





ESTABLISHED PROFESSIONAL ACCOUNTANCY HUB WITH

A COMMUNITY OF

FOUNDING PARTNERS

and 3.6 MILLION

TO FOSTER COLLABORATION AMONG PROFESSIONAL AND BUSINESS SERVICES ORGANISATIONS







## **Our Journey Objectives**

## **OUR VISION**

A world-class accountancy body of trusted professionals, contributing towards an innovative and sustainable economy

### **OUR MISSION**

Our vision is supported by our mission statements, represented by the acronym

## R.I.S.E.

Represent our members on matters affecting and of interest to the profession

Influence the development of the accountancy profession and ecosystem positively

**Serve** the public interest by helping to instil sound values and ensuring right ethical standards among our members and the profession

**Enable** our members to achieve their professional aspirations



# Our Strategic Priorities

Our Strategic Priorities inform our plans and initiatives to serve our members, the accountancy profession, business eco-system and the Institute itself.



WORLD-CLASS MEMBER EXPERIENCE



SUSTAINABLE & TRUSTED PROFESSION



TO BUSINESS ECOSYSTEM



GLOBAL CONNECTION & RECOGNITION



CULTURE OF INNOVATION & EXCELLENCE

## **Adventure Dashboard**

[As at 31 December 2023]

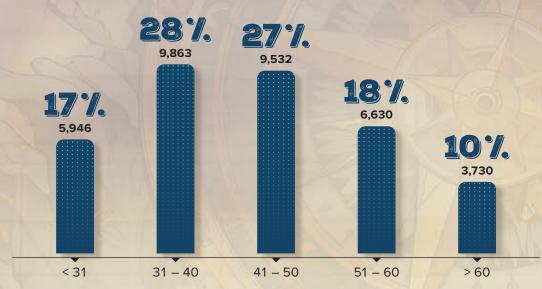
**MEMBERSHIP** RETENTION

98%

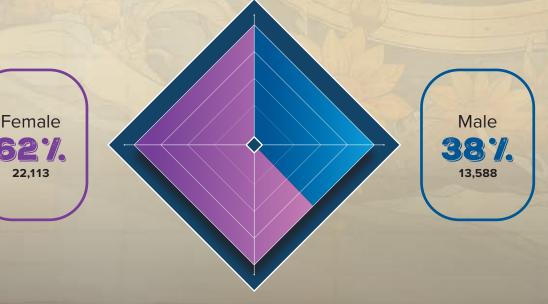
**TOTAL NUMBER OF MEMBERS** 

35,701

**AGE GROUPS** 



**GENDER BREAKDOWN** 





#### MEMBERSHIP STATISTICS

BY PROFESSION

**Professional Accountants in Practice** 

12%

**Professional Accountants in Business** 



56% 20,099

**Public Sector** 

Not-For-Profit

Academia

Students





MEMBERSHIP CLASS

Fellow CA (Singapore) who are public accountants

Fellow CA (Singapore)\*\*

CA (Singapore) who are public accountants

CA (Singapore)\*\*

ISCA Professional Business Accountant

1,704

Affiliates

Experienced Professional

Student Members

1,240

Retirement

- Includes Associate (Specialist)
  Excludes public accountants
  Includes 110 members who are public accountants. These members are either Fellow CA
  (Singapore) or CA (Singapore)

## **Our Stakeholders**

#### **REGIONAL AND INTERNATIONAL** ACCOUNTANCY BODIES

Deeper engagement with international partners and the global accountancy community helps solidify ISCA's reputation as a world class accountancy body and raises our international standing and prominence. ISCA is part of:

- ASEAN CPA Coordinating Committee (ACPACC)
- ASEAN Federation of Accountants (AFA)
- Chartered Accountants Worldwide (CAW)
- Jeju Group (comprising ISCA, Japanese Institute of Certified Public Accountants and Korean Institute of Certified Public Accountants)
- International Federation of Accountants (IFAC)

#### Organisations that ISCA engages with include:

- International Accounting Standards Board (IASB)
- International Auditing and Assurance Standards Board (IAASB)
- International Ethics Standards Board for Accountants (IESBA)
- International Panel on Accountancy Education (IPAE)
- International Sustainability Standards Board (ISSB)

#### **GOVERNMENT BODIES**

The Institute works with government agencies to spearhead initiatives that contribute to the development of the accountancy profession. We also conduct regular exchange sessions with government agencies to advocate and represent the profession's interests as well as discuss issues relating to the accountancy profession. Government bodies that we engage with include:

- Accountant-General's Department (AGD)
- Accounting and Corporate Regulatory Authority
- Auditor-General's Office (AGO)
- Commercial Affairs Department (CAD)
- Civil Service College Singapore (CSC)
- Corrupt Practices Investigation Bureau (CPIB)
- **Economic Development Board (EDB)**
- Enterprise Singapore (ESG)
- Family Justice Courts (FJC)
- Infocomm Media Development Authority (IMDA)
- Inland Revenue Authority of Singapore (IRAS)
- Insolvency Practitioners Association of Singapore
- Ministry of Culture, Community and Youth (MCCY)
- Ministry of Finance (MOF)
- Ministry of Manpower (MOM)
- Ministry of Sustainability and the Environment (MSE)
- Ministry of Trade and Industry (MTI)
- Monetary Authority of Singapore (MAS)
- National Council of Social Service (NCSS)
- Professional Services Programme Office (PSPO)
- Singapore Police Force (SPF)
- SkillsFuture Singapore (SSG)
- Workforce Singapore (WSG)



#### **FELLOW** PROFESSIONAL BODIES

ISCA engages with other professional bodies to represent the profession's interests and discuss issues pertaining to the accountancy profession. Through cooperation with fellow professional bodies, ISCA aims to strengthen and shape the development of the accountancy profession. Fellow professional bodies include:

- Association of Chartered Certified Accountants (ACCA)
- Association of Certified Professional Accountants (AICPA-CIMA)
- Association of Certified Public Accountants in Public Practice
- Brunei Darussalam Institute of Certified Public Accountants
- Chartered Accountants Australia and New Zealand (CA ANZ)
- Chartered Accountants Ireland (CAI)
- Chartered Institute of Management Accountants (CIMA)
- China Institute of Certified Public Accountants (CICPA)
- CPA Australia
- Chartered Secretaries Institute of Singapore (CSIS)
- Federation of Accounting Professions (TFAC)
- Guangdong Institute of Certified Public Accountants (GDICPA)
- Hong Kong Institute of Certified Public Accountants (HKICPA)
- Indonesian Institute of Certified Public Accountants (IAPI)
- Institute of Chartered Accountants in England and Wales (ICAEW)
- Institute of Chartered Accountants in Scotland (ICAS)
- Institute of Chartered Accountants of India (ICAI)
- Institute of Indonesia Chartered Accountants (IAI)
- Institute of Internal Auditors Singapore (IIA Singapore)
- Institute of Management Accountants (IMA)
- Institution of Engineers Singapore (IES)
- Japanese Institute of Certified Public Accountants (JICPA)
- Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA)
- Korean Institute of Certified Public Accountants (KICPA)
- Malaysian Institute of Accountants (MIA)
- Malaysian Institute of Certified Public Accountants
- Myanmar Institute of Certified Public Accountants
- Philippine Institute of Certified Public Accountants (PICPA)
- Securities Investor Association Singapore (SIAS)
- Shanghai Institute of Certified Public Accountants (SHICPA)
- Singapore Chartered Tax Professionals (SCTP)
- The Law Society of Singapore
- The Institute of Valuers and Appraisers Singapore (IVAS)
- Vietnam Association of Accountants and Auditors (VAA)
- Vietnam Association of Certified Public Accountants (VACPA)

#### TRADE ASSOCIATIONS & CHAMBERS AND OTHERS

ISCA engages with Trade Associations and Chambers (TACs) and other organisations to advocate common interests and explore mutually beneficial collaborations. These include:

- Association of Singapore Listed Companies (SGListCos)
- The Association of Banks in Singapore (ABS)
- Association of Small and Medium Enterprises (ASME)
- Employment and Employability Institute (e2i)
- Financial Intelligence and Investigation Bureau (FIIB)
- National Trades Union Congress (NTUC)
- Singapore Business Federation (SBF)
- Singapore Chinese Chamber of Commerce & Industry (SCCCI)
- Singapore Chamber of Commerce and Industry in China (SingCham Shanghai)
- Singapore Exchange (SGX)
- Singapore Exchange Regulation (SGX RegCo)
- Singapore Institute of Directors (SID)
- Singapore Manufacturing Federation (SMF)
- Singapore National Employers Federation (SNEF)

Through identifying synergies and joining forces with other TACs, ISCA is better able to support the development of the accountancy profession.

#### **INSTITUTES OF HIGHER LEARNING**

We collaborate with institutes of higher learning, reaching out to students to share more about the profession, and nurture and develop the talent pipeline. Institutes we engage with include:

- Nanyang Polytechnic (NYP)
- Nanyang Technological University (NTU)
- National University of Singapore (NUS)
- Ngee Ann Polytechnic (NP)
- Singapore Institute of Technology (SIT)
- Singapore Management University (SMU)
- Singapore University of Social Sciences (SUSS)
- Singapore Polytechnic (SP)
- Temasek Polytechnic (TP)

# Message from the Commander

President's Message

#### Dear Members,

You may have noticed that aesthetically, this year's annual report looks different from previous years. This is because the images were created with the help of Generative Al.

the experience of going into uncharted territory – an adventure that requires agility and bold action.

But before we enter the next

#### **CREATING CLOSE CONNECTIONS**

Having intensified our member engagement efforts, we drew more





for targeted member segments, we created invaluable opportunities for networking, learning and collaboration within our community. We also co-organised events with other trade associations and chambers and Memoranda of Understanding (MOU) partners, so that our members can broaden their network through interactions with the business community and government agencies.

We connected with many members who are based overseas and shared ISCA's developments and initiatives during members' networking events as part of our internationalisation efforts.

#### **ESTABLISHING OVERSEAS PRESENCE**

2023 marked a pivotal moment in ISCA's history as we embarked on our internationalisation journey. To date, we have established 12 overseas chapters, placing ISCA firmly on the world map. This attests to our commitment to expand our global reach and foster an enduring interconnected ISCA network.

These overseas chapters provide support, information and networking opportunities for members based in these countries, as well as for members who are keen to explore overseas opportunities. They also facilitate our exploration with overseas professional accountancy bodies on collaborations and joint pathways to enhance the international recognition of ISCA and our members.

#### **STRENGTHENING COLLABORATION WITH** THE BUSINESS COMMUNITY

We have increased our collaborative efforts with the broader business community and government agencies. In 2023, we signed 13 MOUs covering 29 different areas of interest, strengthening our ties with other stakeholders and reinforcing ISCA's pivotal role in shaping the future of the profession.

To catalyse greater collaboration among professional accountancy and business services organisations, ISCA joined forces with other organisations to form the Professional Accountancy Hub (PA Hub). PA Hub now has a community that includes industry bodies for professional accountants, valuers, internal auditors, chartered secretaries, investors, and executives of listed companies. This initiative underscores our belief in the strength of a united ecosystem of partners, the government, and our dedicated members.

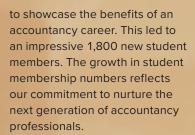
#### **BUILDING A SUSTAINABLE TALENT PIPELINE**

Undoubtedly, there are challenges around attracting more individuals to choose accountancy as their course of study and join the profession. We are addressing this on several fronts.

We have stepped up our student outreach efforts. In 2023, we held 70 events across various schools

## Message from the Commander

President's Message



Since the start of 2024, we have taken over the administration of the Singapore Chartered Accountant Qualification (SCAQ) programme. We have allocated \$15 million over three years to enhance and strengthen the support for this programme and ensure it is a resounding success.

To broaden the talent pipeline, ISCA also launched the Global Talent Programme to introduce global and local young talents to accountancy's diverse career options and Singapore's business landscape.

#### **CHAMPIONING MEMBERS' PROFESSIONAL DEVELOPMENT**

We are always refreshing our offerings so that our members have the resources to enhance their professional capabilities and meet the demands of a dynamic business environment.

ISCAccountify enables members to fit learning latest in-demand skills into their busy lives. The new ISCA Sustainability Professional Certifications are designed to equip our members with the skills to spearhead sustainability initiatives and support Singapore's transition to a low-carbon economy.

#### ISCA'S FINANCIAL **PERFORMANCE FOR 2023**

Despite spending more on internationalisation initiatives, legal and professional fees and members' lounge expenses, we are closing our year with more than 50% additional surplus compared to the previous year. The Group also ended the financial year with a healthy cash balance of \$23 million as well as reserves of \$101 million, which include the fair value gains from Investment Property.

This was only possible through the Institute's prudent management of its resources and liquidity. Despite the increased level of activities and initiatives in 2023, we kept our staff strength relatively lean by focusing our efforts on areas that matter and optimising our productivity.

#### **ACKNOWLEDGMENTS**

As I look back on a year filled with significant achievements and progress, there are many parties to thank.

The support of our government and industry partners has been instrumental to ISCA's progress. My fellow Council members have given their invaluable counsel and unwavering support in leading ISCA to greater heights. ISCA's various committees are served by about 300 member volunteers who contribute their time and expertise to advance the profession. ISCA's management and staff have worked tirelessly to implement our various initiatives. Lastly, none of this would have been possible without the support of our members.

I extend my heartfelt gratitude to everyone who has contributed to ISCA's success.

The next frontier awaits. Let's go!

#### **TEO SER LUCK PRESIDENT**



We have established 12 overseas chapters, placing ISCA firmly on the world map.

# **Expanding Our Global Footprint**

[Expedition Log: Act 1]

ISCA's heightened global visibility and expanded international presence is pivotal for elevating the professional standing of our members.

Our collaborations with professional bodies across diverse markets and engagement with regional and international accountancy organisations inspire ISCA and our members with fresh perspectives, innovative ideas, and best practices. In this increasingly globalised business landscape, our international presence supports members as they explore career or business opportunities beyond Singapore.

