the Charity may, however, participate in discussions from which he / she may indirectly benefit, for example where the benefits are universal to all users.

4.10 The Management Committee of the charity shall have the right to suspend any involvement of any member/staff when it has come to their attention that a potential actual or perceived conflict has arose, but has not been voluntarily disclosed by the relevant member.

5. **Violations**

- 5.1 Any violation will result in discipline, up to and including termination from employment or removal from the Management Committee, or expulsion from being a volunteer member of the charity.

The Conflict of Interest Policy is also published on the SIAS website.



Whistleblowing Policy

SIAS is committed to the highest standards of honesty, transparency, ethical and legal conduct and accountability. The whistleblowing policy aims to provide an avenue for employees and external parties to raise genuine concerns relating to any aspect of SIAS' operations, including serious breaches of the code of conduct by employees. The aim of the policy is to:

- a. Promote standards for good financial and corporate practices and to deter wrongdoing.
- b. Provide proper avenues for employees and external parties to raise concerns about suspected improprieties and receive feedback on any action taken.
- c. Give employees and external parties the assurance that they will be protected from reprisals or victimisation for whistleblowing in good faith.
- d. Reportable incidents

Some examples of concerns covered (though not exhaustive) by this policy include:

- a. Impropriety, corruption, theft/misuse of SIAS' properties/assets/resources.
- b. Conduct which is an offence or breach of law.
- c. Breach of or failure to implement or comply with SIAS' policies.
- d. Concerns about SIAS' accounting, internal controls or auditing matters.
- e. Serious conflict of interest without disclosure, resulting in material gain.
- f. Acts which mislead, deceive, manipulate, coerce or fraudulently influence any internal or external accountant or auditor in connection with the preparation, examination, audit or review of any financial statements or records of SIAS.
- g. Abuse of power or authority, for example, CEO asking Finance Manager to make false declarations on company's accounts.
- h. Physical and emotional bullying by colleague.
- i. Sexual harassment:
 - Physical harassment (sexual gestures, inappropriate touching etc.).
 - Verbal harassment (sexual comments/jokes, asking for sexual favours etc.).
 - Visual harassment (showing derogatory or pornographic materials etc.).
 - Any other serious improper matters which may cause financial or non-financial loss to SIAS or damage to SIAS' reputation.
- j. Fraud or the making of fraudulent statements to members of the public and regulatory authorities.
- k. Concealing information about any malpractice or misconduct.
- l. Intentional provision of incorrect information to public bodies.

Protection against reprisal

SIAS recognises that the decision to report a concern can be a difficult one to make, not least, because of the fear of reprisal from those responsible for the alleged malpractice. SIAS will not tolerate harassment or victimisation and will take all possible action to protect anyone who raises a concern in good faith.



However, SIAS does not condone frivolous, mischievous or malicious allegations and anyone making such allegations may face disciplinary action.

Confidentiality

SIAS requires the whistleblower to identify himself/herself when raising a concern or providing information. All concerns will be treated with the strictest confidentiality.

Exceptional circumstances under which information provided by the whistleblower could or would not be treated with confidentiality include:

- a. Where SIAS is under a legal obligation to disclose information provided.
- b. Where the information is already in the public domain.
- c. Where the information is given on a strictly confidential basis to legal or auditing professionals for the purpose of obtaining professional advice.
- d. Where the information is given to the police or other authorities for criminal investigation.

Procedures

Concerns may be raised with or information provided to:

Private & Confidential
For the Attention of Audit Committee Chairman
Securities Investors Association (Singapore)
7 Maxwell Road #05-03
MND Building Annexe B
Singapore 069111
Email Address: audit_committee@sias.org.sg

Such reports are preferably made in writing, either in the form of a letter or email, and in detail setting out the background and history of events as well as the reason(s) for concern.

Assessment of the concern or information shall be made with due consideration given to the following factors:

- a. Seriousness of the issue raised;
- b. Credibility of the concern or information; and
- c. Likelihood of confirming the concern or information from the attributable sources

Depending on the nature of the concern raised or information provided, the investigation will be conducted, involving one or more of the following individuals or entities:

- a. The Audit Committee
- b. The External Auditor, and/or
- c. The Police or Commercial Affairs Department

The amount of contact between the whistle blower and the person(s) investigating the concern raised or information provided will be determined by the nature and clarity of the matter reported. Further information may be sought from the whistle blower during the course of the investigation. When the investigation is completed, the investigating officer(s) will report the findings to the Audit Committee for its necessary action.



If the whistleblower identifies himself/herself, the Audit Committee will look into the matter and will reply the person within 2 weeks. If the message is anonymous there is no obligation for the Audit Committee to respond. The Audit Committee will decide if the report is deemed as whistleblowing based on the policy as stated above.

The Whistleblowing Policy is also published on the SIAS website.

Reserve Policy

The reserves of the association provide financial stability and the means for the development of the association's activities. The association intends to maintain the reserves at a level sufficient for its operating needs. The management committee reviews the level of reserves regularly for the association's continuing obligations.

	2018 \$	2019 \$
Unrestricted income fund	800,989	848,399
Ratio of reserves to annual operating expenditure	0.34	0.33

Disclosure Of Key Remuneration

Under the revised Code of Charities and IPCs 2017, it is recommended that charities disclose the remuneration of the three highest paid staff who each received remuneration exceeding \$100,000, in bands of \$100,000. SIAS has chosen to disclose the staff remuneration above \$100,000 in bands of \$50,000.

Bands	2018	2019
\$250,001 - \$300,000	1	1
\$200,001 - \$250,000	0	0
\$150,001 - \$200,000	0	0
\$100,001 - \$150,000	1	1

Auditors

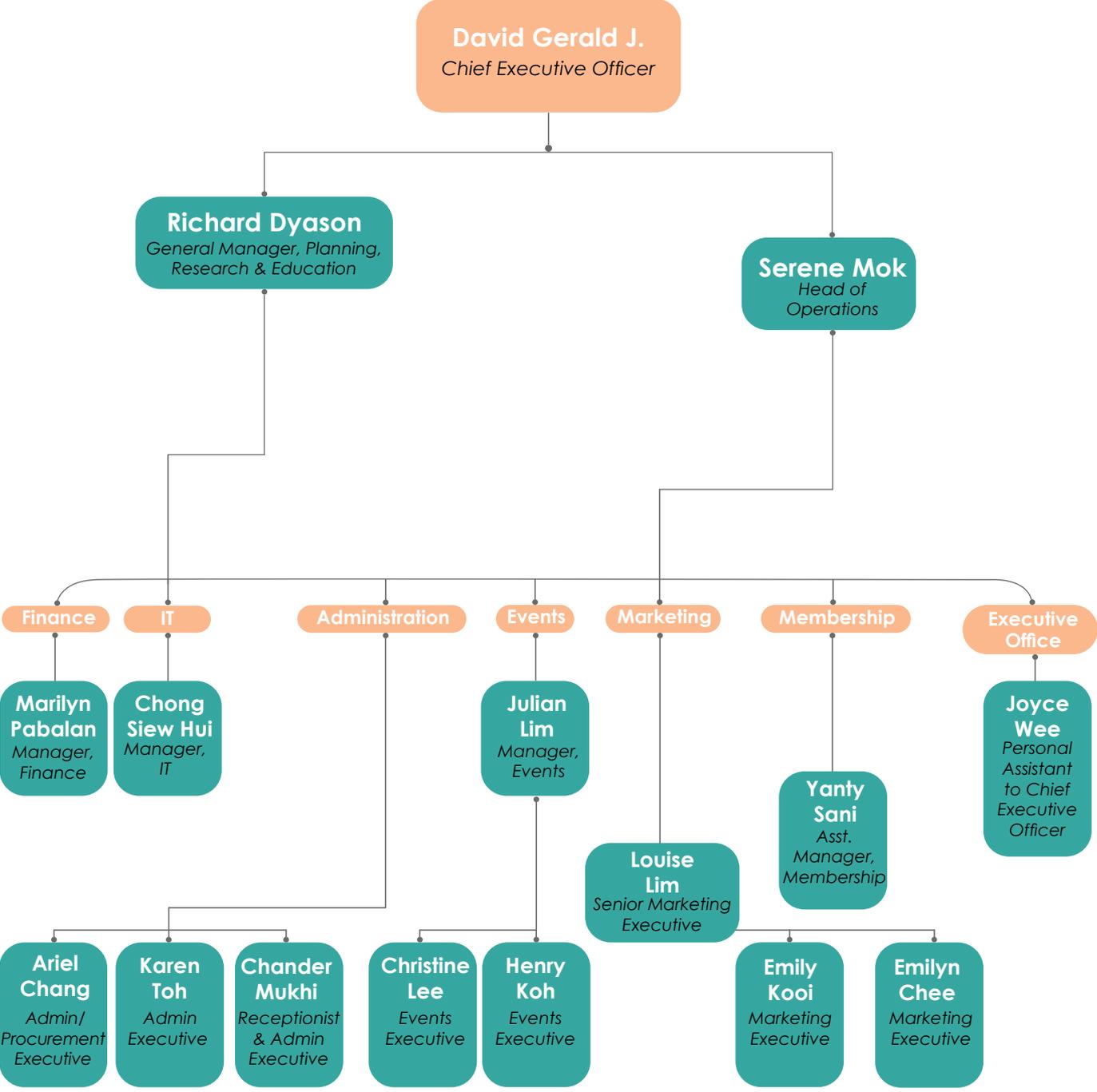
Internal Auditor : - Shared Services for Charities (first appointed 2018)
 External Auditor : - RSM Singapore (first appointed 2015)
 Audit Partner: Woo E-Sah

Disclosure Of Overseas Expenditure

Over the course of the financial year, SIAS organised the inaugural Corporate Governance Conference in Bangkok in September 2018 and thus incurred overseas expenses relating to that event. SIAS also attended the OECD Asian Corporate Governance Roundtable in KL in November 2018. The total expenses for all overseas expenditure amounted to S\$31,289.



ORGANISATION CHART



As at 30 June 2019



YEAR IN REVIEW

MANAGEMENT COMMITTEE'S ANNUAL REPORT 2019

Membership

SIAS continued to update the membership database. The total membership is **55351** as follows:

1	5	225
Corporate	Distinguished Honorary	Ordinary
10202	161	44757
Associate	Student	Founder



Summary of Activities

This year, as we prepared for the 20th Anniversary celebrations, we organised a total of **130** activities reaching out to **38,400** participants. While SIAS continues to drive investor education as its core activity helping investors make informed decisions, we saw an increase in the number of dialogue sessions needed. This was primarily by the restructuring of Hyflux, which has affected over 50,000 retail investors who had invested in their Preference shares, Perpetual securities, MTN bonds and shares.

Description	No.of Activities	No.of Attendees
Investor Education Programme	69	6601
Investor Rights	40	3252
Corporate Governance	7	2255
Roadshow	14	26292
TOTAL	130	38400

SIAS 20th Anniversary Launch

On 19th June 2019 SIAS marked its 20 years of advocacy by acknowledging and recognizing the people who had helped SIAS since 1999 to achieve our objectives and help advanced the interests of investors. The launch was officiated by Dr Tony Tan, former President of the Republic of Singapore and SIAS Chief Patron.

Today, SIAS is recognized as being the largest organised investor group in Asia and has been invited to sit on many industry committees like the MAS Corporate Governance

Advisory Council, SGX Listing Advisory Committee, International Forum of Independent Audit Regulators and the OECD Asian Roundtable for Corporate Governance.



SIAS 20th Anniversary Launch, Guest of Honour, Dr Tony Tan, Former President of Singapore and SIAS Chief Patron



SIAS Investor Education Programmes

1. Analysing Companies Financials For Smart Investing

This course started in 2002, helps investors learn how to analyse a company's financial performance through various case studies and have technical financial languages explained to them in simple terms. Whether they should stay invested in a company or sell the stock will very much depend on how much they know about the company. This course helps investors become confident and knowledgeable and is very popular with them. This course is conducted by our resident trainer Mr James Leong, a seasoned professional and a popular trainer.



Trainer James Leong with participants

This core investor education programme is presented in two parts; an introduction and an intermediate course, which have been brought back due to great demand from participants who wish to sharpen their knowledge in understanding company financials. This year, 129 attendees benefitted from this programme.

Feedback

100% of the attendees felt that the workshop was easily understood and that the content was just right

2. Analysing REITs Financials for Smart Investing

Many retail investors have REITs in their portfolio. However, analyzing REITs requires understanding the accounting distortions caused by depreciation and paying careful attention to macroeconomic influences. Through Case studies and phased learning, technical financial jargons are explained in simple terms by our resident trainer Mr James Leong.



Participants interacting with trainer James Leong

Feedback

100% of the attendees felt that the workshop was easily understood and that the content was just right



3. Investment Chapters

This core investment programme is helmed by our resident independent trainer, Mr Benjamin Goh, CFA who is currently a Senior Lecturer at the Singapore Institute of Technology, Singapore's fifth autonomous university. Each Investment Chapter is a comprehensive course extending over 8 sessions. This experiential learning programme, designed to build confidence in self-investing, covers a range of topics from understanding the importance of investing, investment strategies like fundamental and technical analysis, investment products like ETFs and REITs, how to create a portfolio and how to identify investment ideas.



Attendees interacting with trainer Benjamin Goh

Participants are provided simulations and given assignments on how to select winning investment ideas. Industry professionals guide the participants to making informed decisions and build their confidence to invest on their own. This course is growing in popularity with investors.

Feedback

95% of the attendees enjoyed the programme citing that the programmes were good for Beginner Investors like themselves

4. My Money Series

This national investor education programme started in 2009, conducted in collaboration with MoneySense and the Association of Banks in Singapore. It is designed to help investors understand the features and risks of investments and financial products to help them make informed decisions.

Over the years, the programme has been revamped and now is run only in English with presentations translated in Mandarin. Topics discussed included corporate debt instruments like corporate bonds and perpetual securities, new e-payment methods, the need to stay vigilant in cyber security, challenges of managing money in a raising interest rate environment and cryptocurrencies. A total of 1890 attendees benefited from these events directly. However, to extend the reach, post event advertorials in both Straits Times and LianHe ZaoBao were published.



Participants engrossed in the presentation



Feedback

93% of the attendees found the seminar content just right and beneficial to them

5. My Money @ Campus

SIAS actively participated in the My Money @ Campus programme by MoneySense and ABS for Polytechnic students with a series of carnivals. This interactive outreach is to teach students everything they needed to know about the basics of money - an easy way to start saving and investing wisely. Launched earlier in May 2018 at Singapore Polytechnic by Minister Ong Ye Kung, Minister for Education, the programme extended to Nanyang, Ngee Ann and Temasek Polytechnics themed "Start Investing for Your Future Now" reaching out to over 4000 poly students.



Launch of My Money @ Campus at Singapore Polytechnic by Minister Ong Ye Kung, Minister for Education

6. Investor Forum

As part of the SIAS Corporate Governance Week annually, SIAS conducts the Investor Forum to discuss governance related issues affecting retail investors. This session encourages members and investors to share and discuss issues and market changes relating to their investments.

Topics discussed included how can minority shareholders rights be improved, key audit matters – insights into the secrets of audit and how to spot early warning signals in company analysis.



Panel taking questions from attendees



Feedback

92% of the attendees found the content to be just right

7. Market Outlook and Stock Picks Seminar

SIAS advocates that investors practice continuous monitoring of their portfolio as best practice. Therefore, SIAS continues to organise Market Outlook and Stock Pick seminars to keep investors updated and to consider relevant and potential stocks to invest given the current investment climate. This stand-alone event is complemented by a variety of other events that continue to provide market outlook.

More of such seminar will be organised moving forward. However, market outlook and stock picks were incorporated in many of the other investment seminars.



Speaker Terence Wong sharing his thought with attendees

Feedback

92% of the attendees found the content to be just right

8. Understanding Money For Senior Citizen

The collaboration with People's Association (PA) with our programme Understanding Money for Senior Citizens, is now incorporated into the PA's Project We Care ENRICH LAB @ RC, which is a monthly sharing session at RCs.

The Understanding Money for Senior Citizens is a programme organised by SIAS with PA and is designed to help senior citizens manage their monies, make smart money decisions and protect them from financial abuse. A total of 8 sessions were conducted last year and was possible with the support of Sembcorp.



Senior Citizens participating at Community Centre



Feedback

93% of the attendees found the content to be just right

9. Corporate Connect

The Corporate Connect Seminar is a collaboration between SIAS and SGX. The seminar brings investors and representatives of public listed companies face to face, to provide them with better insight of companies directly from senior management and investors have the opportunity to ask questions directly.

Seven (7) Corporate Connect Seminars were conducted this year with companies from the various sectors participating. The themes of the seminars covered Recent Game Changers, Pharmaceuticals – Uncovering Healthcare Niches, Spotlight on SMEs, Growing Role for Telecommunications and REITs, Portfolio Resilience in Asset Investments, Capitalizing on Healthcare Transformation and Discovering Growth and Value.



Meeting senior management face to face

Feedback

94% of the attendees found the event to be informative as they get the chance to hear from the Senior Management of the listed companies

10. SIAS Youth Chapter

The SIAS Youth Chapter, now in its 10th year, was set up in 2009 is aimed at fostering good financial habits among the youths in Singapore universities. The SIAS Youth Chapter partners with the investment clubs of the National University of Singapore (NUS), Nanyang Technological University (NTU), Singapore Management University (SMU) and Singapore Institute of Management (SIM) to provide complementary student membership to their members and support the education for youth financial literacy.



Financial Literacy Workshop held at Singapore Institute of Technology

We support the investment clubs by providing funding and providing speakers at investment club events. The students are also active in participating in SIAS seminars.

In the past financial year, we have assisted the investment clubs with one event a month. Events supported include talks on the Time Value of Money, Fundamental Analysis & Financial Research, Understanding Financial Statements, Value Investing and supporting conferences at various universities.

11. SIAS Market Updates

SIAS continues to provide weekly market updates and monthly summary round ups written by veteran Senior Correspondent and former BT journalist R. Sivaniathy by email and on SIAS website. To help investors stay updated on the market developments and facilitate making informed decisions, especially in the current global geo-political landscape affected by the trade war between USA and China. The SIAS Market Updates are independent reports.

SIAS 20th Anniversary

About Us • Investor Education • Investor Rights • Corporate Governance • Membership •

MONTHLY WRAP FOR JUNE 2019: OF TRADE WARS AND INTEREST RATE CUTS

- The Straits Times Index rebounded 204 points or 6.5% in June;
- Gain for the first six months was 253 points or 8.2%;
- Main push for the month came from hopes that the US Fed and other central banks will cut interest rates;
- These hopes were thrown in doubt last week by Fed officials;
- Property developers saw action on news of land supply curbs;
- Banks and Reits were also in focus

After May's plunge, a "technical rebound" in June?

sias.org.sg/investment_thoughts_category/market-updates/

The three top read articles were the Monthly wrap for June 2019: Of trade wars and interest rate cuts, Monthly wrap for May 2019: It's all about the US's trade wars – STI lost 8.3% in May and The US-China trade war worsens. It is encouraging to note that this initiative is gaining more and more support from our members monthly, with the page views and unique readers growing.



12. Bond Education – Temasek retail bond launch **NEW**

In October 2018, Temasek launched its first ever public bond offer for retail investors in association with SIAS. The new retail bond, helped Temasek to broaden its stakeholder base and provide Singapore retail investors the opportunity to participate in another retail product. SIAS facilitated the education and engagement with retail investors to understand the features and associated risks.

SIAS facilitated three (3) retail education sessions, providing insights into Temasek and Q&A sessions with Temasek's management, as part of the bond education on the launch of the first Temasek retail bond.



 Bond investors attending Temasek retail bond launch



Investor Rights

NEW

1. Guide on Best Practices for Shareholder Meetings of Listed Companies

SIAS and SID with the support of SGX and Rajah and Tann produced the Guide on Best Practices for Shareholder Meetings. This timely publication, an update of the earlier SIAS' Code of Conduct and Best Practice for Shareholder Meetings, it now incorporates not only guidance for shareholders but also company directors to interact productively. This comes after recently highly publicized disputes are AGMs with the primary purpose of encouraging a positive climate for robust and open discussions between the board and shareholders during shareholder meetings. This Guide is written for both shareholders and directors so as to provide a common understanding and promote best practices in the conduct of AGMs.