#### **OVERSEAS CHAPTERS**

In 2023, we embarked on our internationalisation journey and set up overseas chapters, establishing networks in key markets to provide support, information and networking opportunities for our overseas members. To date, 12 chapters have been set up, chaired by:



#### **OVERSEAS MEMBER ENGAGEMENT**

We connected and met up with members who are based in 12 overseas cities, sought feedback and new ideas to support their professional journey.







Indonesia

Malaysia

Hong Kong







Phillipines

South Korea

Beijing







Shanghai

Guangzhou

Thailand





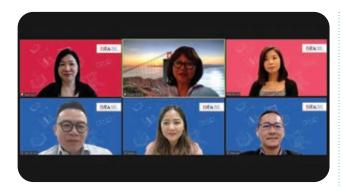


United Kingdom

Australia

Vietnam

#### **OVERSEAS ENGAGEMENTS**



#### **Webinar for Overseas Members -Be Prepared for your Quality Assurance Review (Singapore's Experience)**

ISCA hosted its first overseas webinar on 31 July 2023, successfully bringing together 300 international professionals hailing from 12 diverse Asian countries. The event was supported by our Overseas Chapter Chairs - Mr Ernest Yoong (Vietnam), Ms Jill A. Santos (Philippines), Mr Ken Lai (Malaysia), Ms Kristin Kim (South Korea), and Mr Ee Sin Tan (Hong Kong).



#### **Audit Exemption Seminar in Johor Bahru**

ISCA held its first in-person seminar in Johor Bahru on 30 October 2023, to share Singapore's experience in navigating the audit exemption threshold. ISCA Malaysia Chapter Chairperson Mr Ken Lai gave an opening address, followed by sharings from ISCA CEO Ms Fann Kor and ISCA Public Accounting Practice Committee members Mr Rick Chan and Mr Alan Chang.

#### **Christmas Gatherings**

Our ISCA Chapter Chairs organised Christmas gatherings for members in their respective countries, with festive parties held in Sydney, Beijing, Manila, Seoul, Jakarta, Shenzhen, Kuala Lumpur, Shanghai, Hong Kong and Vietnam in November and December.

















Vietnam

China, Shenzhen

South Korea







Indonesia

Australia, Perth

Australia, Sydney

#### MOUS WITH OVERSEAS PROFESSIONAL BODIES AND ORGANISATIONS

During 2023, we established Memoranda of Understanding (MOUs) with regional and international bodies to strengthen our collaboration and heighten our international visibility.

#### **Tripartite MOU with Chongqing Institute** of Certified Public Accountants (CQICPA) and Institute of Chartered Accountants in **England and Wales (ICAEW)**



ISCA signed a tripartite MOU with the ICAEW and CQICPA on 20 March 2023. Under the MOU, the Institutes will enable new membership pathways and facilitate the exchange of knowledge and best practices, while exploring opportunities in research, training support and business missions.

#### **MOU** to support professional services firms in Singapore and China



The MOU was signed by ISCA Vice President Ms Yiong Yim Ming at the 17th meeting of the Singapore-Jiangsu Cooperation Council.

On 9 October 2023, ISCA, the Administrative Committee of Jiangsu Nanjing Eco Hi-tech Island Economic Development Zone (Administrative Committee) and Sino-Singapore Nanjing Eco Hi-tech Island Development Co Ltd signed an MOU to support the business development of accountancy firms in China and Singapore through business missions and knowledge exchange.

#### **MOU** with Kampuchea Institute of CPAs and Auditors (KICPAA)



The MOU was signed by KICPAA President Mr Darith Khun and ISCA President Mr Teo Ser Luck

ISCA signed an MOU with KICPAA on 10 May 2023, to advance the development of the accountancy profession in Cambodia and Singapore. Under the MOU, ISCA and KICPAA will enhance collaboration through joint initiatives such as membership pathways, training programmes, knowledge exchange, and nurturing of the accountancy talent pipeline through exchange opportunities for youths in Cambodia and Singapore.

#### **Membership Recognition Agreement** (MRA) with CPA Australia



On 28 September 2023, ISCA inked a Membership Recognition Agreement (MRA) with CPA Australia, enabling eligible CA (Singapore) members to obtain the CPA Australia designation upon fulfilling professional and educational requirements, and vice versa. This is another step in increasing the global recognition of ISCA and the CA (Singapore) designation.

#### VISITS FROM OVERSEAS ORGANISATIONS

#### **Kampuchea Institute of CPAs and Auditors** (KICPAA) and Accounting and Auditing Regulator (ACAR)

Cambodia's ACAR and KICPAA visited ISCA House on 19 April 2023 as part of their study visit to Singapore.



#### **Institut Akuntan Publik Indonesia (IAPI)**

IAPI and its member firms visited ISCA house on 15 August 2023.



#### Sescon-SP

The Brazilian company Sescon-SP delegates visited ISCA House as part of their business study mission to Singapore on 11 September 2023.



#### **Delegation from Nanjing**

ISCA welcomed the Mayor of Nanjing Jianye District, Mr Jiang Chen, and the Director of Jiangsu Nanjing Eco Hi-tech Island Economic Development Zone, Mr Yao Sheng Qiang, on 17 August 2023.



#### **Institute of Singapore Chartered Accountants** of India (ICAI) Singapore Chapter

ICAI's Singapore Chapter, including ICAI President CA. Aniket S. Talati and Vice President CA. Ranjeet K. Agarwal, visited ISCA House on 14 June 2023.



#### **Japanese Institute of Certified Public Accountants (JICPA)**

ISCA hosted young members from the Japanese Institute of Certified Public Accountants (JICPA) on 1 December 2023.



#### **CPA Australia**

ISCA hosted Professor Dale Pinto, President and Chair of the Board of CPA Australia on 15 January 2023.



#### **Institute of Chartered Accountants of** Pakistan (ICAP)

Representatives from ICAP and High Commissioner of Pakistan to Singapore Ms. Rukhsana Afzaal visited ISCA on 19 March 2023.



#### **Philippine Institute of Certified Public Accountants (PICPA)**

ISCA welcomed PICPA on 3 October 2023, represented by Mr Randy Blanza, PICPA President, and Dr. Abner Ty, CPA, International Affairs Committee Chair.



#### **Institute of Chartered Accountants in England and Wales (ICAEW)**

ICAEW, including ICAEW President Mr Mark Rhys, made a courtesy call on 6 November 2023.



#### **PARTICIPATION IN INTERNATIONAL ALLIANCES AND GROUPINGS**

As a member body of Asean Federation of Accountants (AFA), Chartered Accountants Worldwide (CAW), the International Federation of Accountants (IFAC) and the Jeju Group, ISCA attended the following meetings in 2023:

- AFA Council Meetings in Laos in April and Thailand in November
- Jeju Group inaugural AGM held in South Korea in May
- CAW Board & CEO Meeting and Marketing Directors Meeting held in Austria in November
- IFAC Council Meeting held in Austria in November



Jeju Group's inaugural Annual General Meeting (AGM) in South Korea in May.





AFA Council Meetings in Laos in April (left) and Thailand in November (right).



CAW Board & CEO Meeting, Marketing Directors Meeting, and International Federation of Accountantants (IFAC) Council Meeting, held in Austria in November.

As a testament of ISCA's growing global prominence, several ISCA representatives were invited to speak at international events or be part of international committees.



Prof Chan Yoke Kai represented ISCA at the IFAC International Panel on Accountancy Education (IPAE) and introduced the ISCA Sustainability Professional Certifications.



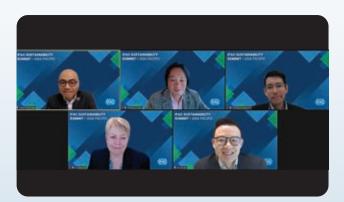
Mr Lee Eng Kian represented ISCA as a speaker at AFA-IASB-ACCA webinar, ASEAN Outreach on Proposal to Update the IFRS for SMEs Accounting Standard.



Ms Vivienne Chiang represented ISCA at Jeju Group Women Leadership Webinar.



Mr Kang Wai Geat, ISCA Divisional Director (Professional Standards) was appointed as Vice-Chairperson of AFA Working Committee 1 – Adoption and Implementation of International Standards.



Mr Tan Ee Sin, ISCA Hong Kong Chapter Chair and EY Hong Kong and Macau Climate Change and Sustainability Services Partner, represented ISCA as a panellist at the 1st IFAC Sustainability Summit – Asia Pacific. (See Act 9, pg 54)



Ms Lynn Chen, ISCA Guangzhou Chapter Chairperson, represented the Institute at the first World Chinese Accountants Consortium Limited Allies Dinner in Hong Kong.

## **Developing The Talent Pipeline**

[Expedition Log: Act 2]

Addressing the talent shortage for accountancy professionals starts with engaging the youth.

To grow the accountancy talent pipeline, ISCA has intensified our youth outreach efforts. Through various avenues, we are engaging students from primary to university levels to dispel misperceptions about the profession and reinforce the fact that chartered accountancy is the pathway to diverse job roles.

#### **GLOBAL TALENT PROGRAMME**

ISCA launched the ISCA Global Talent Programme on 30 June 2023. The first of its kind for Singapore's professional services sector, the programme aims to develop the accountancy talent pipeline and position Singapore as an accountancy hub and a choice location for accountancy professionals.

The programme, commencing in 2024, provides an immersive experience for undergraduates of all disciplines and from all around the world to gain new perspectives on Singapore and the career opportunities within Singapore's accountancy sector.

#### STUDENT OUTREACH

Our primary focus in 2023 was nurturing the next generation of accountants. With over 70 outreach programmes spanning primary schools to universities, we engaged students and educators through diverse avenues such as career talks, panel discussions, career fairs, learning journeys, and welfare drives.



ISCA CEO Ms Fann Kor with students at Fernvale Primary School, one of many school outreach programmes conducted in 2023.



Career Talks on the diverse career pathways of accounting by Ms Cheryl Quek, a Chartered Accountant from ISCA's MarComms Department.



Providing a coffee boost to university students during exam week.



Sharing about the accountancy profession at career fairs.

#### **ACCOUNTANCITY CAREER EXPLORATION EVENT**



Attendees had fun at AccountanCity's photobooth!

We held AccountanCity, our inaugural career exploration event, on 1 and 2 September 2023.

Supported by strategic partners ACRA and Workforce Singapore, the event drew more than 1,000 youths and working professionals as well as the participation of 22 employers.



#### **Total Attendees** over **1,000**

Working Professionals 31.7% **University Students** 27.5% ITE, JC & Poly Students 21.9% Secondary School Students Parents & Educators 9.6% 9.3%



#### Overseas visitors from

at least 12 COUNTRIES Australia, China, Côte d'Ivoire, India, Indonesia, Japan, Malaysia, Myanmar, Pakistan, Phillipines,





🗣 Attendees immersed themselves in fun and educational games all while learning about accountants, their skills and knowledge one can gain on their career journey.





Attendees had the opportunity to learn about the industry through sharing segments and interactions at the many employer booths.

#### **MOU WITH SINGAPORE MANAGEMENT UNIVERSITY** (SMU)

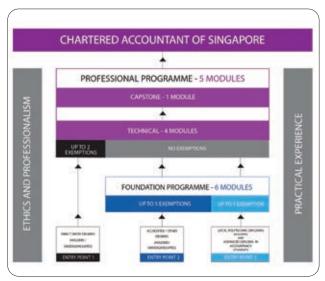
On 19 October 2023, ISCA and SMU signed an MOU to advance the skills and knowledge of accountancy professionals in Singapore as well as enhance the appeal of the accountancy profession. Under the agreement, ISCA and SMU will collaborate on outreach, research and training initiatives. SMU accountancy undergraduates will also receive support if they pursue the Singapore Chartered Accountant Qualification (SCAQ), including programme fee waivers for the top 5% of the graduating cohort.



The MOU was signed by ISCA President Mr Teo Ser Luck and Professor Timothy Clark, Provost, SMU, witnessed by ISCA CEO Ms Fann Kor and CFO and Vice-President of SMU Ms Yvonne Chan.

#### **SUPPORTING ASPIRING** CHARTERED ACCOUNTANTS





On 26 December 2023, ISCA announced plans to invest \$15 million in initiatives to support candidates pursuing the Singapore Chartered Accountant Qualification (SCAQ) programme, which qualifies candidates for the conferment of the prestigious designation of Chartered Accountant of Singapore (CA Singapore).

ISCA assumed the role the SCAQ programme administrator on 1 January 2024. With its investment, increased support to the SCAQ would include:

- Scholarships
- Candidate Communities
- SCAQ Centre
- Sponsored Tuition
- Enhancement of Learning Resources
- Study First Pay Later Scheme

#### **ACCOUNTANCY EDUCATION CONNECTS**

The first Accountancy Education Connects held on 21 September 2023 brought together accountancy faculty and career office representatives from autonomous and private universities, polytechnics, ITEs and private education institutions, as well as university club student leaders.

ISCA aims to forge stronger collaborations among the education industry and regulators, helping to educate the public and attract more youths to the profession.



ISCA CEO Ms Fann Kor sharing key trends in the industry.



A rare opportunity where all accountancy education faculty representatives and student leaders are gathered together at ISCA House.

# **Building Stronger Bonds** with the Business Community

[Expedition Log: Act 3]



Businesses rely on chartered accountants to navigate complex financial landscapes, make informed decisions, and optimise their fiscal performance. Besides providing financial insights, maintaining accurate records, and ensuring compliance with regulations, chartered accountants contribute significantly to fostering transparency and trust while promoting the financial stability and growth of businesses.

Hence, deepening our connections with the business community and our industry partners is a key priority in our plan to advance ISCA. We have made much progress through our partnerships with key industry stakeholders to create more opportunities and resources for the accountancy profession and generate synergies among the stakeholders in the business community.

#### PROFESSIONAL ACCOUNTANCY HUB



To catalyse greater collaboration among professional accountancy and business services organisations, ISCA joined forces with 13 other organisations to form the Professional Accountancy Hub (PA Hub).