<https://sias.org.sg/wp-content/uploads/2019/03/Guide-On-Best-Practices-for-Shareholder-Meetings-of-Listed-Companies.pdf>

All shareholders need to familiarise themselves with information in this guide. AGMs provide the opportunity to ask questions and seek accountability. This, in turn, will improve transparency and corporate governance in the company.

It is essential for companies to communicate regularly with their shareholders in a free and frank manner. It is at general meetings where shareholders, the board and management interact. Expectations on all parties are rising, and this Guide helps set out those expectations.

With this guide, we hope that both companies and shareholders will endeavour to raise the quality of interactions at shareholder meetings and contribute towards an engaged marketplace undergirded by open communication and trust.



2. Commentaries and Press Statements in Newspaper

In corporate actions, investors often are left unaided to understand the terms of the action. They turn to SIAS for assistance. SIAS, therefore, provides investors with guidance on corporation actions by way of commentaries in the Business Times, specifically on offer situations, so that they understand conditions and rationale of the offer. SIAS also comments on issues on companies helping to provide guidance to bond holders in situations of default and restructuring.



THE BUSINESS TIMES

OPINION

ALL NEWS WEEKLY BREAKING TODAY'S PAPER LIFESTYLE OPINION GARAGE SME ASEAN WEALTH HUB

HOME OPINION

Harmony needed to achieve best results at AGMs

It is key for all parties to understand their roles and observe basic tenets of respect, courtesy and tolerance.

TUE, OCT 23, 2018 - 5:50 AM

DAVID GERALD

The Business Times - 23 October 2018

Last year, SIAS provided 25 commentaries and guidance through press statements with the majority addressing the woes of Hyflux investors. SIAS also took the extraordinary step to issue Hyflux board a letter with a list of 34 questions covering areas of concern of investors who wanted accountability for the state of the company and progress of the restructuring.

Contact Us

SIAS 20th Anniversary

Commentary: Independent financial advisers can no longer hedge their bets when giving opinions

First published in The Business Times on 2 November 2018 In recent months, property firm Wheelock Properties and Norwegian shipyard Vard Holdings were subject to privatization offers that involved seemingly confusing and possibly contradictory advice from their respective Independent Financial Advisers...

Read More

Commentary: Harmony needed to achieve best results at AGMs

First published in Business Times on 23 October 2018 It is key for all parties to understand their roles and observe basic tenets of respect, courtesy and tolerance. FOR shareholders of listed companies, the Annual General Meeting (AGM) offers a once-a-year opportunity...

Read More

Commentary: Where is Hyflux now?

First published in Business Times on 5 October 2018 IN June, the Securities Investors Association (Singapore) (SIAS) appealed to stakeholders of troubled water treatment firm Hyflux to give the company the time it needs to try and get its affairs...

Other issues addressed included SIAS meeting with CAD on Midas, LTC Corp delisting, and providing guidance to both boards and shareholders on AGM conduct and IFA opinions in delisting.

Commentaries on SIAS website
https://sias.org.sg/investment_thoughts_category/press-release/

3. Dialogue Sessions

Dialogue sessions are organised by SIAS to establish trust and mutual understanding between the company and its stakeholders. We aim to get the companies to be more transparent and provide information to its stakeholders in a timely manner. At the dialogue sessions, we invite the senior management, chairman and independent directors to address issues arising from corporate actions affecting the interests of investors. Investors have the opportunity at these meetings to ask questions directly to clarify their doubts. In this way, investors are kept updated regarding the state of the company. A useful development is that company senior management and directors are regularly approaching SIAS to assist in their communication efforts with their stakeholders in relation to corporate actions, even before they undertake the corporate action.



ESR Reit Dialogue Session

SIAS has organized 40 such dialogue sessions over the course of the financial year and addressed the following issues:

- CW Advanced Technologies – Overview of the Group's business and financial position
- AusGroup Limited – Summary of the consent solicitation exercise
- Viva Industrial Trust – Proposed merger of Viva Industrial Trust and ESR-Reit
- ESR Reit – Proposed merger of ESR-Reit and Viva Industrial Trust
- Alliance Mineral Assets Limited – Shareholders meeting on company updates
- ASL Marine Holdings Ltd – Update on company's developments and revised Notes proposal
- Hyflux Limited – Townhall meetings with stakeholders
- CapitaLand Limited – Proposed acquisition of Ascendas Sing-Bridge

4. Investor Day and Pre-AGM engagement

SIAS organises exclusive interactive meetings for the listed company and its shareholders, as a bridge, so that shareholders may be kept abreast on the recent developments and activities of the company.

SIAS has organised briefings with shareholders of Alliance Mineral Assets, Ascott Residence Trust, CapitaLand Commercial Trust, CapitaLand Limited, CapitaLand Mall Trust, CapitaLand Retail China Trust, Singtel, SingPost, Keppel Corporation, Keppel Infrastructure Trust, Net Link Trust, CMNC Gold Mine and Perennial.



Briefing Keppel shareholders at Investor Day by Keppel CEO - Mr Loh Chin Hua

5. Disputes and Complaints Resolution

SIAS received 163 complaints during the course of the year from investors. This year the majority of complaints came from investors of Hyflux relating to its debt woes and restructuring. Besides Hyflux, other complaints received largely related to delisting offers and suspended companies.



Corporate Governance

1. Corporate Governance Conference in Bangkok 2018 **NEW**

SIAS was invited by the Thai Securities Exchange Commission to conduct jointly the inaugural Corporate Governance Conference in Bangkok with the theme "Building Trust in Transforming Economy". The focus of the discussion was very much on developing the right corporate culture to as a bedrock to developing trust. With speakers from UK, Hong Kong, Singapore and Thailand, the discussions were well received, with strong participation by the Stock Exchange of Thailand and the Thai Institute of Directors.



Panel Discussion on "Building Trust in Transforming Economy"



2. Q&A on Annual Reports

Over the years, SIAS noticed that the engagement between the boards and shareholders has not been robust and the quality of meetings, therefore, needed to be improved. SIAS introduced the Q&A on Annual Reports, designed to improve the quality of meetings by seeking accountability and transparency of companies.

Over the last three years, SIAS has dispatched in-depth questions to cover corporate governance practices, business strategies and financial statements with the objective of helping shareholders to have better engagement with the company.

Since we commenced this initiative, we have covered nearly 600 listed companies and issued over 1000 sets of questions. The questions focuses, thus far, have been on directors' responsibilities, remuneration, independence on the board, diversity, director training and questions on their business strategies. Accounting matters such as the adoption of SFRS(I), material variances and audit disclaimers; responses to changes in the listing rules and Code of Corporate Governance.

As companies embark on sustainability reporting, the questions also engage companies to ensure that their sustainability efforts are not merely "box-ticking" exercises, but translate into sustainable practices and business models to create long term value for all stakeholders. We will do more education and guidance to help shareholders understand sustainability reports and to ask the right questions, especially in the areas of risk disclosures.

SIAS ASKING THE RIGHT QUESTIONS ON YOUR INVESTMENTS AT AGMS

Q&As on Listed Companies' Annual Reports

An initiative by SIAS
To help shareholders focus on critical areas for discussion at AGMs

WHAT TO EXPECT:

- 1 Q&A focusing on company's business strategy, financial information, corporate governance and sustainability.
- 2 Companies are requested to address the questions at the AGM and post the answers to the questions on SGX Net.
- 3 200 companies in the first year and will progressively extending this to cover all SGX listed companies over the next 5 years.

sias.org.sg/3qs

Our Observations

From our research, companies can do better at providing shareholders with more clarity on their business models. They should clearly demonstrate how they generate value for shareholders.

Very often, the statement from the chairman/CEO is mostly just historical and little is mentioned about the future. Stakeholders want to know the opportunities and the challenges companies are facing. It is a missed opportunity for the company to engage with its stakeholders if they stick to the same old template for their annual reports (including boilerplate text for the chairman/CEO statements)

In the disclosure of remuneration, companies can improve by:

- RCs being more pro-active in encouraging greater transparency on their remuneration policies and the level and mix of remuneration;
- Establishing and clearly showing the link between pay and performance;
- RCs ensuring that a significant and appropriate proportion of executive directors' and key management personnel's remuneration, especially for companies that have reported losses for years, is linked to corporate and individual performance.



Feedback on SIAS Q&A on Annual Report

i) From investors

SIAS also conducted a survey of investors to seek their feedback on the initiative. The survey was conducted from 2 April – 15 April 2019 and was sent to all registered emails of the SIAS database. A total of 706 responses were received. The feedback is as follows:

- 97% responded that the questions posed by SIAS on the company's annual report are relevant and useful to shareholders. Over 90% responded that they find it a challenge to read and analyse the annual report of companies, especially during the peak AGM seasons of April and October
- 73% responded that they were aware that SIAS posed questions to companies on their annual report on the SIAS website
- 99% responded that companies should answer the questions at the AGM. In addition, 77% responded that they would ask the company to address the SIAS questions, if they do not voluntarily do so.
- 99% responded agreed that the questions address areas like business strategy, financial statements and corporate governance are relevant to shareholders seeking better accountability from the company.
- While 88% responded that they would like SIAS to provide more guidance and questions on sustainability practices to be addressed to the company as part of the Q&A on Annual Reports.

ii) From Corporates

Ascott Residence Trust Management Limited

- “ the questions have become more sophisticated over the years, an indication that retail investors have gained knowledge and insights through our sharing and responses and also a positive reflection of SIAS proactive efforts. ”

Keppel REIT Management Limited

- “ We would like to inform you that the Board and Management of Keppel REIT Management Limited has addressed various questions posed by SIAS, including questions on convertible bonds and the Unit buy-back programme, in the presentation to Unitholders at the Annual General Meeting held on 23 April 2019. Some of SIAS' questions were also raised by Unitholders, and were addressed accordingly. ”

ISOTeam Ltd

- “ Thank you for the 15 insightful questions on ISOTeam. Please find attached the management team's responses to them, which we hope will give shareholders better clarity on the Company's business and future direction. ”

OKH Global Ltd

- “ We are encouraged by your company's response which is entirely in the interest of your stakeholders. You have demonstrated your willingness to uphold transparency and good governance. Please thank your Chairman and the board members for their co-operation. We do this in order to raise the quality of meetings and engagement between the board and the shareholders. ”

Olive Tree Estates Limited

- “ Just to confirm that your email and SIAS' questions have been well received. Our replies to the questions have already been prepared and we look forward to sharing them with shareholders at our upcoming AGM on 24 April. Following which, we will post our replies on SGXNET per your suggestion. ”

Reclaims Global Limited

- “ Thank you for selecting our company for your review process. We look forward to receiving your questions and will certainly prepare the appropriate responses to be shared with shareholders at our coming AGM. ”

Prime Partners

- “ As a sponsor of some of the companies that have received your questions; the questions are well researched and we encourage the companies to prepare the responses and respond to SIAS. ”



3. Singapore Corporate Governance Week 2018

Global Corporate Governance Conference

SIAS conducts the annual Global Corporate Governance Conference to discuss best practice in corporate governance. The Global Corporate Governance Conference 2018 was no exception. With the topic "Is Corporate Governance In Step With Business – Help or Hindrance?" with keynote speaker Mr Robert J. Jackson Jr, Commissioner, U.S. Securities and Exchange Commission. As expected, his delivery was outstanding and the attendees were enthused.



Keynote Address by Guest of Honour at Global Corporate Governance Conference, Mr Robert J. Jackson Jr, Commissioner, U.S. Securities and Exchange Commission



With the Corporate Governance Code in many jurisdictions, are

under review, and exchanges are struggling to attract new listings globally, are governance standards being compromised for listings? Many exchanges are also reducing the burden of quarterly reporting. Some are contemplating dual-class shares or making exceptions to listing requirements to attract large listings like Saudi Aramco. Exchanges are becoming more competitive now and are in the race to attract more companies to list on their bourse.



Panel Discussion

Correspondingly, the exchanges have to ensure the retention of existing listings as well. The conference discussed the issue of whether the need to do business impacts on good governance or are corporate governance standards improving. Mr Robert Jackson commended Singapore for the thorough attention to the concerns and engagement with different stakeholders before deciding on dual class listing framework.

With over 19 speakers & panelists and attended by 354 delegates, with total a geographical

distribution spanning across 7 countries, the Conference discussed broadly issues being demanded by investors and how the changing corporate governance landscape will also promote investor rights.

Charity Governance Conference

SIAS is indeed honoured to be approached again by the Charity Council to organise the Charity Governance Conference 2018 as part of the Singapore Corporate Governance Week and to bring together corporates and charities to update their governance practices.

Many charities are set up to help the needy. But in order for them to do good in society, charities often depend on donations for their cause. As more channels for fundraising are available today, charities need to appraise the risks of employing them while being aware of the guidelines. With much feedback from attendees of previous conferences wanting to learn more about good fund raising practices, we incorporated this topic as part of the Conference, themed "Excellence in Governance".



Speaker Mr Tay Woon Teck, Head, Risk Advisory, RSM sharing his expertise on "Good Practices of Fund Raising" at Charity Governance Conference

Another area of challenge for charities is attracting and retaining good people.

While charities want talent that is aligned with their mission, the challenge is how to attract the right mix of talent so as to ensure a balance of skills.

Some 341 participants attended the conference which was organised in collaboration with Charity Council.

Charity Governance Workshops

The Charity Governance workshops provide opportunities for practitioners to improve their governance practices and also meet with other corporate professionals. The Governance Workshop discuss issues relating to running a charity in an interactive environment.

Topics included the Importance of an Audit Committee and the discussion focused on the role and responsibility of an audit committee for charities; Guide to Annual Reports & Stakeholder Communications, where current trends in reporting were shared and an introduction to Charity Law which included recent amendments of the Charities Act and upcoming revisions to the subsidiary legislations were discussed. A total of 366 participants attended and benefited from the workshops.



Panel Discussion on "The Importance of an Audit Committee"



Investors Choice Awards

The Investors Choice Awards SIAS recognises companies with good corporate governance and award winners based on various categories. The research is conducted by NUS Business School, Centre for Governance Institutions and Organisations (CGIO) using the STARS framework - comprising of Shareholders' rights and equitable treatment, Transparency and disclosure, Accountability and audit, Responsibilities of the board and Stakeholders' roles.



Address by Guest of Honour, Mr Edwin Tong, Senior Minister of State for Law and Health

SIAS awards companies several categories with the most prestigious award being the Singapore Corporate Governance Award. SIAS also recognizes the various stakeholders like brokers and financial journalists that help drive good governance and, thus, facilitate investing in Singapore. In 2018, SIAS also brought back the Most Transparent Company Award, which is popular amongst listed companies and their stakeholders.



Winners of Investors Choice Awards 2018



4. Corporate Governance Research

SIAS conducts research on companies' corporate governance annually and publishes the ranking of companies in 5 bands in twenty percentiles. The research is conducted by NUS CGIO using a scorecard, designed especially for SIAS to include OECD principles of corporate governance and the Singapore Corporate Governance Code. The framework called STARS, comprising of Shareholders' rights and equitable treatment, Transparency and disclosure, Accountability and audit, Responsibilities of the board and Stakeholders' roles, is also used to award companies in the Investors' Choice Awards. The full set of questions relating to STARS framework is available on SIAS website <https://sias.org.sg/files/Scorecard.pdf>

Overview of the results are as follows:

Overall Findings

Areas that companies have done well:

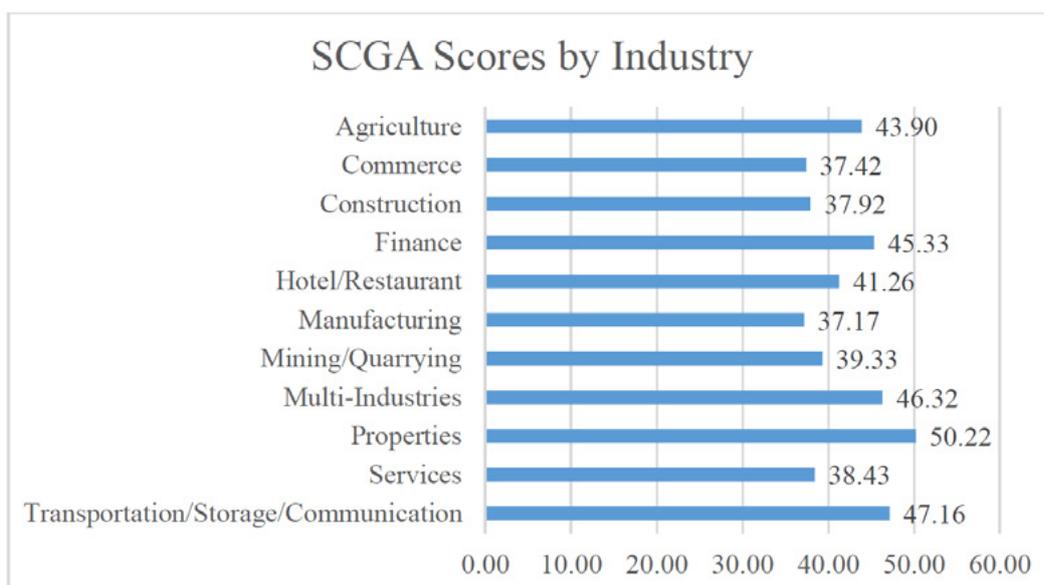
- 97.8% of companies disclosed that the company has a whistleblowing policy, however, only 50.9% of companies allow anonymous reporting;
- 80.5% of companies disclosed both the process in detail and the criteria used for board appraisal;
- 83.8% of companies disclosed that shareholders were given the opportunity to ask questions in the most recent AGM, and these questions and answers were recorded in the minutes.

Areas that companies need improvement:

- 39.7% of companies disclosed that both CEO and all board members attended the most recent AGM;
- 66.3% of companies disclosed that they have a formal investor relations policy and 3.9% of companies put their AGM minutes on their corporate websites;
- 21.4% of companies published relevant data on training and continuous education programmes undergone by its employees.



Big companies which have market capitalization of 1 billion and above still lead in corporate governance disclosures than the mid and small cap categories. Nevertheless, companies in mid cap (market capitalization of 300 million to less than 1 billion) and small cap (market capitalization of less than 300 million) categories are showing considerable improvement in this year's assessment.



In terms of performance by sector (as categorized by SGX), companies and business trusts in Properties and Transportation / Storage / Communication sectors have higher average total SCGA score, 50.22 and 47.16 respectively. Companies in Manufacturing sector have the lowest average total SCGA score of 37.17.

The companies and their bands can be found on the SIAS website: www.sias.org.sg/corporate-governance-ratings/

≡

Corporate Governance Ratings

SIAS, in collaboration with NUS-CGIO conducts research on listed companies on their corporate governance practices. The ratings are used as part of the selection process for the SIAS Investor Choice Awards. The SCGA Scorecard framework rates companies based on five areas: STARS - Shareholders' rights and equitable treatment, Transparency and disclosure, Accountability and audit, Responsibilities of the board and Stakeholders' roles. It includes emphasis on shareholders' rights and updated coverage of stakeholder engagement according to the G20/ OECD Principles of Corporate Governance. The scorecard can be found <https://sias.org.sg/files/Scorecard.pdf>

To help investors better understand how companies have scored, SIAS is publishing the corporate governance scores of all companies in 5 bands.

5. Shareholder Communication Programme

The Shareholder Communication Programme provides public listed companies a platform to actively engage shareholders and other retail investors to effectively communicate their value to investors looking for investment opportunities.

Companies in this programme are able to reach investors through online platforms from SIAS's Website, Electronic Direct Mailers, SIAS's Youtube and physical events such as Seminars, Pre-AGM meeting and Investors Day. Shareholders of these participating companies will also receive a year of associate SIAS membership.



ACCOLADES from Corporate Leaders



SINGAPORE EXCHANGE

Mr. Chew Sutat

Executive Vice President, Head of Equities and Fixed Income



On behalf of Singapore Exchange, our heartiest congratulation to SIAS on its 20th anniversary. SIAS coincidentally also celebrates 20th anniversary in 2019. And this is very special for us because we have a common cause. Our common causes are investor education and corporate governance which SIAS has played an instrumental role for the last 20 years in building stable and sustainable relationships across the ecosystem and partnership that make the marketplace what it is today.

It is a very delicate task, both SIAS what they have to do to balance the needs of the investors, often as the voice of the investors and also the voice of reasons for companies to make sure that there is a good common understanding for good sustainable outcomes.