The PA Hub will enable a thriving and inclusive ecosystem for the accountancy profession and the wider business community through strengthened collaborations between professional accountants, valuers, internal auditors, chartered secretaries, investors, and executives of listed companies.

#### The 14 Founding Members of the PA Hub:

- Association of Chartered Certified Accountants (ACCA)
- Association of Certified Professional Accountants (AICPA-CIMA)
- Association of Singapore Listed Companies (SGListCos)
- Chartered Accountants in Australia and New Zealand (CA ANZ)
- Chartered Accountants Ireland (CAI)



- The announcement on the launch of the Professional Accountancy Hub was made by Ms Indranee Rajah, Minister in the Prime Minister's Office, Second Minister for Finance and National Development at the ISCA Conference on 29 November 2023.
- CPA Australia
- Chartered Secretaries Institute of Singapore (CSIS)
- Institute of Chartered Accountants in England and Wales (ICAEW)
- Institute of Chartered Accountants of India (ICAI)
- Institute of Chartered Accountants of Scotland (ICAS)
- Institute of Singapore Chartered Accountants (ISCA)
- Securities Investors Association Singapore (SIAS)
- Institute of Internal Auditors Singapore (IIA Singapore)
- Institute of Valuers and Appraisers Singapore (IVAS)

With the resources, expertise, and networks of each partner, the PA Hub will create synergy, enable knowledge sharing through research and thought leadership, facilitate dialogues on matters pertaining to the profession, and complement each institute's efforts to foster the talent pipeline, benefiting not just ISCA's members but also the accountancy profession and business community.

#### **ISCA PRE-BUDGET 2023 ROUNDTABLE**

ISCA held the 14th edition of its Pre-Budget 2023 Roundtable, themed "Stepping Forward amid Megatrends", on 19 January 2023.

The Roundtable was co-chaired by Mr Liang Eng Hwa, Chairperson of the Government Parliamentary Committee for Finance, Trade & Industry, and Mr Don Wee, ISCA Council Member. It brought together leaders of trade associations and chambers (TACs) and accounting

firms to discuss three megatrends – Sustainability, Digitalisation, and Diversification – that are impacting Singapore businesses.

Insights and recommendations gathered from the Roundtable as well as Pre-Budget focus group discussions were submitted to the Ministry of Finance for consideration in its preparation of the Singapore Budget 2023.



🗣 The roundtable brought together 14 panelists, comprising leaders from trade associations and chambers and accountancy firms.



Co-chairs Mr Liang Eng Hwa (left) and Mr Don Wee (right)





Our Pre-Budget 2023 Roundtable panelists, together with ISCA President Mr Teo Ser Luck.

#### **COLLABORATION WITH MOU** AND INDUSTRY PARTNERS



The MOU was signed by ISCA President Mr Teo Ser Luck (left) and Er. Chong Kee Sen, Chairman of Board of Directors, IES-INCA.

#### **MOU** with Institution of Engineers, Singapore - Incubator & Accelerator (IES-INCA)

ISCA signed an MOU with the IES-INCA on 2 August 2023, to promote interaction between accountancy and engineering professionals, fostering collaboration and exploring synergies in areas such as sustainability and technology. IES-INCA and ISCA will also support the Investor Network and organise networking events.

#### Programme to help charities strengthen accounting and finance processes

On 10 October, ISCA, in collaboration with the office of the Commissioner of Charities (COC) and the National Council of Social Service (NCSS) launched a new programme to support charities in digitalising their accounting and finance processes.

Driven by the ISCA Charity Accounting Committee and chaired by Professor Ang Hak Seng, the programme aims to accelerate the digital transformation of smaller charities. This is done with the help of experienced members who will support charities in the implementation of accounting software and improve their processes and controls.



#### **DEEPENING ENGAGEMENT** WITH THE BUSINESS COMMUNITY

#### ISCA x SGListCo Connects



The panellists were Ms Yip Yoke Ping and ISCA CFO Committee members Mr Vincent Choo and Dr Vincent Lim. Moderatina was Mr Victor Lai (right), ISCA Corporate Governance and Risk Management Committee Member.



At the ISCA x SGListCos networking session on 6 September 2023, members from both organisations connected to explore areas of collaboration, including board appointment opportunities. The members also gained insights from a panel discussion on "Journeying into the Centre of Emerging Economies".

#### ISCA x SMF x SICC Networking Event



Members of ISCA, Singapore International Chamber of Commerce (SICC) and Singapore Manufacturing Federation (SMF) connected over a networking session on 1 November.

At the panel discussion "Sustainability in Manufacturing", panellists Dr Bicky Bhangu, Mr Clement Teo and Mr Nigel Lee shared insights on the pillars of an effective sustainability journey in manufacturing, as well as its opportunities and challenges. The panel was moderated by Mr Koh Wee Kwang, ISCA Council Member.

#### **Professional Accountancy Organisations** (PAOs) Connect

To create a vibrant accountancy ecosystem and explore collaboration opportunities, we gathered the representatives from fellow professional accountancy bodies with a presence in Singapore, namely, ACCA, CA ANZ, CPA Australia, ICAEW and ICAI Singapore Chapter, to connect and kickstart conversations at PAOs Connect.





Cheers to greater collaboration and connections to support the accountancy profession!

#### **ISCA Gatecrash Series**

ISCA kickstarted ISCA Gatecrash – a series of employer outreach activities where we visited the offices of various organisations to engage with their staff members from diverse roles such as financial reporting, tax, external and internal audit and consulting.

Our goal was to bring these employers and their staff closer to the accountancy community through the sharing about our various initiatives and professional pathways.

Over 20 employer engagements were conducted in 2023 across multinational corporations, large local enterprises to accounting firms.





ISCA had a great time "gatecrashing" offices such as Nexia Singapore PAC (top) and Shell (above).

#### Singapore Corporate Awards (SCA) 2023

ISCA once again joined the Singapore Institute of Directors and The Business Times to co-organise SCA 2023, supported by ACRA and SGX. The award categories included Best Annual Report and Best Chief Financial Officer (CFO). The diverse judging panel



ISCA Council members and SCA winners at the gala dinner on 7 Sep 2023.

included practitioners, academia and investors. Judging for the Best CFO Award was notably held at ISCA House on 23 June 2023, where they deliberated on finalists across three categories – large, mid and small capitalization companies.



The judging panel for the SCA, Best CFO Award 2023.

#### **C-Suite Network**

The C-Suite Network, formed in 2022, expanded to over 70 members in 2023. Comprising a community of senior business leaders from more than 13 industries, the network gathered over the year to share business insights and enhance its breadth of knowledge and diversity of expertise.



Motivational Leadership and Networking Event on 29 May 2023.



Nine private lunch engagements with various network members were held throuhout 2023.

#### **Public Interest Entity (PIE) Firms Network**

Members of the PIE Firms Network, which comprises leaders of the top 20 firms that audit public interest entities, took part in the following events during the year:



Forward Singapore Engagement with Minister Indranee Rajah and then Senior Minister of State Chee Hong Tat on 6 January 2023.

The C-Suite and PIE Firms Network also collaborated to bring together leaders from diverse backgrounds to foster the rich exchange of ideas and perspectives as well as provide valuable networking opportunities.



Dialogue with Minister Gan Kim Yong on 11 April 2023.



Breakfast Get-Together on 30 June 2023



Dialogue with Minister for Manpower Dr Tan See Leng on 11 September 2023.



Dialogue with Monetary Authority of Singapore (MAS) on 8 August 2023.



Artificial Intelligence for Accountancy Industry (AI for AI) Session on 25 October 2023.



Dialogue with SIAS on 20 November 2023.

## **Strengthening Connections Among Members**

[Expedition Log: Act 4]

We aim to foster more connections among our members, who are making a difference in diverse roles across various industries.

Every new professional connection leads to potential collaboration opportunities, knowledge sharing, increased visibility and professional growth. By creating more opportunities for members to engage with one another, we also aim to increase our members' sense of belonging in our supportive, collaborative community of accountancy professionals.

#### **60<sup>TH</sup> ANNIVERSARY CELEBRATIONS**

ISCA celebrated our 60th anniversary on 25 July 2023, honouring individuals who have made vast contributions to the accountancy sector and the community.



Deputy Prime Minister and Minister for Finance Mr Lawrence Wong (right) attended as the Guest of Honour.

# **Distinguished Lifetime Members**

The ISCA Distinguished Lifetime Membership was conferred for the first time to individuals who have made sterling contributions to the accountancy sector, the business community as well as public service. The recipients were Mr Boon Swan Foo, Mr Willie Cheng, Mr Bobby Chin, Dr Gerard Ee, Mrs Fang Ai Lian, Minister Grace Fu, Mr Michael Lim, and Ms Euleen Goh, who was not able to attend the dinner.



Mr Boon Swan Foo, Mr Willie Cheng, Mr Bobby Chin, Dr Gerard Ee, Mrs Fang Ai Lian, Minister Grace Fu, Mr Michael Lim.



Ms Indranee Rajah, Minister in the Prime Minister's Office and Second Minister for Finance and National Development, was made an ISCA Honorary Member for her contributions to the accountancy sector and business community.



Mrs Lim Hwee Hua (left), former Second Minister for Finance, and Mr Chaly Mah (right), former Chairman of the Singapore Accountancy Commission, received the ISCA Special Appreciation Award.

# **CELEBRATING** THE **ACHIEVEMENT OF FCAS**

At the FCA Celebration Night on 17 October 2023, we celebrated the professional achievements and milestones of our recently conferred Fellow Chartered Accountants (FCAs) of Singapore.



# **WOMEN CONNECT**

In conjunction with International Women's Day 2023 and its theme "Embrace Equity", a networking session was held specially for our female members at ISCA House on 23 March 2023.



# **CHARTERED ACCOUNTANTS WORLDWIDE** (CAW) CONNECT

ISCA, CA ANZ and ICAEW, which are part of CAW, co-organised a networking session for their members based in Singapore on 15 August. Besides expanding their professional network, the attendees also picked up knowledge on wine appreciation while enjoying French wine and light bites.



# **FINANCE LEADERS** CONNECT



At Finance Leaders Connect on 28 July 2023, ISCA CEO Ms Fann Kor shared about the Artificial Intelligence for the Accountancy Industry and our efforts to bolster the sustainability capabilities of the profession.





Finance leaders roundtables were held in partnership with Alteryx and Workiva (our industry partners) to engage our C-suite members.

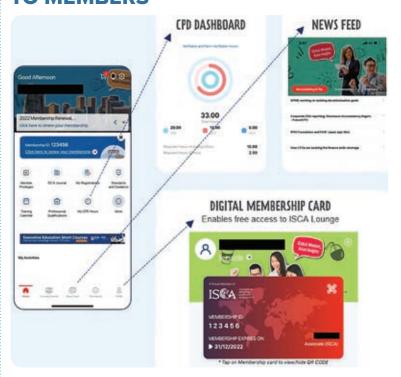
# **PUBLIC SECTOR** CONNECT





ISCA held two Public Sector Connect events on 26 June and 19 October 2023, sharing insights and findings relevant to public sector finance professionals.

# **STAYING CONNECTED** TO MEMBERS



We aim to connect with our members via various touchpoints. Members can search for ISCA's initiatives and service offerings on our website, and perform essential eServices transactions on the go and receive daily news via the ISCA mobile app. We are just a call, email or WhatsApp message away from our members. Members can drop by our service counter and patronise the members' lounge at ISCA House.

# **Key Members Touchpoints**



Website views 289,100



Emails to ISCA mailboxes 65,067



Text messages to ISCA's WhatsApp channel 17.000



Visitors to ISCA service counter and members' lounge 14,484



Phone calls to ISCA main line 11,336



ISCA mobile app downloads 11.257

# **ENGAGING YOUNG MEMBERS**

Over the course of the year, we held various activities to engage our young members.

# **Food for Good with Willing Hearts**





#### **YPAC's Visit to Parliament House**



YPAC members had the privilege of holding their committee meeting and enjoying a guided tour in the esteemed setting of the Parliament House, hosted by Mr Don Wee, Advisor to YPAC

# **Young Members Connect**





🗣 ISCA's young members had opportunities to network with members from the Singapore Manufacturing Federation (SMF) and bond over games, food, and drinks at Young Members Connect events, held on 20 April and 24 August 2023.

#### **One Young Chartered Star Competition**



The One Young Chartered Star Competition was held on 9 June 2023 to select ISCA's representative for the Chartered Accountants Worldwide (CAW) delegation to the One Young World (OYW) Summit in October. The competition required participants to create creative content and score at a thrilling Trivia Night, where finalists raced to answer questions about OYW Summit's plenary challenges.

Jeremy Cheong, PwC Singapore manager, emerged victorious as ISCA's 2023 One Young Chartered Star and attended the OYW Summit, held in Belfast from 2 to 5 October 2023.

# **Equipping the Profession**

[Expedition Log: Act 5]

The global environment is marked by uncertainty. Technology, especially advances in AI, and the increasing emphasis on sustainability are reshaping the business landscape. Against this backdrop, ISCA aims to ensure our members have the skills and knowledge to stay relevant as well as adequate support when they face career challenges or transitions.

Our specialisation pathways and certification programmes are designed to ensure that our members can adapt to trends that are revolutionising the profession. We are always innovating our offerings so that our members can easily access the training they need to enhance their professional capabilities and meet the demands of a dynamic business environment.

# ADVANCING FINANCIAL FORENSICS THROUGH STRATEGIC PARTNERSHIPS

2023 marked a significant step forward in our commitment to enhancing financial forensics and nurturing a community of qualified financial forensic professionals. We inked MOUs with two law enforcement agencies—the Commercial Affairs Department (CAD) of the Singapore Police Force (SPF) and the Financial Intelligence and Investigation Bureau (FIIB) of the Hong Kong Police Force (HKPF).

Building upon our collaboration with the Corrupt Practices Investigation Bureau (CPIB) in 2021, these partnerships underscore our dedication to expanding the pool of

skilled financial forensic professionals. We aim to offer support and a structured pathway for eligible police officers to obtain the ISCA Financial Forensic Professional (FFP) credential—a mark of their specialised skills and experience in financial forensics.

Our collaboration with these law enforcement agencies reflects our commitment to fostering a community of financial forensic professionals. Through these partnerships, we are expanding our network and contributing towards the development of the financial forensics workforce.



ISCA President Mr Teo Ser Luck and CAD Director Mr David Chew (third from left) signed the MOU between SPF and ISCA.



ISCA conducted a virtual signing with the FIIB of the HKPF, marking its first MOU signing with an overseas law enforcement agency.

# **ACCELERATING AI FOR ACCOUNTANCY INDUSTRY**



The AI for AI Networking Event on 25 October 2023 featured a panel examining Al's transformative role in businesses and its use in real-world cases.

ISCA launched the Artificial Intelligence for Accountancy Industry (AI for AI) initiative with an initial \$2 million on 15 May to tap on the use of artificial intelligence for the accountancy industry. With its Research Network, ISCA will identify strategic research projects, foster a startup ecosystem for the development of Al solutions for the accountancy profession, and develop strategies for accelerating AI technology adoption.

Al for Al is spearheaded by the Al Taskforce, co-chaired by ISCA Council members Ms Cyndi Pei and Mr Song Yeow Chung, with support from Professor Ong Yew Soon (Sub-Committee Lead - Research), Mr Lee Eng Kian



(Sub-committee Lead - Policy & Regulations), and Mr Darren Thayre (Sub-Committee Lead - Al Solutions).

On the research front, ISCA has embarked on a couple of projects and will continue to reach out to Institutes of Higher Learning for Al-related research ideas. The Policy & Regulations Sub-Committee has drawn up plans to develop bite-sized contents for publication in the Chartered Accountants Lab.

The Al Solutions Sub-Committee members co-facilitated three discovery workshops to understand the needs of the accountancy sector. A total of 25 problem statements were generated from these workshops. A list of problem statements will be shared on an open innovation platform to call for technology vendors to propose related Al solutions for the accountancy sector.





# ADVANCING CONTINUING PROFESSIONAL DEVELOPMENT

Continuing professional development (CPD) is crucial to ensure our members' professional growth, competence, and relevance in a rapidly-changing business landscape. During the year, we have continuously innovated and refreshed our CPD offerings to support our members' professional aspirations.

# **Certifications in Sustainability Reporting** and Sustainability Assurance Providers

To equip the profession with sustainability skills, ISCA launched two sustainability certifications on 29 November 2023 at the ISCA Conference. The certifications aim to address the capability gap in sustainability reporting and assurance by training more sustainability reporting officers and climate auditors.

The ISCA Sustainability Professional Certification caters to professionals who support their organisations in sustainability reporting as well as those kickstarting the decarbonisation journey for their organisation.



The ISCA Sustainability Assurance Professional Certification provides assurance professionals with essential knowledge in sustainability assurance and assurance standards.

#### **ISCA Conference**

With over 20 segments and 36 speakers, ISCA Conference, themed "Al in the Accountancy Industry", drew over 1,100 business leaders and accountancy professionals on 29 November 2023.

Participants were updated on the hot topics of Al and sustainability via the plenary sessions on "Al Opportunities in the Accountancy Industry" and "Sustainability Transformation". They also had the opportunity to network over lunch as well as connect with more than 30 exhibitors showcasing the latest technologies.

The conference had two tracks. Finance and business leaders who attended Track 1 gleaned insights on trends including adaptive fraud prevention, C-Suite priorities for 2024, and accounting technical updates.



Audit Practitioners and Specialists who attended Track 2 learnt about ACRA's Practice Monitoring Programme updates, sustainability assurance, technical updates and money laundering trends.













#### **ISCA Conference Plus+**

ISCA introduced ISCA Conference Plus+, a three-day programme curated for audit practitioners featuring Preand Post-Conference workshops. The workshops saw a

full house attendance and covered topics including key updates on group audits, going concern, valuation of digital assets and a deep dive into common audit deficiencies.





#### **ISCA Mini Conference Series**

6 mini conferences were held in 2023, each designed to provide members with insights on emerging trends and a chance to engage with industry experts. Besides a session on the Institute's annual Budget and Tax Update, other topics covered included the economic outlook, sustainability in finance, professional standards, data analytics and insights into the review of financial statements. In total, these bite-sized conferences attracted almost 1,800 participants and supported them in staying well-versed in the latest developments within their respective fields.



Dates	Topic	Championed by:
8 Feb	1st Half Economic Outlook and its Implication on Businesses	ISCA Academy
8 Mar	Singapore Budget and Tax Update 2023	ISCA Academy
12 Apr	Complement Sustainability with Finance	ISCA Sustainability and Climate Change Committee
12 Jul	Updates on Professional Standards 2023	ISCA Financial Reporting Committee  ISCA Auditing and Assurance Standards Committee  ISCA Ethics Committee  ISCA Sustainability and Climate Change Committee
13 Sep	Insights to Data and Analytics	ISCA Academy
8 Nov	Insights into the Review of Financial Statements	ISCA Financial Statements Review Advisory Panel







# **ISCA Web-Bitez Learning Series**



The ISCA Web-Bitez learning series continued to broaden members' perspectives across various business-related topics in a convenient and bite-sized format. Through the year, nearly 2,500 participants stayed informed on a wide spectrum of topics delivered across 15 sessions, including data governance and assurance in sustainability, accounting for digital assets and even supply chain resilience and data-driven marketing, empowering them to be strategic business partners.

# **ISCA**ccountify



ISCAccountify, our subscription-based learning platform with over 7,000 subscribers, stands as a testament to our commitment to provide an accessible and affordable learning experience. With 89 new courses added in 2023, the platform now boasts a comprehensive library of more than 350 learning clips across 160 courses and are continually refreshed to align with evolving industry demands and learning trends.

To underscore our dedication to making a positive impact, ISCA partnered with Community Chest to donate \$5 with each new subscription from August 2023.

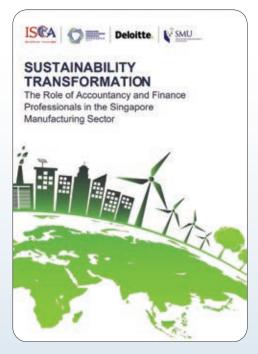
## 2023 ISCA Academy at a Glance



# **EXPANDING MEMBERS' KNOWLEDGE**

Our research reports and professional journal are among the resources we provide for our members' professional development. By providing the profession with the latest information, we enable our members to stay informed about industry trends.

During the year, we also organised webinars and roundtables to promote knowledge sharing.



# **Research Study on Sustainability Transformation in** the Manufacturing Sector

ISCA, together with Singapore Manufacturing Federation, Deloitte & Touche Business Advisory, and Singapore Management University, launched a joint study to shed light on the state of sustainability integration into corporate strategies and business models, understand the skills needed in sustainability transformation; and assess the role of accountancy and finance professionals in sustainability transformation.

The research report, titled Sustainability Transformation: The Role of Accountancy and Finance Professionals in the Singapore Manufacturing Sector, was launched on 29 November at the ISCA Conference 2023.



# From IS Chartered Accountant **Journal to CA Lab**

In December 2023, we bid farewell to the IS Chartered Accountant Journal, our awardwinning flagship publication and a key communication platform with members. From January 2024, members welcomed a new, dedicated microsite called Chartered Accountants Lab, or CA Lab for short, a content hub for accountancy professionals in a dynamic business environment.

## ISCA CAREER GROWTH CENTRE

In 2023, ISCA launched its Career Growth Centre. Located in ISCA House, the centre offers career coaching with NTUC's Employment and Employability Institute (e2i) coaches, career consultation, job matching and lunch talks.

The centre has hosted over 50 e2i career coaching and consultation sessions, providing members with job search tips and connecting them to more than 70 career opportunities.

#### **Career Lunch Talks**

A Lunch-and-learn initiative was rolled out to encourage our members to attend informative talks over lunch sessions.



ISCA's partner, the Employment & Employability Institute (e2i), shared tips on strategising job search and optimising resumes.



Expert recruiters from Robert Half talked about navigating one's career path and mastering job interviews.



Guest speaker Ms Wong Su-Yen, Chairperson, Singapore Institute of Directors (right), addressed critical topics from 2024 board priorities to power dynamics.



Participants learned about the power of personal branding from Imageworks at the Personal Colour Analysis Workshop.

# **SUPPORTING MEMBERS' MENTAL WELL-BEING**

In conjunction with World Mental Health Day on 1 October 2023, ISCA rolled out a series of initiatives in October to help members take care of their mental well-being.

We curated a Mental Wellness Spotify playlist to uplift spirits and promote mental wellness. This was accompanied by a mental wellness box for our members, packed with items that promote well-being.

ISCA also shared the CAW's well-being toolkit for managers in the accountancy profession, which has practical tips on prioritising well-being support and fostering resilience in workplace.



# **Upholding Technical Excellence**

[Expedition Log: Act 6]

Through our publications, guidance materials and events, ISCA ensures that our members stay informed about the latest professional standards and regulatory requirements.

By disseminating best practices and facilitating discussions on emerging trends, we provide resources to accountancy professionals facing complex technical issues in a dynamic business environment.

Our emphasis on technical excellence not only strengthens our members' credibility but also instils confidence in the profession among stakeholders, including clients, regulators, and the public.

# FINANCIAL REPORTING

# Collaboration with ACRA on Financial **Reporting Surveillance Programme**

The Institute is in its ninth year of collaboration with ACRA on its Financial Reporting Surveillance Programme (FRSP). The FRSP guides companies in meeting the requirements of the accounting standards, which provide investors with reliable and meaningful financial statements for decision-making.

# Presentation on environmental credits and related accounting implications

At the ISCA Mini Conference Series 2023: Updates on Professional Standards 2023, Mr Wong Yew Chung, a member of ISCA's Financial Reporting Committee (FRC) and Partner, Ernst & Young LLP, provided an introduction to environmental credits, power purchase agreements between green energy buyers and green energy suppliers, as well as some notable accounting implications.

Following his presentation, Ms Genevieve Joan Soh, Head of Platforms and Ecosystems, Climate Impact X, and Mr Justin Turnbull, Director, KPMG Australia, joined Mr Wong to discuss the developments on environmental credits. They discussed salient considerations and risks when purchasing and holding carbon credits, the types and categories of carbon credits, and key accounting implications arising from physical and virtual power purchase agreements.

#### Financial Reporting Bulletin (FRB) 10

Is the 'market value' of a property the same as its 'fair value'? FRB 10 explains both concepts and provides guidance on

what companies should do in assessing the appropriateness of the reported value for financial reporting purposes. This FRB also includes an example to illustrate the application of highest and best use as the valuation premise.

# **ETHICS**

#### **EP 100**

ISCA revised its Ethics Pronouncement (EP) 100 Code of Professional Conduct and Ethics on 30 August 2023 to adopt IESBA's final pronouncement, Revisions to the Code Relating to the Definition of Engagement Team and Group Audits. The revisions address holistically independence considerations which are applicable in an audit of group financial statements. EP 100 is effective from 15 December 2023, with early adoption permitted.

#### **EP 200**

ISCA issued EP 200 (Revised on 1 June 2023) Anti-Money Laundering and Countering the Financing of Terrorism – Requirements and Guidelines for Professional Accountants in Singapore to adopt the anti-money laundering and countering the financing of terrorism (AML/CFT) requirements included in the Accountants (Prevention of Money Laundering and Financing of Terrorism) Rules 2023.

These requirements apply to professional accountants in public practice and professional firms preparing for or carrying out transactions which are considered high risk. The AML/CFT requirements remain the same for professional accountants in business, and professional accountants in public practice and professional firms preparing for or carrying out transactions other than those high-risk activities. EP 200 is effective from 1 July 2023.

# **ISCA Hosts Global Sustainability Roundtable in Singapore**

The International Ethics Standards Board for Accountants (IESBA) held a series of four global sustainability roundtables to obtain stakeholder input to help shape the development of new ethics and independence standards for sustainability reporting and assurance.

The Singapore leg of the IESBA roundtable was hosted at ISCA House on 3 April 2023. Forty-three delegates from IESBA, Singapore and the region joined the session to contribute to this important global agenda.



Participants had a fulfilling time exchanging views and hearing presentations by esteemed speakers from the IESBA and the International Auditing and Assurance Standards Board (IAASB).

The roundtable commenced with opening remarks by Ms Gabriela Figueiredo Dias, IESBA Chair, and keynote speakers Ms Kuldip Gill, ACRA Assistant Chief Executive, Accounting Regulatory and Sustainability Group, Ms Eng Chin Chin, ISCA Ethics Committee Chairperson, and Mr Sung-Nam Kim, IESBA member.

Participants shared insights to help shape IESBA's development of globally applicable, fit-for-purpose ethics and independence standards, to support trustworthy sustainability reporting and assurance and also the related topic of "use of experts". The roundtable closed with remarks from Ms Laurie Endsley, IESBA Vice Chair and IESBA Experts Task Force Chair.

#### **Ethics awareness series**

ISCA Ethics Committee set up a taskforce to produce a series of four bite-sized videos with the aim to raise awareness of pertinent ethics and independence issues that have an impact on the business community.

#### SPECIALISED INDUSTRIES

ISCA's Banking and Finance Committee (BFC), Corporate Finance Committee (CFC) and Insurance Committee (INS) organised their inaugural webinars, which attracted more than 500 participants.

At the BFC webinar on 19 September 2023, speakers shared learning points from the implementation of the requirements of MAS Notice 610 Submission of Statistics and Returns since its effective date on 31 January 2022.



At the BFC webinar, participants drew lessons from bankina crises and the implementation of MAS Notice 610.

At the CFC webinar on 21 April 2023, participants heard about the equity capital markets landscape in Singapore. Subject matter experts from the CFC shared the requirements and their views on internal controls reviews conducted for initial public offerings and listings in Singapore.



It was a valuable opportunity for participants to hear from prominent subject matter experts at the CFC webinar.