This is not easy as SIAS has over the years done many impeccable job in being able to reach good outcome for the marketplace balancing multiple stakeholders' interest. We look forward in partnering SIAS for the next 20 years and beyond because there is so much that is changing in the global marketplaces, there are so many opportunities for investor and they are so many opportunities for companies to benefit from the role of what SIAS has done for the market. 🗨️

CAPITALAND GROUP

Mr. Andrew Lim

Group Chief Financial Officer



CapitaLand has had a long and fruitful relationship as a partner with SIAS. I think we started working together all the way back to 2002 and we have partnered with SIAS on several important corporate actions including privatization of CMA back in 2013, and most recently in the proposed combination with the Ascenders "sing bridge". And in both cases I think SIAS played an important role in our outreach and having an open and honest engagement with our retail shareholders. We have several pillars of which we use to engage our retail shareholders and SIAS as the largest locally organized investor organization, I think plays an important role again, engage our retail shareholders. Often in matter of importance and relevance to them

SIAS as a leading proponent of good corporate governance, again open and honest exchange with retails shareholders, allows us to engage with our shareholders and retails shareholders in this manner and thus gives us an opportunity to work with SIAS on matters of importance to retail shareholders. SIAS is an important conduit for retail shareholders in prompting good corporate governance, open and honest exchange of ideas and opinions. So on important matters, corporate actions that CapitaLand is involved in, we find that it is helpful to partner with SIAS in reaching out to our retail shareholders. 🗨️



ACCOLADES from Corporate Leaders



SINGAPORE TELECOMMUNICATIONS LIMITED

Ms. Chua Sock Koong
Group Chief Executive Officer

“ SIAS has certainly come a long way from championing CLOB investors to becoming the leading advocate for retail investors. Today's retail shareholders are not only better informed and market savvy, they are more engaged with the companies they invest in.

At our AGMs, they ask very relevant questions and are ready to challenge the views of the board and management. They also have wider investment choices with varying levels of risk associated. These developments would

not have been possible without the support of the exchange, the regulator and professional bodies like SIAS, which has played a big role.

As a long time sponsor of SIAS investor education programs, we are heartened by these developments. We are confident that SIAS will continue to play a meaningful role to support and educate the investment community in Singapore. ”

SINGAPORE TECHNOLOGIES ENGINEERING LTD

Mr. Vincent Chong
President & CEO

“ Congratulations to SIAS on its 20th anniversary, we know SIAS has both an important and unique role as a champion of minority investor rights. SIAS is also a supporter and promoter of smart investing for the retail investors. For many years now SIAS has continued to excel and is ever more relevant against the backdrop of a very volatile investing climate. We also know SIAS as an advocate of good corporate governance and at ST Engineering and share the same belief that good corporate governance will enhance value for the business as well as the investing community



We have been a strong supporter of SIAS activities for many years now and a proud corporate sponsor, which we believe has been put to very good use. We are very heartened by the investment trainings and sessions that SIAS has organized for the retail investors. With the financial support that we have contributed to SIAS, we hope that SIAS will continue to play that role for the retail investors. Through SIAS's engagement with the investment community, confidence in our company will go up as a result of little bit more understanding of what we do as a corporation and how we continue to enhance shareholder value by the various initiatives and strategies that we have adopted. ”

ACCOLADES from SIAS Members

Mr. Ang See Perk
SIAS Member

“ With the help of SIAS after attending their seminars and courses, I began to grow more confident in selecting the right stocks. I know which stocks not to buy, and what stock to buy and I enjoy buying and holding for the long term as long as the stock is good. In fact I attended a pre-AGM meeting organized by SIAS. I was able to talk to the CEO face to face. I am very happy that with SIAS's help, I get the chance to talk to the CEO of a big company, a public listed company. With the help and guidance of SIAS, shareholders are able to ask questions that are relevant to the shareholders in understanding the growth of the company. ”



Mr. Andrew Tan
SIAS Member

“ I joined SIAS about 10 years ago and I benefitted a lot from SIAS. SIAS has helped me in many ways such as arranging meetings with the corporate companies and having dialogue sessions with the board of directors of companies. SIAS has also invited speakers of various companies to tell us what is happening to the current world and how fast the world is changing. SIAS also arranges for seminars like “My Money” and others to give us views on how to invest your money, what are the risks involved and what are the various financial instruments to invest. SIAS is like an advisor, financial advisor, financial counsellor, financial expert to brief on various aspects of finances. ”



Mr. Eric Chway Chun Fatt
SIAS Member

“ Before I joined SIAS, I look for company information from websites and also social media. After I joined SIAS, I received regular emails about events that they organize with companies. I had the opportunity to attend dialogue sessions with some of the companies that I personally invested in and SIAS has given me the opportunity to meet all the directors of these companies in person. From these sessions that I attended, I was given a better idea of the company so as to make an informed choice of whether I should invest on the company or to invest proportionately based on the info that I learned from these sessions. Through SIAS I was also given an opportunity to meet other shareholders who are attending the same session with me. I hope that SIAS can continue to organize such a seminar and dialogue and to fight for the rights of the small retailers like us. ”



ACCOLADES from SIAS Members



Mr. Henry Chee Meng Chan
SIAS Member

“ I have been investing in the market since my polytechnic years and have probably a good 30 years of investment experience. Prior to joining SIAS, what I have invested in are mainly the stocks that I have the competency in. I am able to monitor them very closely.

After joining SIAS, I am exposed to more companies through the corporate dialogue sessions so that I can understand the different industries as well as the respective companies. This helps to broaden my portfolio, diversify my risks and contributes back in returns in terms of my risks and reward. Thank you SIAS for organizing the many wonderful corporate dialogue sessions together with the listed company's top management and also update us whenever there are some changes in the companies. SIAS is able to ask the management questions and that has also been shared with members like ourselves. This helps us make better decisions whether to buy more, to hold or to sell the respective company shares. ”

Ms. Kan Yuen Hong
SIAS Member



“ 20 years ago I joined SIAS as a founder member, before, I randomly invest. I would say, whoever asked me to buy a share; I would just buy and so ended up losing money. After joining SIAS, I attended their courses and workshops and gain knowledge on investing. Now I am earning money from the stock market. SIAS would send me emails and reports and inform me about companies. I am now more careful with my investments and I don't lose money anymore. For the past one year I hardly traded because the market was very volatile. SIAS helped me to invest with a peace of mind and I am more confident in investing. I attended some of the dialogue sessions with the companies where Mr David Gerald, would question companies about what is happening and what's next so I got to understand better about the company. If I were to just attend the 'AGM' of the company I would not be able to get to know more. ”



Mr. Lasse Rochstad-Lim
SIAS Member

“ I got to know SIAS through being an investor in CapitaLand. I have been investing in CapitaLand for about 5 – 6 years ago and through them I got the introduction to SIAS. I think from the very beginning, I attended some sessions where you get to meet new companies. SIAS also arranged educational programmes which I also found quite good. This is basically the main focus for me as an investor. I think it is good to have an avenue for us investors to be able to question companies on corporate governance. As an individual investor, we would not have a voice, but if we go through SIAS we know that

there is a bigger voice behind our concerns and I think this is a very useful thing for all investors to have. I also invest in Europe, America and other countries but I don't see any of these countries having the same organization as SIAS. This is something that us, investors here in Singapore can really take advantage of. I trust SIAS to be a voice for all investors as they are an independent organization. They are not tied to any company or any other government bodies, so they will look into each and every investors concerns. ”

SIAS SALUTES ITS SUPPORTERS

SIAS gratefully acknowledges the support from our
Investor Education Sponsors & Donors





FINANCIAL STATEMENTS 2018 / 2019

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

(Unique Entity Number: S99SS0111B)

(Registered Under the Charities Act, Chapter 37 and Societies Act, Chapter 311)

Statement by Management Committee and Financial Statements

Year Ended 30 June 2019

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Statement by Management Committee and Financial Statements

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SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Statement by Management Committee

In the opinion of the management committee,

- (a) the accompanying statement of financial activities, statement of financial position, statement of cash flows, and notes thereto are drawn up so as to present fairly, in all material respects of the state of affairs of Securities Investors Association (Singapore) (the “association”) as at 30 June 2019 and the results and cash flows of the association for the reporting year then ended; and
- (b) 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.

The management committee approved and authorised these financial statements for issue.

On behalf of the management committee,

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Jeyasegaram David @ David Gerald Jeyasegaram
President

16 October 2019

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Lim Chuang
Honorary Treasurer

Independent Auditor's Report to the Management Committee of SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Report on the audit of the financial statements

Opinion

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 2019, and the statement of financial activities, and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements of the association are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Societies Act"), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations), and the Singapore Financial Reporting Standards (SFRS) so as to present fairly, in all material respects, the state of affairs of the association as at and the results, changes in funds and cash flows of the association for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the association in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by the management committee and annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**Independent Auditor's Report to the Members of
SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**

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Other information (cont'd)

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management committee and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the 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 that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The management committee and those charged with governance are responsible for overseeing the association's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent Auditor's Report to the Members of
SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**

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Auditor's responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the association to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the management committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Independent Auditor's Report to the Members of
SECURITIES INVESTORS ASSOCIATION (SINGAPORE)**

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Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the association have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations; and

During the course of our audit, nothing has come to our attention that causes us to believe that during the reporting year, the use of the donation moneys was not in accordance with the objectives of the association as required under regulation 11 of the Charities (Institutions of a Public Character) Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Woo E-Sah.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

16 October 2019

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Statement of Financial Activities Year Ended 30 June 2019

	<u>Notes</u>	<u>2019</u> \$	<u>2018</u> \$
Revenue	4	2,498,539	2,351,276
Interest income	5	1,267	911
Other gains	6	110,443	103,221
<u>Items of expenditure</u>			
Services consumed	7	(482,010)	(503,105)
Depreciation expense	11	(9,075)	(23,580)
Employee benefits expense	8	(1,226,472)	(1,177,219)
Other losses	6	(2,675)	(3,000)
Other operating expenses	9	(842,607)	(647,713)
Total expenditure		(2,562,839)	(2,354,617)
Net income before tax		47,410	100,791
Income tax expense	10	–	–
Net income for the year		47,410	100,791
Total funds brought forward		800,989	700,198
Total funds carried forward		848,399	800,989

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

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Statement of Financial Position As at 30 June 2019