At the INS webinar on 14 April 2023, speakers shared insights on the first-year adoption of FRS 117 Insurance Contracts and how insurers could prepare themselves for first-year audits of FRS 117. Attendees also heard how insurers could leverage reporting and solvency requirements under the MAS' Risk-based Capital 2 framework to comply with FRS 117 requirements.



An insightful sharing done on FRS 117 at the INS webinar.

# 2023 STATISTICS FOR PROFESSIONAL STANDARDS



# Advocating the interests of the profession

#### **16 Comment Letters**

Submitted in 2023 to global standard-setters and local regulators, advocating the views of the Singapore accountancy profession and business community

- IAASB
- ISSB
- IESBA
- IASB

- ACRA
- SGX RegCo
- IPOS
- MAS



#### **Guidance and Publications**

#### 4 Guidance Issued

#### Sustainability

- ISCA Climate Disclosure Guide – First steps in conducting climate-related scenario analysis
- ISCA Green & Sustainable Finance Guide for SMEs

## Financial Reporting

- ISCA Climate Disclosure Guide – First steps in conducting climate-related scenario analysis
- FRB 10 Real Property Valuation for Financial Reporting – Fair Value Based on the Highest and Best Use

#### 3 Commentaries Published in Media

Balancing performance and ethics – the key to numbers you can count on (The Edge Singapore) Accountants are the first line of defence against money laundering (CNA)

One small step in climate reporting, one big leap towards climate action (The Business Times)

#### 13 Technical Articles Published

On topical issues relevant to the profession, including financial reporting, auditing sustainability reporting and corporate governance and risk management.

# **AUDITING AND ASSURANCE**

#### **New and revised standards**

During the year, ISCA issued the following new and revised auditing and assurance standards, which included:

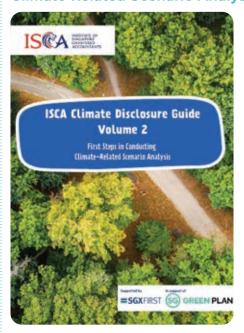
- SSA 600 (Revised) Special Considerations Audits of Group Financial Statements (Including the Work of Component Auditors)
- Updated auditing and assurance pronouncements and quidance arising from SFRS(I) 1-1 and FRS 1 - Presentation of Financial Statements.

## **Revisions to Audit Guidance Statement** (AGS) 1

ISCA and the Auditing and Assurance Standards Committee (AASC) AGS 1 Sub-Committee have worked with the Economic Development Board (EDB) to update the illustrative report in Appendix 5A of AGS 1 in connection with an example of an EDB Grant Scheme.

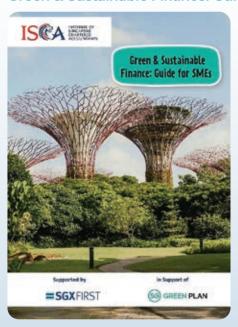
## SUSTAINABILITY REPORTING

**Volume Two of ISCA Climate Disclosure Guide - First Steps in Conducting Climate-Related Scenario Analysis** 



In April 2023, ISCA issued Volume Two of ISCA Climate Disclosure Guide - First Steps in Conducting Climate-Related Scenario Analysis. This built on Volume One, an introduction to the adoption of the recommendations of the Task Force on Climate-Related Financial Disclosures to help companies start their scenario analysis exercise.

## **Green & Sustainable Finance: Guide for SMEs**



In April 2023, ISCA issued Green & Sustainable Finance: Guide for SMEs which aimed to help SMEs access opportunities in green and sustainable finance. The guide sets out a five-step roadmap for companies to obtain green and sustainable finance, from the initial consideration process to post-origination requirements.

# **Advocating for the Profession**

[Expedition Log: Act 7]



We also share our views on topics impacting the profession and the business community via op-ed pieces published in the media.

In 2023, ISCA provided comment letters to the following Consultation Papers (CP), Discussion Papers (DP), Exposure Drafts (ED), Post Implementation Review (PIR) and Stakeholder Questionnaire (SQ) issued by international standard-setters such as the IASB, IAASB, IESBA and ISSB as well as those issued by our local regulators.

# **Accounting and Corporate Regulatory Authority (ACRA) / Intellectual Property** Office of Singapore

Proposed Intangibles Disclosure Framework

## **International Auditing and Assurance** Standards Board (IAASB)

- CP: The IAASB's Proposed Strategy and Work Plan for 2024 - 2027
- ED: Proposed International Standard on Auditing (ISA) 500 (Revised) Audit Evidence and Proposed Conforming and Consequential Amendments to Other ISAs
- ED: Proposed Part 10, Audits of Group Financial Statements of the Proposed ISA for Audits of Financial Statements of Less Complex Entities
- ED: Proposed ISA 570 (Revised 202X) Going Concern and Proposed Conforming and Consequential Amendments to Other ISAs
- ED: Proposed International Standard on Sustainability Assurance (ISSA) 5000 General Requirements for Sustainability Assurance Engagements and Proposed Conforming and Consequential Amendments to Other **IAASB Standards**

# **International Accounting Standards Board** (IASB)

- ED: International Tax Reform—Pillar Two Model Rules (Proposed amendments to IAS 12)
- ED: Amendments to the Classification and Measurement of Financial Instruments (Proposed amendments to IFRS 9 and IFRS 7)
- PIR: Post-Implementation Review of IFRS 9 -Impairment
- PIR: Post-Implementation Review of IFRS 15
- ED: Annual Improvements to IFRS Accounting Standards – Volume 11

# International Ethics Standards Board for Accountants (IESBA)

- ED: Proposed Revisions to the Code Addressing Tax Planning and Related Services
- CP: Proposed IESBA Strategy and Work Plan, 2024 2027

## **International Sustainability Standards Board (ISSB)**

RFI: Consultation on Agenda Priorities

# **ACRA** and Singapore Exchange Regulation (SGX RegCo)

CP: Turning Climate Ambition into Action in Singapore - Recommendations by the Sustainability Reporting **Advisory Committee** 

#### **Monetary Authority of Singapore (MAS)**

CP: Guidelines on Transition Planning (Banks)

# **Helping Small and Medium Practices Grow**

[Expedition Log: Act 8]

Small and medium practices (SMPs) play a vital role in Singapore's economy by providing crucial support to businesses. With the majority of enterprises in Singapore being Small and Medium Enterprises (SMEs), many of which seek professional services offered by SMPs, supporting SMPs has always been a significant part of ISCA's mission.

ISCA continues to drive quality, digitalisation, upskilling, and the growth of SMPs via the SMP Centre of Excellence, a one-stop hub offering a holistic suite of initiatives, services and resources catered to the varying needs of audit practices through quality, digital and practice management.

# **BUSINESS MISSION TO** SHANGHAI

ISCA led a delegation of 20 practitioners from small and medium practices (SMPs) to Shanghai for a business study mission from 22 to 25 August 2023.

The delegates participated in networking events, business matching sessions, and business visits where they learnt about Shanghai's regulatory and investment landscape and showcased their firms and offerings to Chinese accounting firms and companies.





# **DRIVING QUALITY**

#### **ACRA-ISCA Outreach Session**

In line with the Amendments to the Accountants Act, ISCA and ACRA jointly organised an outreach session for over 200 practitioners to share about the inspection frameworks for firm-wide and engagement-level reviews. Attendees delved into the benefits and strategies for effectively deploying data analytics in financial statement audits.





Ms Kuldin Gill ACRA's Assistant Chief Executive and her team presented the enhanced inspection framework for the Practice Monitoring Programme and sought feedback on the proposed

# **Supporting SMPs in implementing Quality Management System**

Arising from the introduction of new quality management standards, ISCA organised two workshops, aiming to equip SMPs with the knowledge, tools, and resources to meet high-quality standards in their professional practice.



The Singapore Standards on Quality Management (SSQM) Insights Exchange brought practitioners together to share their experiences and deliberate on SSQM-related challenges.

ISCA collaborated with tech startup Skybots to share key monitoring activities that are integral to a firm's quality management system and how Robotic Process Automation (RPA) can enhance operational efficiency for monitoring activities. The workshop empowered practitioners to tackle the challenges of quality management while leveraging automation solutions for efficiency.



Close to 100 practitioners and their SSQM leads attended the SSQM Workshop

# **Talent Management Workshop**





During breakout sessions, participants learnt of ISCA initiatives to enhance employee benefits and brainstormed ways to strengthen their recruitment and retention strategies.

To address manpower challenges faced by the profession, practitioners and their HR directors engaged in meaningful discussions at the Talent Management Workshop on 8 August 2023, an event tailored for SMPs who are Corporate Members. Participants learned about the AEcensus, HR best practices and hiring tips for SMPs.

#### **Quality Assurance Review**

Firms can also tap on ISCA's Quality Assurance Review (QAR) Programme, designed to help public accountants and firms maintain high-quality standards in their practice. From conducting engagement-level reviews for compliance with Singapore Standards on Auditing to firmlevel reviews for compliance with SSQM, ISCA helps SMPs identify gaps in their practice and provides guidance on how to improve their quality standards.

# FOSTERING DIGITALISATION

# Accountancy Productivity Solutions Grant (PSG) Launch and ISCA Tech Fair Fair

In collaboration with ACRA, ISCA launched the Accountancy PSG, which aims to support SMPs in their digital transformation to scale up, improve productivity and offer greater value-added services to their clients. It was unveiled at the ISCA Tech Fair on 8 September 2023, attended by over 160 SMPs. The funding scheme covers

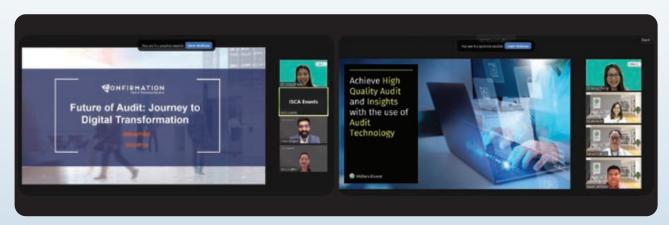
7 digital solution categories specific to the accountancy sector - External Audit, Internal Audit, Tax, Corporate Secretarial, Practice Management, Data Analytics and Business Advisory. The ISCA Tech Fair also served as a technical showcase, featuring a diverse selection of over 10 solutions tailored to the accountancy sector.



#### Tech talks and digital advisory

ISCA continues to advance digitalisation in the profession by collaborating with technology solutions providers to conduct tech talks. The talks enhance awareness and understanding of various digital tools that SMPs can tap on to embark or further their digitalisation journey.

In addition, ISCA boosts SMPs' digital adoption via its digital advisory service, which provides one-on-one consultation and personalised recommendations on suitable digital tools or support schemes for their practice.



# **EMPOWERING GROWTH**

### **Singapore Professional Services Partner Guide**

Developed by the Ministry of Law and Enterprise Singapore in collaboration with ISCA and Law Society of Singapore, the Singapore Professional Services Partner Guide contains a curated list of professional services firms who can support overseas enterprises when they expand their businesses to Singapore and Southeast Asia.

With the growing importance of sustainability, the expanded version launched by Minister Indranee Rajah at the 17th meeting of the Singapore-Jiangsu Cooperation Council includes a new Sustainability Chapter. ISCA reached out to accounting firms with sustainability-related capabilities and offerings such as sustainability reporting and advisory to be listed and showcase their sustainability services in the new chapter.

# STRENGTHENING CONNECTIONS

# **Practitioners Connect**

ISCA organised 3 sessions this year that brought together over 200 practitioners. Participants gathered for evenings of candid conversations, meaningful exchange of experiences and gained fresh viewpoints and insights on pertinent practice-related topics, such as the transformative potential of Artificial Intelligence (AI) in audit and advisory.

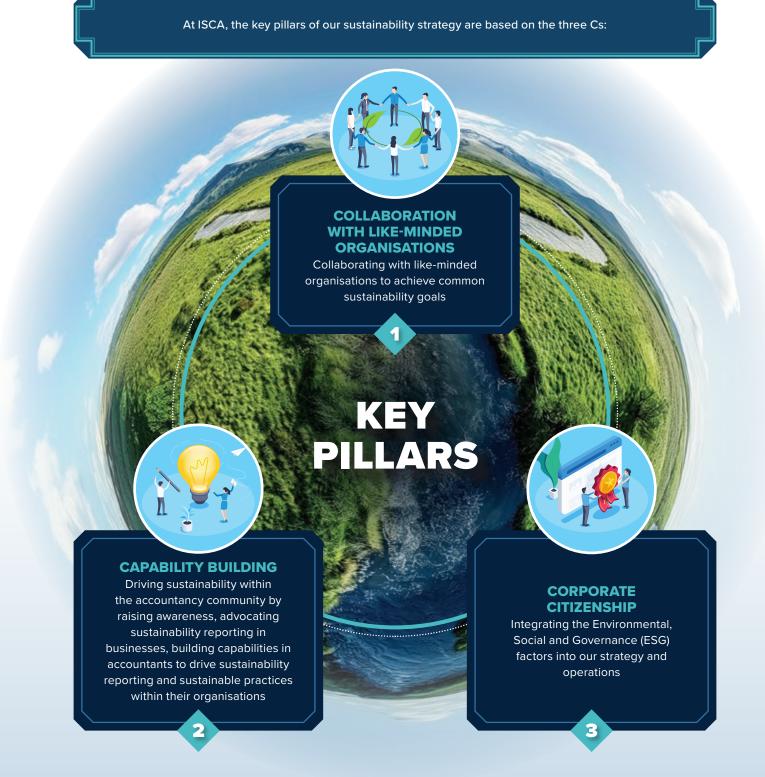




Laughter filled the air during the Chinese New Year edition of the Practitioners Connect as SMPs engaged in fun games, open conversations, fostering a strong sense of community.

# **Our Sustainability Strategy**

[Expedition Log: Act 9]





# **Collaboration with Like-minded Organisations**

We collaborate with like-minded organisations to expand the accountancy profession's contribution to sustainability. These stakeholders include relevant government agencies, academia, professional services firms, international accountancy networks, fellow professional bodies and other trade associations and chambers.

#### **Desired Outcome**

#### Goals

#### Measures

#### Performance

Exchange knowledge and strengthen collaboration with stakeholders





Establish MOU and collaboration with relevant stakeholders on events, research and insights, and initiatives

Relevance and effectiveness of activities with networks and MOU partners

Feedback will be obtained from 2024

Through our involvement in international accountancy networks such as IFAC and the Jeju Group, we participated in meetings and webinars to promote sustainability reporting.

#### Collaboration with IFAC and Jeju Group

ISCA Hong Kong Chapter Chair Mr Ee Sin Tan represented ISCA as a panelist at the first IFAC Sustainability Summit – Asia Pacific. Attendees gained insights into the first two standards of the International Sustainability Standards Board (ISSB) and the proposed ISSA 5000 by the International Auditing and Assurance Standards Board (IAASB).

(See Act 1, Pg 24)

The Jeju Group, which comprises ISCA, the Japanese Institute of Certified Public Accountants (JICPA) and the Korean Institute of Certified Public Accountants (KICPA), held its first in-person 2023 Annual General Meeting to discuss future strategies, current trends and focus areas of the accountancy profession and the Group. (See Act 1, Pg 23)

ISCA organised a roundtable, supported by IFAC and ISSB, to provide updates on the sustainability landscape and standards. Participants shared efforts in sustainability disclosure, assurance, and capability building in their jurisdictions.

ISCA also participated in the Leadership for a Sustainable Tomorrow webinar with more than 150 participants, to promote women leadership.

#### Collaboration with ACRA and MAS

Ms Fang Eu-Lin, Chairperson of ISCA's Sustainability and Climate Change Committee (SCCC), represented ISCA on the Sustainability Reporting Advisory Committee (SRAC), an industry-led committee set up by ACRA and SGX RegCo to advise on the roadmap for advancing sustainability reporting by companies in Singapore. In July 2023, ACRA and SGX RegCo launched a public consultation on climaterelated disclosure recommendations.

ISCA and the SRAC jointly organised a focus group discussion with preparers of sustainability reports and assurance practitioners to discuss the public consultation on the recommendations by SRAC. ISCA also solicited feedback from the members of the Auditing and Assurance Standards Committee (AASC) and from a focus group discussion with the members of SCCC and its Sustainability Reporting Quality Sub-Committee.

#### **Collaboration with Our MOU Partners**

MOU with the Ministry of Culture, Community and Youth (MCCY) - Office of the Commissioner of Charities (COC) and the National Council of Social Service (NCSS)

A new programme was launched to support charities on the implementation of accounting software for better accountability and governance and to help charities review and improve their processes and controls to foster better risk management. (See Act 3, pg 30)

#### MOU with MCCY - SG Cares Office and MCCY -Office of the COC

Our existing MOUs help to promote skills-based volunteerism within the profession. Our partnerships with these offices enable us to harness the knowledge, skills and expertise of the accountancy profession for community development.



# Capability **Building**

To build capabilities and bolster the competitiveness of accountancy professionals in the sustainability arena, the following table lists our desired outcomes, goals and measures.

<b>Desired Outcome</b>	Goals	Measures	Performance
Establish the profession as champion of sustainability efforts  8 DECENTWORKAND REDNOMING GROWTH	<ul> <li>a) Advocate</li> <li>Advocate the views of the profession via international standard-setting activities and engagements with stakeholders</li> </ul>	<ul> <li>Number of comment letters submitted</li> <li>Stakeholder engagement feedback</li> </ul>	<ul> <li>3 comment letters submitted</li> <li>Stakeholder feedback will be obtained from 2024 onwards</li> </ul>
	<ul> <li>b) Guide         <ul> <li>Provide resources and avenues for the profession to gain relevant knowledge and insights, such as via guidance, publications and certification programmes</li> </ul> </li> </ul>	<ul> <li>Number of guidance and publications issued</li> <li>Number of certification programmes launched</li> <li>Number of enrolments in programmes</li> <li>Feedback on the deliverables</li> </ul>	
	c) Create awareness  - Raise awareness on sustainability practices and encourage adoption of sustainability reporting and assurance	<ul> <li>Number of outreach/ events</li> <li>Effectiveness of outreach/events</li> </ul>	<ul> <li>4 outreach events</li> <li>ISCA events: 4.1 out of 5 on relevance and effectiveness rating</li> <li>Membership survey: 94% score on awareness of technical guidance</li> </ul>

#### **Advocate the Views of the Profession**

In 2023, ISCA hosted the Singapore leg of the International Ethics Standards Board for Accountants (IESBA) Sustainability Roundtable. This has enabled the IESBA to gather rich and diverse inputs from stakeholders in Singapore and the wider region on the strategic issues it addresses in its Sustainability and Use of Experts projects. 43 participants across 5 countries attended the session.

ISCA welcomed the development of IAASB's new sustainability assurance standard, which serves to enhance confidence and trust in sustainability reporting. ISCA submitted comments on IAASB's Exposure Draft: Proposed ISSA 5000 General Requirements for Sustainability Assurance Engagements and Proposed Conforming and Consequential Amendments to Other IAASB Standards. ISCA also submitted comment letters on:

- ISSB's Request for Information Consultation on Agenda Priorities:
- ISSA 5000 General Requirements for Sustainability Assurance Engagements submitted to IAASB;
- Recommendations of SRAC

#### **Provide Guidance and Resources**

In support of Singapore's transition to a green economy, ISCA issued two publications to guide businesses on their sustainability journey:

- Volume Two of ISCA Climate Disclosure Guide First Steps in Conducting Climate-Related Scenario Analysis
- Green & Sustainable Finance: Guide for SMEs
- \* More information can be found in Act 6: "Upholding Technical Excellence".

ISCA issued a joint research study report and identified 10 sustainability skillsets for sustainability transformation for the manufacturing sector:

- Sustainability Transformation: The Role of Accountancy and Finance Professionals in the Singapore Manufacturing Sector More information can be found in Act 5: "Equipping the Profession".

ISCA also launched two new certification programmes in sustainability - ISCA Sustainability Reporting for Preparers and ISCA Sustainability Assurance for Assurance Providers. More than 300 sign-ups were received for the certification programmes during the first two months after they were launched.

#### **Create Awareness on Sustainability**

To raise awareness and share best practices in climate reporting/sustainability reporting/green finance, ISCA organised the following outreach events and published e-learning courses/article relating to sustainability:

- ISCA Mini Conference Series: Turning Climate Ambition into Action in Singapore - Recommendations to Advance Climate Reporting by the SRAC
- ISCA Mini Conference Series: Environmental Credits and related Accounting Implications
- Fireside Chat on Ethics Standard on Sustainability Assurance and Reporting
- IESBA Sustainability Roundtable
- ISCAccountify Module Overview of IFRS S1 & IFRS S2
- "At the Inflection Point of Sustainability Reporting" article published in ISCA Journal (August 2023) and republished by Chartered Accountants Worldwide



Corporate Citizenship

As a responsible corporate citizen, ISCA undertakes several initiatives aimed at promoting sustainability, community development, and employee well-being.

Chaired by the ISCA CEO and driven by HODs from various departments, the Sustainability Reporting (SR) Taskforce develops and implements SR initiatives, including reporting and disclosures related to sustainability. The ISCA Sustainability Plan, which was developed in 2022, reflects our commitment to support the Singapore Green Plan 2030 and the UN Sustainable Development Goals.

<b>Desired Outcome</b>	Goals	Measures	Performance
a) Reduce Carbon Emissions b) Improve Energy Efficiency c) Improve Water Efficiency d) Minimise Waste and	a) Reach peak carbon emissions before 2025 and target 20% reduction in carbon emissions by 2030	Carbon footprint at baseline year (2023) and subsequent years: Tonnes of CO <sub>2</sub> by emissions source (i.e. Scope 2: ISCA House)	168.0 tonnes CO₂e (2023)
Encourage Recycling e) Implement Green Procurement  7 AFFORDABLE AND CLEANENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	b) Improve the Energy Utilisation Index by 10 per cent by 2030 from average of 2020 to 2023 levels	Index at baseline year (2023) and subsequent years: Annual energy consumption per unit area (office building)	403,183 kWh (2023)
13 CLIMATE ACTION	c) Improve the Water Efficiency Index by 10 per cent by 2030 from average of 2020 to 2023 levels	Water Efficiency Index at baseline year (2023) and subsequent years: Amount of water used per person per day	Not applicable
	d) Improve the Waste Disposal Index by 30 per cent by 2030 from 2023 levels	Waste Disposal Index at baseline year (2023) and subsequent years: Amount of waste disposed of per person per day	<b>Paper usage:</b> 33,750 units (2023)
	a) Implement green procurement by 2025	Timeline to implement green procurement	On-going
Ensure Fair and Inclusive Workforce  10 REDUCED MEQUALITIES	Become an Employer of Choice: Foster a supportive and inclusive workplace where diversity is valued, promoting a culture of learning, creating a fair and equitable workplace where people can contribute, realise their potential, and achieve their aspirations	Employee Engagement: At least 75% of staff with an overall rating of satisfied or better for the annual employee engagement survey	78% satisfaction rate (2023)
Promote Diversity and Social Mobility Within Our Community	a) Ensure youths have access to quality accountancy education to maximise their potential	Number of ISCA Cares student beneficiaries and disbursement of bursaries	57 student beneficiaries with \$220,732 disbursement of bursaries
	b) Grow skills-based volunteerism within the accountancy sector to make a difference to the community	Number of collaborative initiatives and connections made	3 collaborative initiatives and 15 connections
Ensure Inclusive and Representative Council and Committees  10 REDUCED MEQUALITIES	Ensure effective and diverse Council and appropriately balanced committees to represent and support the diverse membership	Council and committee composition evaluation and feedback on the right mix of skills, experience, and diversity to fulfil their duties effectively	71% of Council feedback agreed Council has the appropriate balances of skills, experiences and backgrounds

# REDUCING ENVIRONMENTAL **IMPACT**

#### a) Energy Consumption and Carbon **Emissions at ISCA House**

Our office space at ISCA House uses an open office concept with flexible and reconfigurable layouts for maximum space usage. We adopted hot desking with agile working facilities and multi-functional spaces which can be converted to breakout areas for small meetings. Air-conditioners are centrally set to 25°C for energy efficiency on all levels, and will automatically shut off at 6pm. We use sustainable and environmentally-friendly products such as carpets, partition walls and tabletops with the Singapore green label, and vinyl flooring with the Singapore Green Building product certificate, issued by the Singapore Green Building Council.

To obtain an estimate of our carbon emissions for 2023, we utilised the Environmental Management Authority's (EMA) Global Emission Factor (GEF) of 0.4168 CO<sub>2</sub>/kWh and multiplied this factor by our energy usage of 403,183 kWh. However, our measurement data does not currently include CH<sub>4</sub>/ N<sub>2</sub>O emissions. There are no Scope 1 emissions as ISCA does not have direct emissions from fuel combustion of any corporate vehicles and machinery. We report Scope 2 emissions as we have indirect emissions from the generation of purchased electricity at ISCA House. Scope 3 emissions that occur in our value chain such as business travel, employee commute and waste disposal were not monitored.

#### b) Water Use

Our office is situated within a commercial real estate building where water consumption by tenants is not traceable. To promote water conservation, water-efficient fittings have been installed on new basin taps, and staff are encouraged to used water responsibly. While we currently lack precise tracking methods, we acknowledge the significance of implementing strategies to enhance our understanding and management of water usage going forward.

#### **Waste Management**

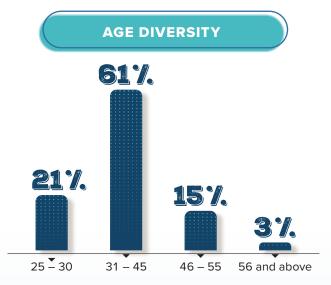
We have been monitoring paper usage and have minimised printing of course materials. Our paper purchases decreased from 100 reams in 2022 to 68 reams in 2023. Currently, waste disposal is not tracked. We are committed to finding ways to further reduce paper consumption and waste, aligning with our sustainability objectives.

## **OUR PEOPLE**

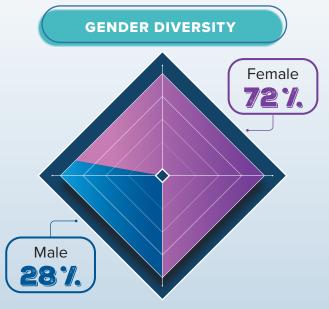
ISCA is committed to cultivating a supportive and inclusive workplace culture where diversity is valued. We prioritise continuous learning and strive to create a fair and equitable environment where individuals can contribute, realise their potential, and pursue their aspirations. We offer staff opportunities for growth and encourage them to take ownership of their training, aligning it with their career development plans.

The total number of full-time employees as at 31 December 2023 is 101 (as at 31 December 2022: 97).

The age and gender diversity of our full-time employees are set out below:



The diverse range of ages among our talent pool enriches our Institute by bringing a variety of experiences, expertise and skills. This diversity demonstrates our commitment to cultivating a robust talent pipeline that supports our growth initiatives.



Female employees account for more than 70% of the Institute's workforce.

# **Employee Engagement**

In 2023, our employee engagement initiatives soared to new heights with vibrant celebrations. From ushering in the Chinese New Year with festive cheer to commemorating our  $60^{\mbox{\tiny th}}$  anniversary, the dynamic mix of events included a

much-anticipated Dinner and Dance after a 3-year hiatus, fostering camaraderie. We wrapped up the year with a heartwarming Christmas Lunch, strengthening bonds and creating lasting memories among our dedicated team.



Here's to more 'HUAT' in the new year!



Happy 60<sup>th</sup> Anniversary to ISCA!



Having a blast at our neon-themed "Chiong & Cheers" party, our first D&D after three years!

#### **People Initiatives**

We believe that a happy and engaged team is vital to our success as an Institute, and continuously gather feedback from our staff for ideas on activities that can help foster camaraderie, creativity, and a sense of belonging at ISCA.

#### **Yoghurt Time-Out**



The importance of taking a time-out – staff enioved a relaxina break from work with a refreshing cup of yoghurt.