	<u>Notes</u>	<u>2019</u> \$	<u>2018</u> \$
ASSETS			
<u>Non-current assets</u>			
Plant and equipment	11	15,470	17,971
Total non-current assets		<u>15,470</u>	<u>17,971</u>
<u>Current assets</u>			
Trade and other receivables	12	633,337	291,066
Other assets	13	158,239	11,832
Cash and cash equivalents	14	790,577	921,901
Total current assets		<u>1,582,153</u>	<u>1,224,799</u>
Total assets		<u>1,597,623</u>	<u>1,242,770</u>
<u>Non-current liabilities</u>			
Other liabilities, non-current	15	38,000	38,000
Total non-current liabilities		<u>38,000</u>	<u>38,000</u>
<u>Current liabilities</u>			
Trade and other payables	16	373,262	183,930
Other liabilities, current	17	337,962	219,851
Total current liabilities		<u>711,224</u>	<u>403,781</u>
Total liabilities		<u>749,224</u>	<u>441,781</u>
Net assets		<u>848,399</u>	<u>800,989</u>
FUNDS AND LIABILITIES			
<u>Funds</u>			
General fund		848,399	800,989
Total funds		<u>848,399</u>	<u>800,989</u>

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

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Statement of Cash Flows Year Ended 30 June 2019

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Cash flows from operating activities</u>		
Net income before tax	47,410	100,791
Depreciation of plant and equipment	9,075	23,580
Interest income	<u>(1,267)</u>	<u>(911)</u>
Operating cash flows before changes in working capital	55,218	123,460
Trade and other receivables	(342,271)	262,442
Other assets	(146,407)	61,027
Trade and other payables	189,332	(202,763)
Other liabilities, current	<u>118,111</u>	<u>58,768</u>
Net cash flows (used in) from operating activities	<u>(126,017)</u>	<u>302,934</u>
<u>Cash flows from investing activities</u>		
Purchase of plant and equipment	(6,574)	(18,835)
Interest received	<u>1,267</u>	<u>911</u>
Net cash flows used in investing activities	<u>(5,307)</u>	<u>(17,924)</u>
Net (decrease) increase in cash and cash equivalents	(131,324)	285,010
Cash and cash equivalents, beginning balance	<u>921,901</u>	<u>636,891</u>
Cash and cash equivalents, ending balance (Note 14)	<u><u>790,577</u></u>	<u><u>921,901</u></u>

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

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

Notes to the Financial Statements 30 June 2019

1. General

Securities Investors Association (Singapore) (the “association”) is registered in Singapore under the Societies Act, Chapter 311. The financial statements are presented in Singapore dollars. The association is a charity registered under the Charities Act, Chapter 37 with effect from 8 May 2015. It is also an Institutions of a Public Character (“IPC”) registered under the Charities Act (Chapter 37) from 6 August 2018 to 5 August 2021.

The management committee approved and authorised these financial statements for issue on the date of the statement by the management committee.

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 various 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.

The registered office address is: 7 Maxwell Road, #05-03, MND Building, Annexe B, Singapore 069111. The association is situated in Singapore.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (“SFRSs”) and the related interpretations to SFRS (“INT SFRS”) as issued by the Singapore Accounting Standards Council. They are in compliance with the provisions of the Societies Act, Chapter 311 and Charities Act, Chapter 37.

Accounting convention

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

Basic of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity’s accounting policies. The areas requiring management’s most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The financial reporting standard on revenue from contracts with customers establishes a five-step model to account for revenue arising from contracts with customers. Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, trade discounts, volume rebates and changes to the transaction price arising from modifications), net of any related sales taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

(i) Seminars and conference

Revenue from rendering of services that are of short duration is recognised when the services are completed.

(ii) Sponsorship

Sponsorship income is recognised upon the association performing an act or service.

(iii) Membership fees

Membership fees for activities held are recognised when the services are rendered.

(iv) Donations

Revenue from donations are accounted for when received, except for committed donations that are recognised when the commitments are signed. Donations related to depreciable assets are usually recognised in the statement of financial activities over the periods necessary to match the depreciation of assets to which the donations relate.

Other income

Interest income is recognised using the effective interest method.

Grants

Government grants and similar non-government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants and government subvention receipts in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income. The deferred grants are recognised in the statement of financial activities over the period necessary to match the depreciation of assets to which the grants relate.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income tax

As a charity, the association is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act to extent that these are applied to its charitable objects. No tax changes have arisen in the association.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Plant and equipment

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and Equipment – 3 to 5 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Plant and equipment (cont'd)

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 15 on non-current provisions.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires. At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Classification and measurement of financial assets:

1. Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
2. Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
3. Financial asset that is an equity investment measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.
4. Financial asset classified as measured at fair value through profit or loss (FVTPL): There were no financial assets classified in this category at reporting year end date.

Classification and measurement of financial liabilities:

Financial liabilities are classified as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset / liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

2. Significant accounting policies and other explanatory information (cont'd)

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A Provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the period they occur.

Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes, if any, by action of the management. Externally restricted funds may only be utilised in accordance with the purposes established by the source of such funds or through the terms of an appeal and are in contrast with unrestricted funds over which management retains full control to use in achieving any of its institutional purposes. An expense resulting from the operating activities of a fund that is directly attributable to the fund is charged to that fund. Common expenses if any are allocated on a reasonable basis to the funds based on a method most suitable to that common expense.

Reserve policy

The reserves of the association provide financial stability and the means for the development of the association's activities. The association intends to maintain the reserves at a level sufficient for its operating needs. The management committee reviews the level of reserves regularly for the association's continuing obligations.

2C. Critical judgements, assumptions and estimation uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

It is not the normal practice for the trustees/office bearers, or people connected with them, to receive remuneration, or other benefits, from the association for which they are responsible, or from institutions connected with the association except as disclosed below.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

3. Related party relationships and transactions (cont'd)

The association paid individual expenses incurred by office bearers for services provided to the association, either by reimbursement of the office bearer concerned or by direct payment to a third party. The aggregate amount of those expenses for 2019 and 2018 is disclosed in Note 3A.

3A. Related parties:

	<u>2019</u>	<u>2018</u>
	\$	\$
Reimbursement of expenses to the Chief Executive Officer ("CEO")	<u>15,868</u>	<u>5,077</u>

3B. Key management compensation:

	<u>2019</u>	<u>2018</u>
	\$	\$
Salaries and other short-term employee benefits	<u>292,860</u>	<u>286,785</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts for key management compensation is for the Chief Executive Officer.

4. Revenue

	<u>2019</u>	<u>2018</u>
	\$	\$
Investors' Choice award	169,200	202,900
Membership fees	9,348	6,416
Seminars and conferences	554,487	501,477
Shareholders' communication services	108,625	106,708
Sponsorship	722,948	656,433
Donations (Note 4A)	933,881	874,300
Investment Scam Campaign	–	2,778
Other income	50	264
	<u>2,498,539</u>	<u>2,351,276</u>

The revenue is from services. About \$ 1,666,966 (2018: \$1,588,135) is recognised based on point in time and the balance is over time. The customers are commercial consumers, individuals and government agencies.

4A. Donations

	<u>2019</u>	<u>2018</u>
	\$	\$
This item includes the following:		
Tax-deductible donations ⁽¹⁾	933,681	874,300
Non-tax-deductible donations	200	–
Total	<u>933,881</u>	<u>874,300</u>

⁽¹⁾ The association enjoys a concessionary tax treatment whereby qualifying donors are granted 2.5 times tax deduction for the donations made to the association. This status was renewed for 3 years with effect from 6 August 2018 under the Charities Act (Chapter 37).

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

5. Interest income		
	<u>2019</u>	<u>2018</u>
	\$	\$
Interest on fixed deposits	<u>1,267</u>	<u>911</u>
6. Other gains / (loss)		
	<u>2019</u>	<u>2018</u>
	\$	\$
Allowance for impairment on trade receivables	(2,675)	–
Bad debts written off	–	(3,000)
Government grants	<u>110,443</u>	<u>103,221</u>
	<u>107,768</u>	<u>100,221</u>
Presented in statement of financial activities as:		
Other gains	110,443	103,221
Other losses	(2,675)	(3,000)
Net	<u>107,768</u>	<u>100,221</u>
7. Services consumed		
	<u>2019</u>	<u>2018</u>
	\$	\$
Investors' Choice award	216,714	234,365
Event expenses	8,123	35,247
Seminars, courses and conferences	220,832	194,540
Website expenses	<u>36,341</u>	<u>38,953</u>
	<u>482,010</u>	<u>503,105</u>
8. Employee benefits expense		
	<u>2019</u>	<u>2018</u>
	\$	\$
Short-term employee benefits expense	1,097,435	1,047,034
Contributions to defined contribution plan	124,028	125,488
Other benefits	<u>5,009</u>	<u>4,697</u>
Total employee benefits expense	<u>1,226,472</u>	<u>1,177,219</u>
9. Other operating expenses		
The major components and other selected components include the following:		
	<u>2019</u>	<u>2018</u>
	\$	\$
Advertising and promotion (a)	112,947	–
Investor education expenses	60,837	44,991
Rental of office premise	157,332	166,944
Research charges (a)	308,100	239,483
Overseas expenses (b)	<u>31,289</u>	<u>9,643</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

9. Other operating expenses (cont'd)

- (a) Included is \$340,264 (2018: \$228,150) of advertising and promotion and research charges expenses relating to the collaboration with Singapore Exchange Limited ("SGX") and Monetary Authority of Singapore ("MAS") on the SIAS Analysis of Annual Reports ("Project").

The Project is partially funded by SGX and MAS. The total funding of \$335,448 (2018: \$235,113) was recorded under sponsorship revenue of \$237,948 (2018: \$170,113) and government grant of \$97,500 (2018:\$65,000).

- (b) The overseas expenses comprise mainly expenses related to the Inaugural Corporate Governance Conference in Thailand amounting to \$30,055 (2018: \$1,762).

10. Income tax

The association is registered as a charity with effect from 8 May 2015. Consequently, the association is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act to the extent that these are applied to its charitable objects.