#### Meet the CEO



New hires had the unique opportunity to 'Meet the CEO' over lunch, fostering a sense of connection and inspiration within our growing team.

#### **Linkedin Learning**



Heads of Departments and Leads actively contributed to professional development by sharing valuable learning courses through the monthly Learning Digest.

#### **Succession Planning**

ISCA recognises the importance of succession planning in minimising potential disruptions to workplace processes. By building a robust talent pipeline and preparing our employees to fill vacant positions, we ensure business continuity. As a forward-looking organisation, ISCA is focused on growth and is responsive to talent scarcity

and demographic changes. Additionally, we prioritise the retention of key talent by providing opportunities to challenge and develop oneself. Our decisions regarding succession planning and career advancement, including promotions, transfers, and other assignments, are based on organisational needs, merit and competency.

# **GIVING BACK TO THE COMMUNITY**

# **Empowering future accountants**

ISCA's charity arm, ISCA Cares, represents the collective effort of our profession to give back to society and serves as the platform for our profession to support worthy and meaningful causes.

Established in 2015, ISCA Cares has awarded close to \$1 million to over 300 financially challenged youths as they pursue their studies in accountancy, under the ISCA Cares Education Programme. Experienced accounting and finance professionals also mentor our young beneficiaries, known as ISCA Cares Ambassadors. This serves as a conduit for ISCA Cares Ambassadors to glean valuable

insights and draw inspiration from esteemed role models within the industry to better shape their personal and professional goals.

Through the programme, ISCA Cares hopes to empower these youths to maximise their potential and help them kickstart their journey to be successful Chartered Accountants.

At the annual ISCA Cares Bursary Awards Ceremony held at ISCA House in November, distinguished guests from the accountancy sector, supporters and donors witnessed the newly-minted ISCA Cares Ambassadors receiving their well-deserved recognition. Over \$220,000 of bursaries were awarded, the highest amount since the charity's inception.



All smiles at ISCA Cares Bursary Awards Ceremony on 7 November 2023.

## Contributing to the community with skills-based volunteerism

Another of ISCA Cares' objectives is to harness the knowledge, skills and expertise of the accountancy profession for community development projects through collaborative programmes. ISCA and ISCA Cares partner with the Ministry of Culture, Community and Youth (MCCY) - Office of the Commissioner of Charities and MCCY's SG Cares Office to support charities and non-profit organisations to enhance their governance, management capabilities and capacities. (See Act 3, Pg 30)

In addition, ISCA and ISCA Cares promote volunteerism within the accountancy profession, by matching charities and non-profit organisations in need of skill-based volunteers with ISCA members who are keen to offer their time and expertise.

In collaboration with SG Cares Volunteer Centre @ Hougang, Ms. Catherine Chong, ISCA member volunteer and Finance Controller at Ya Kun International Pte Ltd, shared her expertise in personal financial management, shedding



Team SG Cares Volunteer Centre @ Hougang and Team ISCA Cares nurturing financial literacy with smiles.

light on protection against scams. She also conducted a practical budgeting exercise during a financial literacy talk for the young girls at Pertapis Centre for Women and Girls (PCWG) on 9 November 2023.

On 4 December 2023, ISCA Cares teamed up with Nee Soon South Youth Network (NSSYN), and Ties of Love, a student-led ground-up initiative, to organise a visit to Baker Tilly Singapore in hopes to broaden the horizons of children beneficiaries and inspire them about the potential of a career in accountancy.



Children beneficiaries were inspired on their visit to Baker Tilly Singapore.

## MAKING A POSITIVE DIFFERENCE TO THE COMMUNITY

#### **ISCA Cares Charity Golf**

The ISCA Cares Charity Golf event on 31 March 2023 garnered strong support from dedicated golfers and corporates with a passion to give. We raised a sum of close to \$280,000. Contributions went towards the ISCA Cares Bursary, which supports aspiring accountants from financially-challenged families in completing their education.



#### **ISCA Run**

A key annual sporting event is ISCA Run, promoting camaraderie and a healthy lifestyle for the accountancy profession and the community.

Over 1,700 participants from professional firms, the commerce sector and the general public took part in the 5km and 10km run, held at OCBC Square on 30 September 2023.

ISCA staff also volunteered at the event to reduce operating costs. All proceeds raised from this charity event were donated to ISCA Cares to benefit meaningful causes.



#### **ISCA60 Tree Planting**

In commemoration of ISCA's 60th anniversary and Singapore's 60 years of greening efforts, ISCA staff and Council participated in the ISCA60 Tree Planting event on 9 October 2023, supporting the OneMillionTrees movement. Collaborating with NParks at Ang Mo Kio Town Garden West, we added 60 trees and contributed to Singapore's greener future.



ISCA60 Tree Planting, a green initiative as part of ISCA's commitment to sustainability.

## **GOVERNANCE**

#### **Council and Committee members**

The Institute recognises the importance of fostering an effective and diverse Council alongside well-balanced Committees, to represent and support our diverse membership.

- The ISCA Council is the governing body of the Institute and is responsible for the management and control of the affairs and the funds of the Institute in accordance with the Constitution. The Council approves major policy decisions and oversees matters relating to the governance and membership of the Institute.
- The Council delegates certain powers to ISCA Committees and appoints the chairman and members of these Committees to perform various functions to assist Council in the discharge of its responsibilities based on the Committees' terms of reference. The terms of reference of each Committee set out the purpose and responsibilities as well as the composition of the Committee. All these committees are accountable to the Council.
- The Council represents the interests of the members and is accountable to them. Reflecting our diverse membership base, the Council comprises leaders from the corporate sector, the public accounting profession, the public sector and academia.

- The Nomination Committee (NC) reviews and recommends to the Council the desired competencies required within the Council's membership pertaining to gender, age, skill sets, experience and membership mix of the Institute. The NC assists the Council in identifying suitable candidates for appointment to the various ISCA Committees.
- An effective Council is one with a blend of skills and experience where each member brings qualities that complement the whole. As far as possible, a balance of gender, age and experience should be pursued. The Council should apply equal emphasis on bringing together the right mix of professional experience, technical skills, and knowledge relevant to the work of the Council and ISCA Committees to enhance the decision-making process.

# **Mission Specialists**

(ISCA Council)

#### THE OFFICE BEARERS



**MR TEO SER LUCK PRESIDENT** 



**MR MOHAMMAD SHARIQ SAYEED BARMAKY VICE PRESIDENT** Chief Executive Officer
Deloitte Singapore



**MS YIONG YIM MING** VICE PRESIDENT **Group Chief Financial Officer** 



MS JOCELYN GOH CHERN NI **TREASURER** Audit & Assurance Partner BDO LLP



**MS JUDY NG SECRETARY** Chief Financial Officer, Institutional Banking Group

## THE COUNCIL MEMBERS



**MR CHOO ENG BENG** PwC Singapore



**MR KOH WEE KWANG** Nexia Singapore PAC



**MS LAI CHIN YEE** Finance Directo Qian Hu Corporation Limited



**MR LIM YEONG SENG** Managing Partner
KLP LLP



**MS LO MUN WAI** Audit Partner *KPMG LLP* 



**MR OW FOOK CHUEN** Accountant-General
Accountant-General's Department



**MS CYNDI PEI** Chief Financial Officer, Digital InfraCo Singapore Telecommunications Limited (Singtel)



**MR SONG YEOW CHUNG** Chief Financial Office Old Chang Kee Ltd



**MR TAN KUANG HUI** Chief Executive and Managing Partner

Crowe Singapore



**MS BELINDA TEO HUI** Assurance Partner Ernst & Young LLP



**MS MARIA TEO** Associate Director, Sustainability and Climate Change Lead CLA Global TS Risk Advisory Pte Ltd



MR DON WEE BOON HONG Member of Parliament and Senior Vice President *UOB* 



**MR CHRISTOPHER WONG MUN YICK** Head and Partner, Assurance

# Expedition Engineers (Senior Management)





**MS FANN KOR** CHIEF EXECUTIVE OFFICER



**MS ANG PEI FEN** DIVISIONAL DIRECTOR



**MS FUA QIU LIN DIVISIONAL DIRECTOR** (Quality Assurance and Finance)



**MR KANG WAI GEAT** DIVISIONAL DIRECTOR (Professional Standards)



DIVISIONAL DIRECTOR (Engagement and Communications)



**MS ZOEY XIE** DIRECTOR (ISCA Academy)

# Report of the ISCA Council

(Year Ended 31 December 2023)



It is our pleasure to present our 2023/2024 Annual Report and Financial Statements for the year ended 31 December 2023.

The following Council members were elected as office bearers during the first Council meeting held in April 2022:



# **Council Meeting Attendance**

(Year Ended 31 December 2023)

The 2023 Council held 7 ordinary meetings. "Column A" indicates the number of Council meetings members attended, and "Column B" indicates the number of committees he/she sits on.

	Α	В
Mohammad Shariq Sayeed Barmaky		2
Choo Eng Beng	5 6	1
Jocelyn Goh Chern Ni	5	2
Koh Wee Kwang	6	1
Lai Chin Yee	7	3
Lim Him Chuan	1*	2
Lim Yeong Seng	6	3
Lo Mun Wai	7	1
Judy Ng	4	3
Ow Fook Chuen	3**	1
Cyndi Pei Siang Teng	6	1
Song Yeow Chung	6	1
Tan Kuang Hui	7	1
Belinda Teo Hui	5	1
Teo Ser Luck	7	3
Maria Teo Yen Shan	7	2
Don Wee Boon Hong	6	2
Christopher Wong Mun Yick	5	2
Yiong Yim Ming	7	2

Appointed to Council in January 2024

Appointed to Council in July 2023

#### **EXECUTIVE COMMITTEE**

- 1. Teo Ser Luck (President)
- 2. Shariq Barmaky (Vice President)
- Yiong Yim Ming (Vice President) 3.
- Jocelyn Goh Chern Ni (Treasurer) 4.
- 5. Judy Ng (Secretary)

#### **NOMINATIONS COMMITTEE**

- 1. Lee Shi Ruh (Chairperson)
- 2. Teo Ser Luck
- G. Arull 3.
- Lo Mun Wai 4.
- 5. Ow Fook Chuen
- 6. Kelvin Tan Wee Peng
- 7. **Christopher Wong**

#### **AUDITING AND ASSURANCE STANDARDS** COMMITTEE

- 1. Adj Assoc Prof Tan Wee Cheng
- 2. Adj Assoc Prof Joanne Tay Siok Wan
- 3. Alice Wong (Observer)
- Ana Hao Yao 4.
- 5. Assoc Prof El'fred Boo
- Basil Chan 6
- 7. Chan Ruigi
- 8. Chen Ningxin Narissa
- 9. Damien Tai Chee Chiaw
- 10. Ho Teik Tiong Gregory
- 11. Irene Tok Ling Ling
- James Xu Jun (Deputy Chairperson) 12.
- Khoo Gaik Suan, Irene 13
- Lau Soo Ching Alternate: Chen Sze Leng
- 15. Lee Tze Shiong
- 16. Lim Sio Hoon
- Ng Meow Ling (Observer) 17.
- Sanjay Gordhan Panjabi
- 19. Susan Foong Chooi Chin
- 20. Tan Bee Nah
- 21. Wee Ling Na @ Yvonne Au
- Woo E-Sah 22.
- 23 Yeow Hui Cheng (Chairperson)
- Yvonne Chiu Sok Hua 24

#### **AUDIT COMMITTEE**

- 1. Christopher Wong (Chairperson)
- 2. Cyndi Pei
- 3. Tan Kuang Hui
- 4 Don Wee Boon Hong

#### **BANKING AND FINANCE COMMITTEE**

- 1. Christine Lee Siew Ling (Chairperson)
- 2. Ang Suat Ching (Deputy Chairperson)
- 3. Ho Hean Chan (Deputy Chairperson)
- Aik Meijun Lucretia
- 5. Chew Han Jin, Mark
- 6. Chiong Huiling, Cheryl
- 7. Hong Cho Hor lan
- 8. Hong Teck Khiam
- 9. Vincent Loh
- 10. Low Hwee Ming
- 11. Ong Ai Boon
- 12. Quek Kian Leong
- 13. See Kim Siong Peter
- 14. Seow Chong Howe, Gabriel
- 15. Gerard Toh Wen-Wei
- 16. Herman Wijaya
- 17. Serena Yong

# **CHARITY ACCOUNTING COMMITTEE**

- 1. Prof Ang Hak Seng (Chairperson)
- 2. Alan Chang Chi Hsung
- 3. Susan Foong Chooi Chin
- 4. Goh Puay Cheh
- Adeline Kee Yi Jean 5.
- 6. Woo E-Sah

#### CHARTERED ACCOUNTANT LAB CONTENT **ADVISORY COMMITTEE**

- 1. Shariq Barmaky (Chairperson)
- Prof Chng Chee Kiong
- 3. Benny Chwee Bo Chong
- 4. Prof Goh Shihao, Clarence
- 5. Prof Kevin Ow Yong Keng
- 6. Tashna Rajah
- 7. Philip Shin An
- 8. Prof Patricia Tan Mui Siang
- 9. Vincent Toong

#### **CFO COMMITTEE**

- 1. Lai Chin Yee (Chairperson)
- 2. Chan Ying Jian
- 3. Choo Joo Kwang, Vincent
- 4. Chua Siew Hwi
- 5. Ho Mang Chan
- 6. Vincent Lim Boon Seng
- 7. Song Yeow Chung
- Tan Yuan Ching, Darrell 8
- 9. Tham Wei Hsing, Paul
- 10. Esther Wee Yu
- 11. Wong Kar Ling
- Alan Wong Tuan Keng 12.
- 13. Yap Siok Leng

#### **CORPORATE FINANCE COMMITTEE**

- 1. Rebekah Khan (Chairperson)
- 2. Leonard Ching Tchi Pang
- 3. Goh Chyan Pit
- 4. Barry Lee Chin Siang
- Jimmy Lim Tin Boon 5.
- 6. Sharon Peh
- 7. Doreen Quek
- Tay Hwee Ling 8.
- Toh Kim Teck 9.
- 10. Yeo Siok Yong

#### **CORPORATE GOVERNANCE AND RISK MANAGEMENT COMMITTEE**

- 1. Seah Gek Choo (Chairperson)
- Ang Fui Siong 2.
- 3. Punjabi Rajesh Hiranand
- 4. Victor Lai Kuan Loong
- 5. Dennis Lee Hock Leong
- 6. Willy Leow Chee Hwee
- 7. Prof Lawrence Loh
- 8. Ooi Hsia Ling, Lisa
- 9. John Teo Woon Keng
- 10. David Toh
- David Yeong 11.