11. Plant and equipment

	<u>Plant and equipment</u> \$
<u>Cost:</u>	
At 1 July 2017	189,702
Additions	18,835
Written off	<u>(6,289)</u>
At 30 June 2018	202,248
Additions	6,574
Written off	<u>(915)</u>
At 30 June 2019	<u>207,907</u>
<u>Accumulated depreciation:</u>	
At 1 July 2017	166,986
Depreciation for the year	23,580
Written off	<u>(6,289)</u>
At 30 June 2018	184,277
Depreciation for the year	9,075
Written off	<u>(915)</u>
At 30 June 2019	<u>192,437</u>
<u>Net book value:</u>	
At 1 July 2017	<u>22,716</u>
At 30 June 2018	<u>17,971</u>
At 30 June 2019	<u>15,470</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

12. Trade and other receivables

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Trade receivables:</u>		
Outside parties	597,672	250,170
Less allowance for impairment	<u>(2,675)</u>	<u>–</u>
Net trade receivables - subtotal	594,997	250,170
<u>Other receivables:</u>		
Deposits	<u>38,340</u>	<u>40,896</u>
Sub-total	<u>38,340</u>	<u>40,896</u>
Total trade and other receivables	<u><u>633,337</u></u>	<u><u>291,066</u></u>
Movements in above allowance on trade receivables:		
At beginning of the year	–	–
Charge for trade receivables to profit or loss included in other losses - individually	<u>2,675</u>	<u>–</u>
At end of the year	<u><u>2,675</u></u>	<u><u>–</u></u>

The association has less than 20 clients and which can be graded as low risk individually. These trade receivables shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. The trade receivables are considered to have low credit risk individually. At the end of the reporting year a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

As part of the process of setting client credit limits, different credit terms are used. The average credit period generally granted to trade receivable clients is about 30 days (2018: 30 days). But some clients take a longer period to settle the amounts.

At the end of reporting year, the trade receivable amounts that are past due but not impaired are as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Trade receivables:</u>		
1 to 30 days	5,574	19,260
31 to 60 days	<u>–</u>	<u>9,585</u>
Total	<u><u>5,574</u></u>	<u><u>28,845</u></u>

Concentration of trade receivable as at the end of reporting year:

	<u>2019</u>	<u>2018</u>
	\$	\$
Top 1 client	186,499	25,680
Top 2 clients	293,499	40,937
Top 3 clients	<u><u>346,999</u></u>	<u><u>50,521</u></u>

Other receivables are normally with no fixed terms and therefore there is no maturity.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

13. Other assets	<u>2019</u>	<u>2018</u>
	\$	\$
Prepayments	<u>158,239</u>	<u>11,832</u>
14. Cash and cash equivalents	<u>2019</u>	<u>2018</u>
	\$	\$
Not restricted in use	<u>790,577</u>	<u>921,901</u>
Interest earning balances	<u>206,345</u>	<u>205,078</u>
The rate of interest for the cash on interest earning balances was between was 0.40% to 0.70% (2018: 0.40% to 0.70%).		
15. Other liabilities, non-current	<u>2019</u>	<u>2018</u>
	\$	\$
Provision for restoration cost	<u>38,000</u>	<u>38,000</u>
The provision is based on quotations from external contractors for removing leasehold improvements from leased properties.		
16. Trade and other payables	<u>2019</u>	<u>2018</u>
	\$	\$
Outside parties and accrued liabilities	<u>373,262</u>	<u>183,930</u>
17. Other liabilities, current	<u>2019</u>	<u>2018</u>
	\$	\$
Deferred income (Note 17A)	<u>337,962</u>	<u>219,851</u>

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

17. Other liabilities, current (cont'd)

17A. Deferred income

	<u>2019</u>	<u>2018</u>
	\$	\$
Unutilised funds from:		
Sponsorship	113,917	116,917
Shareholder communication services	43,584	37,708
Corporate membership	1,750	6,226
Others	<u>178,711</u>	<u>59,000</u>
Total deferred income	<u>337,962</u>	<u>219,851</u>
Movement in above balance:		
Balance at beginning of the year	219,851	161,083
Received / receivable during the year	1,361,039	1,267,158
Utilised during the year	<u>(1,242,928)</u>	<u>(1,208,390)</u>
Balance at end of the year	<u>337,962</u>	<u>219,851</u>

The movements of deferred revenue relates to sponsorship for shareholder communication program and investor education program and corporate membership. The income is recognised over the sponsorship and/ or membership period.

18. Operating lease payment commitments – as lessee

At the end of the reporting year, the totals of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	<u>2019</u>	<u>2018</u>
	\$	\$
Not later than one year	160,920	160,920
Later than one year and not later than five years	<u>6,300</u>	<u>167,220</u>
Rental expenses for the year	<u>165,104</u>	<u>174,635</u>

Operating lease payments are for rentals payable for office which expires on 30 June 2020 and office equipment which expire on 30 April 2021. The lease rental terms are negotiated for an average term of three to five years and rentals are not subject to an escalation clause.

19. Financial instruments: information on financial risks

19A. Categories of financial assets and liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	<u>2019</u>	<u>2018</u>
	\$	\$
<u>Financial assets:</u>		
Financial assets at amortised cost	<u>1,423,914</u>	<u>1,212,967</u>
<u>Financial liabilities:</u>		
Financial liabilities at amortised cost	<u>373,262</u>	<u>183,930</u>

Further quantitative disclosures are included throughout these financial statements.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

19. Financial instruments: information on financial risks (cont'd)

19A. Categories of financial assets and liabilities (cont'd)

There are no significant fair value measurements recognised in the statement of financial position.

19B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the association's operating, investing and financing activities. There are exposure to the financial risks on the financial instruments such as credit risk and liquidity risk. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

The association is not exposed to significant interest rate and currency risks.

19C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

19D. Credit risk on financial assets

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. These arise principally from cash balances with banks, cash equivalents, receivables and other financial assets. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standard on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes. However, a simplified approach is permitted by the financial reporting standards on financial instruments for financial assets that do not have a significant financing component, such as trade receivables. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired.

For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

19. Financial instruments: information on financial risks (cont'd)

19E. Liquidity risk – financial liabilities maturity analysis

There are no non-current financial liabilities at the end of the reporting year. The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2018: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

20. Reserve policy

The reserves of the association provide financial stability and the means for the development of the association's activities. The association intends to maintain the reserves at a level sufficient for its operating needs. The management committee reviews the level of reserves regularly for the association's continuing obligations.

	<u>2019</u> \$	<u>2018</u> \$
Unrestricted income fund	848,399	800,989
Ratio of reserves to annual operating expenditure	<u>0.33</u>	<u>0.34</u>

21. Changes and adoption of financial reporting standards

For the current reporting year new or revised financial reporting standards were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Those applicable new or revised standards did not require any significant modification of the measurement methods or the presentation in the financial statements.

<u>SFRS No.</u>	<u>Title</u>
SFRS 109	Financial Instruments
SFRS 115	Revenue from Contracts with Customers. Amendments to, Clarifications to SFRS 115 Revenue from Contracts with Customers

SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

22. New or amended standards in issue but not yet effective

For the future reporting years certain new or revised financial reporting standards were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any significant modification of the measurement methods or the presentation in the financial statements for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application.

<u>SFRS No.</u>	<u>Title</u>	Effective date for periods beginning <u>on or after</u>
SFRS 116	Leases (and Leases - Illustrative Examples & Amendments to Guidance on Other Standards)	1 Jan 2019

Leases

The financial reporting standard on leases is effective for annual periods beginning on or after 1 January 2019 and it supersedes the previous reporting standard and the related interpretations on leases. For the lessor, the accounting remains largely unchanged. As for the finance leases of a lessee, as the financial statements have already recognised an asset and a related finance lease liability for the lease arrangement, the application of the new reporting standard on leases is not expected to have a material impact on the amounts recognised in the financial statements. For the lessee almost all leases will be brought onto the statements of financial position under a single model (except leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases. For the entity's non-cancellable operating lease commitments as at 30 June 2019 shown in Note 18, a preliminary assessment indicates that these arrangements will continue to meet the definition of a lease under the new reporting standard on leases. Thus, the entity will have to recognise a right-of-use asset and a corresponding liability in respect of all these leases (unless they qualify for low value or short-term leases) which might have a material impact on the amounts recognised in the financial statements. However, it is not practicable to provide a reasonable financial estimate of that effect until the detailed review by management is completed.

OUR DONORS



8VIC Global Pte. Limited	6,000
ABS Benchmarks Administration Co Pte Ltd	100,000
Ang Hao Yao	3,500
ARA Asset Management (Suntec) Limited	5,000
Ascendas Funds Management (S) Limited	10,000
Best World International Ltd	100,000
Borrelli Walsh Pte. Limited	1,255
British and Malayan Trustees Limited as trustee of Frasers Commercial Trust	8,500
CEI Limited	1,000
Charles Madhavan	1,000
CMC Markets Singapore Pte Ltd	6,000
CNMC Goldmine Holdings Limited	10,000
Cordlife Group Limited	10,000
Ein55 Pte Ltd	13,200
Far East Organization	20,000
Foo Kon Tan LLP	5,000
Fraser & Neave (Singapore) Pte. Limited	8,000
Frasers Centrepont Asset Management Ltd	8,500
Frasers Hospitality Asset Management Pte Ltd	8,500
Frasers Logistics & Industrial Asset Management Pte. Ltd.	8,500
Frasers Property Limited	8,500
Keppel Care Foundation	95,000
LMIRT Management Ltd.	10,000
Lum Chang Holdings Ltd	2,000



Metro Holdings Ltd.	2,000
Neo Group Limited	2,500
NTan Corporate Advisory Pte Ltd	20,000
Olam International Limited	20,000
Perennial Real Estate Holdings Limited	10,000
PSL Holdings Limited	5,000
Qian Hu Corporation Limited	1,000
RSM	10,000
SB REIT Management Pte. Ltd.	10,000
Sevak Limited	10,000
Singapore Post Limited	10,000
Singapore Press Holdings Ltd	5,000
Singapore Technologies Engineering Ltd	90,000
Singapore Telecommunications Limited	70,000
Singhaiyi Group Ltd.	5,500
Stephen Riady Foundation	100,000
Tan Mui Hong	21,226
TD Ameritrade Singapore Pte. Ltd.	12,000
Temasek Holdings (Private) Ltd	10,000
TP ICAP Management Services (S) Pte Ltd	625
Vicplas International Ltd	2,000
Wilmar International Limited	10,000
Yan Xin	200
Anonymous	57,375
TOTAL	933,881*

* Refer to Note 4A in Financial Statement

EVENTS CALENDAR 2018 / 2019



Day	Month	Event
2	Jul	Singpost Dialogue Session
5	Jul	SingTel Pre-AGM
5	Jul	Understanding Money for Senior Citizens (Financial Planning for Your Golden Years) (Mandarin)
5	Jul	VIC Workshop
9	Jul	Netlink Pre-AGM
10	Jul	My Money @ Campus (Temasek Polytechnic)
16	Jul	SGX Fast Track
16	Jul	CW Dialogue Session
17	Jul	Dr Tee's Workshop
18	Jul	Shanghai Turbo shareholders meeting with SIAS and Press
19	Jul	Hyflux Townhall - MTN Holders
19	Jul	Hyflux Townhall - Perps and Perf Holders
20	Jul	RP - Financial Literacy Week: Investment and Me
20	Jul	AusGroup Dialogue Session
20	Jul	Hyflux Townhall - Shareholders
21	Jul	My Money Public
24	Jul	CMC Workshop #1_How to trade S&P 500 and Hang Seng in a volatile market condition
28	Jul	Understanding Money for Senior Citizens (Financial Planning for Your Golden Years) (Mandarin)
29	Jul	Understanding Money for Senior Citizens (Financial Planning for Your Golden Years) (Mandarin)
31	Jul	VIC Workshop
4	Aug	SIW: Investment Symposium
20	Aug	SIAS-Viva Industrial Trust Dialogue Session
21	Aug	SIAS-ESR REIT Dialogue Seesion
25	Aug	Yale-NUS - Student Talk Topic: Time Value of Money



Day	Month	Event
28	Aug	VIC Workshop
1	Sep	CMC Workshop #2
5	Sep	Yale-NUS - Student Talk Topic: Fundamental Analysis and Financial Research
7	Sep	Keppel Investors Day
8	Sep	Yale-NUS - Student Talk Topic: Understanding Financial Statements
11	Sep	Alliance Mineral Assets Limited Dialogue Session
13	Sep	Yale-NUS - Student Talk Topic: What is Value Investing
19	Sep	Inaugural Corporate Governance 2018 Bangkok
24	Sep	9th Corporate Governance Week: Global Corporate Governance Conference
25	Sep	9th Corporate Governance Week: 19th Investors' Choice Award 2018
26	Sep	9th Corporate Governance Week: Corporate Governance Forum
27	Sep	9th Corporate Governance Week: Charity Governance Conference
27	Sep	9th Corporate Governance Week: Governance Workshop
28	Sep	9th Corporate Governance Week: Investor Forum
2	Oct	Dr Tee's Workshop
4	Oct	World Investor Week 2018: Investing with Confidence
5	Oct	Hwa Chong Institution (College) Sabbaticals 2018 Topics: 1. Investment Risk Management by Eastspring Investment 2. How Technology Affects Investing by InvestingNote
6	Oct	World Investor Week 2018: Digital Financial Services
8	Oct	"SMU EYE - Investment Symposium 2018 Topic: Market Outlook"
11	Oct	World Investor Week 2018: Scams
12	Oct	World Investor Week 2018: Leveraged Investing
18	Oct	Corporate Connect (8)
19	Oct	Presentation on the T2023-S\$ Temasek Bond
20	Oct	Presentation on the T2023-S\$ Temasek Bond
22	Oct	Presentation on the T2023-S\$ Temasek Bond



Day	Month	Event
29	Oct	ASL Dialogue Session (1)
30	Oct	SIAS AGM + Market Outlook
30	Oct	Investment Chapter (1 of 8)
31	Oct	Investment Chapter (2 of 8)
7	Nov	Investment Chapter (3 of 8)
8	Nov	Investment Chapter (4 of 8)
10	Nov	My Money
16	Nov	Investment Chapter (5 of 8)
17	Nov	MoneySense 15th Annv Roadshow @Tampines HUB
18	Nov	MoneySense 15th Annv Roadshow @Tampines HUB
17	Nov	CMC Workshop (3)
21	Nov	Investment Chapter (6 of 8)
22	Nov	Project We Care ENRICH Lab @ Old Airport RC
27	Nov	Investment Chapter (7 of 8)
28	Nov	Investment Chapter (8 of 8)
1	Dec	Project We Care ENRICH Lab @ RC
4	Dec	ASL Dialogue Session(2)
8	Dec	MoneySense 15th Annv Roadshow @HDB HUB
9	Dec	MoneySense 15th Annv Roadshow @HDB HUB
12	Jan	MoneySense 15th Anniversary Roadshow (5) Canopy @J-link
13	Jan	MoneySense 15th Anniversary Roadshow (6) Canopy @J-link
17	Jan	Corporate Connect Seminar - Pharmaceuticals
18	Jan	Hyflux Dialogue (2 sessions)
19	Jan	CSR SYC x SIM & Kaki Bukit Ville RC
25	Jan	CapitaLand Staff lunch talk
25	Jan	HCI IP Prog Financial Planning Mass Talk - Money Management for Youth



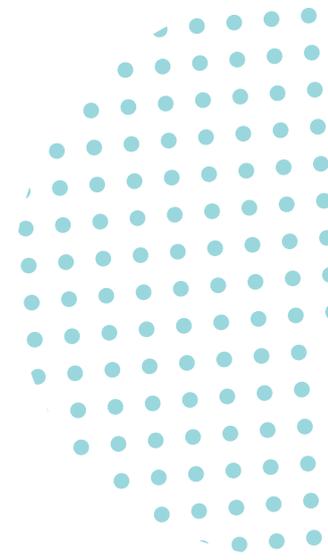
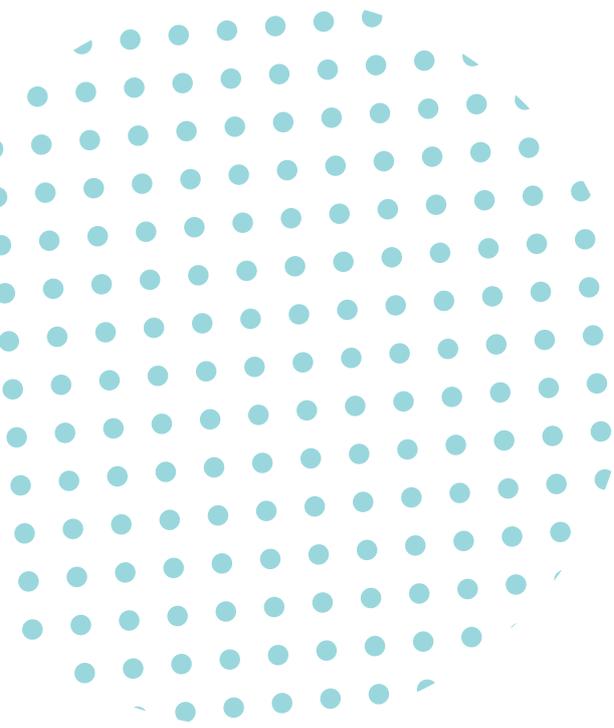
Day	Month	Event
31	Jan	Market Outlook & Stock Picks
8	Feb	Keppel Infrastructure Trust - Retail Investor Briefing
12	Feb	Hyflux Informal bondholder meeting
20	Feb	SIAS Independent Investor-Only Meeting with P&P Holders only
21	Feb	SIAS Independent Investor-Only Meeting with P&P Holders only
21	Feb	Corporate Connect Seminar
22	Feb	SIAS Independent Investor-Only Meeting with P&P Holders only
25	Feb	Meeting with Hyflux's Perpetual and Preference Security Holders
27	Feb	Meeting with Hyflux MTN notes
28	Feb	Yale-NUS: Singapore Asset Management Conference 2019
4	Mar	SIAS Independent Investor-Only Meeting with MTN Holders only
4	Mar	SIAS Independent Investor-Only Meeting with P&P Holders only
5	Mar	SIAS Independent Investor-Only Meeting with MTN Holders only
5	Mar	SIAS Independent Investor-Only Meeting with P&P Holders only
5	Mar	SIAS Independent Investor-Only Meeting with MTN Holders only
6	Mar	SIAS Independent Investor-Only Meeting with MTN Holders only
6	Mar	Financial Literacy Workshop - How to make smart money decisions using a goal-based financial planning process
19	Mar	SIAS Independent Investor-only Briefings with Hyflux's Perpetual and Preference Security Holders
19	Mar	SIAS Independent Investor-only Briefings with Hyflux's Perpetual and Preference Security Holders
21	Mar	SIAS Independent Investor-only Briefings with Hyflux's Perpetual and Preference Security Holders
21	Mar	Corporate Connect Seminar
23	Mar	Analysing Companies Financials - Stage 1
26	Mar	InvestmentChapters (1)
27	Mar	InvestmentChapters (2)
1	Apr	CapitaLand Retail China Trust Pre-AGM
2	Apr	CapitaLand Commercial Trust Pre-AGM



Day	Month	Event
3	Apr	Ascott Residence Trust Pre-AGM
3	Apr	InvestmentChapters (3)
4	Apr	CapitaLand Mall Trust Pre-AGM
4	Apr	InvestmentChapters (4)
6	Apr	Analysing REITs Financials
8	Apr	CapitaLand Limited Dialogue Session
9	Apr	InvestmentChapters (5)
11	Apr	InvestmentChapters (6)
10	Apr	CapitaLand Commercial Trust AGM
10	Apr	Ascott Residence Trust AGM
11	Apr	CapitaLand Mall Trust AGM
11	Apr	CapitaLand Retail China Trust AGM
12	Apr	CapitaLand Limited AGM
13	Apr	Analysing Companies Financials - Stage 2 (Part 1)
15	Apr	Dr Tee Workshop - 4th
17	Apr	InvestmentChapters (7)
18	Apr	InvestmentChapters (8)
18	Apr	Corporate Connect Seminar
22	Apr	Perennial Pre-AGM
23	Apr	CNMC Pre-AGM
25	Apr	Perennial AGM
26	Apr	ProjectEnrich Lab
27	Apr	Analysing Companies Financials - Stage 2 (Part 2)
15	May	ProjectEnrich Lab
15	May	Alliance Mineral Assets Limited Shareholders' Meeting
16	May	Corporate Connect Seminar

Day	Month	Event
23	May	ProjectEnrich Lab
13	Jun	Corporate Connect Seminar
19	Jun	20th Anniversary Launch (Private)
20	Jun	CMC Workshop #4





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