#### **ETHICS COMMITTEE**

- 1. Eng Chin Chin (Chairperson)
- Abdul Jabbar Bin Karam Din 2.
- 3. Assoc Prof El'fred Boo
- 4. Lorraine Chay Yeow Mei
- 5. Ho Teik Tiong Gregory
- 6. Khong Yew Cheong
- 7. Lee Bee Leng
- 8. Michelle Liew
- 9. Lim Tze Yuen
- 10. Ng Chiau Meng Amos
- 11. Ooi Hsia Ling, Lisa
- Woo Shea Leen 12.
- 13. Caroline Lee (Observer)
- 14. Karen Lim (Observer)
- Ng Meow Ling (Observer from 24 Nov 2023) 15.
- Jake Yeo (Observer) 16.

#### FINANCIAL FORENSIC ACCOUNTING **OVERSIGHT COMMITTEE**

- 1. Lem Chin Kok (Chairperson)
- 2. Tan How Choon (Deputy Chairman)
- 3. Chan Kheng Tek
- 4. Aaron Lee TC
- 5. Dylan Lee
- 6. Lee King See
- 7. Lim Kok Meng
- 8. Ramesh Moosa
- 9. Seow Hwee Koon 10. Belinda Tan SW
- 11. Mabel Watt
- Loretta Yuen 12.

#### FINANCIAL REPORTING COMMITTEE

- 1. Reinhard Klemmer (Chairperson)
- Soh Lin Leng (Deputy Chairperson) 2.
- 3. Chin Chee Choon
- 4. Philip Fong Yeng Fatt
- 5. Aylwin How Chin Hong
- 6. Assoc Prof Jian Ming
- 7. Joseph Lam Wei Pin
- 8. Lie Kok Keong
- Sue Lightfoot 9.
- 10. Lim Sio Hoon
- 11. Ng Choon Kiat
- 12. Na Kian Hui
- Uthaya Chandrikaa D/O Ponnusamy 13.
- Senthilnathan Sampath 14.
- 15. Tan Jingwei Benjamin
- 16. Tan Yong Choo
- 17. Teo Soo Chuen
- Toh Sze Peng, Valerie 18.
- Gajendran Vyapuri 19.
- 20. Assoc Prof Wang Jiwei
- 21. Wong Yew Chung

#### **INFRASTRUCTURE & PROJECT FINANCE OVERSIGHT COMMITTEE**

- 1. Lynn Tho (Co-Chairperson)
- 2. Audra Low (Co-Chairperson)
- 3. David T Boyland
- 4. Kok Chee Wai
- 5. Lavan Thiru
- 6. Kelvin Wong Wai Hung
- 7 Lawrence Wu

#### **INSURANCE COMMITTEE**

- Kevin Ohng Kok Yeong (Chairperson) 1.
- 2. G. Arull
- 3. Jacky Chew Tuck Hua
- 4. Adrian Chua Teng Aik
- 5. Jaslin Du Xiaolin
- 6. Celina Goh
- 7. Steven Goh
- Low Hwee Ming 8
- 9 Ng Ai Ming
- 10. Philip Shin
- Tay Siang Leng

#### **INVESTMENT COMMITTEE**

- 1. Judy Ng (Chairperson)
- 2. Choo Eng Beng
- 3. Anthony Chuah Khoon Yew
- 4 Yiong Yim Ming

#### **MEMBERSHIP COMMITTEE**

- Frankie Chia Soo Hien (Chairperson) 1
- 2. Lelaina Lim Siew Li (Deputy Chairperson)
- 3. Lai Chin Yee
- Belinda Teo Hui

#### PUBLIC ACCOUNTING PRACTICE COMMITTEE

- Khoo Gaik Suan, Irene (Chairperson) 1.
- 2. Lee Eng Kian (Deputy Chairperson)
- Aw Vern Chun, Philip 3.
- Chan Hock Leong, Rick 4.
- Alan Chang Chi Hsung 5.
- Cheong Keng Chuan, Alfred 6.
- 7. Cheong Kum Foong
- Chiang Kok Ying, Vivienne 8.
- Heng Yeow Meng, Michael 9.
- 10. Michael Kee Cheng Kong
- 11. Lim Yeong Seng
- 12. Lynn Phang
- 13. Helmi Bin Ali Bin Talib
- 14. Tan Lye Heng, Paul
- 15. Teo Li Ling

#### RESEARCH FUND EVALUATION COMMITTEE

- 1. Judy Ng (Chairperson)
- Lee Dah Khang 2.
- 3. Dennis Lee
- 4. Lim Jin Huei, Eric
- 5. Lawrence Wu

#### SINGAPORE CHARTERED ACCOUNTANT QUALIFICATION ADVISORY PANEL

- 1. Lai Chin Yee (Chairperson)
- Prof Yeo Hian Heng, Gillian (Deputy Chairperson) 2.
- 3.
- 4. Assoc Prof Koh Sze Kee
- 5. Evan Law
- 6. Prof Mak Yuen Teen
- 7. Assoc Prof Ng Kai Teck
- 8. Prof Gary Pan
- 9. Tan Seng Choon
- 10. Esther Wee

#### **Learning Contents Subgroup**

- 1. Prof Yeo Hian Heng, Gillian (Chairperson)
- Kuldip Gill 2.
- 3. Assoc Prof Koh Sze Kee
- 4. Prof Mak Yuen Teen
- 5. Assoc Prof Ng Kai Teck
- 6. Prof Gary Pan

# Practical Experience and Outreach Subgroup

- Lai Chin Yee (Chairperson) 1.
- Chay Yiowmin 2.
- 3. Echo Chen
- 4. Tan Khai Boon
- 5. Tan Seng Choon
- Esther Wee

# Regionalisation Subgroup

- 1. Jocelyn Goh Chern Ni (Chairperson)
- 2. Evan Law
- 3. Aaron Lee Kong Tzung
- Lim Yeong Seng 4.
- 5. Yang Chi Chih

#### SINGAPORE CHARTERED ACCOUNTANT QUALIFICATION LEARNING AND **ASSESSMENT COMMITTEES**

#### **Learning and Assessment Committee**

#### - Foundation Programme

- Prof Low Kin Yew (Chairperson) 1.
- 2. Prof Annette Foo
- Goh Bun Hiong 3.
- **Timothy Ling** 4.
- Assoc Prof Premilia Gowri Shankar 5.
- 6. Yeap Lay Huay
- Yeo Leng Tiong 7.
- Yeo Lick Koon 8.
- 9. Evan Law (Observer)

# **Learning and Assessment Committee**

#### - Professional Programme

- Prof Ho Yew Kee (Chairperson) 1.
- Prof Cheng Nam Sang 2.
- 3. Prof Chng Chee Kiong
- 4. David Lee
- 5. Low Eng Kiat
- 6. Prof Low Kin Yew
- Punjabi Rajesh Hiranand 7.
- Damien Tai
- 9. Esther Wee
- 10. Wong Yew Chung
- Evan Law (Observer)

#### SINGAPORE MONITORING COMMITTEE

- Teo Ser Luck (Chairperson) 1.
- 2. Fann Kor (Deputy Chairperson)
- 3. Frankie Chia Soo Hien
- Lim Yeong Seng

#### **SUSTAINABILITY AND CLIMATE CHANGE COMMITTEE**

- 1. Fang Eu-Lin (Chairperson)
- Beh Siew Kim 2.
- 3. Yvonne Chan
- 4. Chua Hwee Song
- 5. Fan Yuanling, Pamela
- 6. Giam Ei Leen
- 7. Goh Bee Kheng, Grace
- Goh Yin Shian 8.
- 9. Koh Wee Kwang
- 10. Lee Dah Khang
- Lim Jin Huei, Eric 11.
- 12. Tan Boon Gin
- 13. Tan Boon Siong
- 14. Maria Teo
- 15. Simon Yeo

#### YOUNG PROFESSIONALS ADVISORY COMMITTEE

- 1. Maria Teo (Chairperson)
- Katherine Ang Li Nah 2.
- 3. Ang Zan Yu
- 4. Cheng Kiang Yung Terence
- 5. Chong Shu Hui Jean
- 6. Joanna Chung Pei Shan
- 7. Lau Jun Ngee Emersius
- Lee Xian Yao Sam 8.
- 9. Low Yuan Yi
- Mo Hongrui 10.
- 11. Nithin Nagarajan
- 12. Ng Si Jia
- 13. Ng Wei Han
- 14. Jeannie Ong Wei Jin
- 15. See Wei Ren, Malcolm
- 16. Tan Cihui
- Samuel Tan Weicheng 17.
- 18. Teo Eng Siong
- 19. Teo Wan Lin Angelique
- 20. Tong Jia Hui Audrey
- 21. Don Wee Boon Hong (Advisor)

# Statement by Council



On behalf of the Council of the Institute of Singapore Chartered Accountants (the "Institute"), we, Teo Ser Luck and Kor Wan Hoon, being the President and Chief Executive Officer respectively, do hereby state that in our opinion and to the best of our knowledge, the consolidated financial statements of the Institute and its subsidiaries (the "Group") and financial statements of the Institute set out on pages 74 to 116 are properly drawn up in accordance with the Societies Act 1966 and Financial Reporting Standards in Singapore so as to present fairly, in all material respects, the financial position of the Group and the Institute as at 31 December 2023 and of the financial performance, changes in funds and cash flows of the Group and the Institute for the financial year ended on that date.

**Teo Ser Luck** President

13 March 2024

Ean Kon

Chief Executive Officer

# **Independent Auditor's Report**

To Members of the Institute of Singapore Chartered Accountants



## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

## **Opinion**

We have audited the accompanying financial statements of Institute of Singapore Chartered Accountants (the "Institute") and its subsidiaries (the "Group") as set out on pages 74 to 116, which comprise the statements of financial position of the Group and the Institute as at 31 December 2023, the statements of profit or loss and other comprehensive income, statements of changes in funds and statements of cash flows of the Group and the Institute for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the financial statements of the Institute are properly drawn up in accordance with the Societies Act 1966 (the "Societies Act") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Group and the Institute as at 31 December 2023 and the financial performance, changes in funds and cash flows of the Group and the Institute for the financial year ended on that date.

## **Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group 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

The Council is responsible for the other information. The other information comprises the Statement by Council as set out on page 1 and the information included in the 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.

In connection with our audit of the financial statements, our responsibility is to read the other information being the Statement by Council and the "Message from the Commander" section included in the Annual Report 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 the Council for the Financial Statements

The Council is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act and FRSs, and for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the Group'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 the Council either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Council's responsibilities include overseeing the Group's financial reporting process.

# Independent Auditor's Report

To Members of the Institute of Singapore Chartered Accountants



## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council.
- Conclude on the appropriateness of the Council'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

## Other matter

The financial statements for the year ended 31 December 2022 were audited by another firm of auditors whose report dated 15 March 2023 expressed an unmodified opinion on those financial statements.

# **Independent Auditor's Report**

To Members of the Institute of Singapore Chartered Accountants



## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required to be kept (i) by the Institute have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act; and (ii) by the subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Companies Act 1967.

Foo Kon Tan LLP Public Accountants and **Chartered Accountants** Singapore,

Ho Teik Tiong **Engagement Partner** 

13 March 2024

# Statements of Profit or Loss and **Other Comprehensive Income**

For the financial year ended 31 December 2023

		G	iroup	Ins	stitute
		2023	2022	2023	2022
	Note	\$'000	\$'000	\$'000	\$'000
Income					
Membership fees		12,254	11,961	12,254	11,961
Income from courses, programs and events		7,684	6,780	7,684	6,780
Practice Monitoring review income		405	427	405	427
Singapore Chartered Accountant (CA) Qualification fee		789	741	789	741
Revenue under FRS 115	4(a)	21,132	19,909	21,132	19,909
Rental income from investment property		962	962	962	962
Interest income from financial institutions		422	69	422	69
Other income	4(d)	825	628	825	628
Total income	_	23,341	21,568	23,341	21,568
Less expenditure					
Expenses	_	(21,775)	(20,605)	(21,775)	(20,602)
Surplus from operations	5	1,566	963	1,566	966
Not fair value gain/floss) on financial assets at fair value					

Less expenditure					
Expenses	_	(21,775)	(20,605)	(21,775)	(20,602)
Surplus from operations	5	1,566	963	1,566	966
Net fair value gain/(loss) on financial assets at fair value					
through profit or loss	14	3,023	(6,449)	3,023	(6,449)
Surplus/(deficit) before results of associate	_	4,589	(5,486)	4,589	(5,483)
Share of results of associate (net of tax)	12	64	48	_	_
Surplus/(deficit) before tax		4,653	(5,438)	4,589	(5,483)
Income tax expense	7	(323)	(193)	(323)	(193)
Surplus/(deficit) for the financial year	_	4,330	(5,631)	4,266	(5,676)
Surplus/(deficit) from specific fund:					
ISCA Support Fund	23(a)	_	(195)	_	(195)
ISCA Cares Fund	24	363	142	_	_
Net surplus/(deficit) and total					
comprehensive income/(loss) for the financial year		4,693	(5,684)	4,266	(5,871)

# **Statements of Financial Position**

At 31 December 2023

		C	Group	Institute		
		2023	2022	2023	2022	
	Note	\$'000	\$'000	\$'000	\$'000	
Non-current assets						
Property, plant and equipment	8	2,232	1,972	2,232	1,972	
Right-of-use assets	9	9,277	11,171	9,277	11,171	
Investment property	10	9,880	10,184	9,880	10,184	
Subsidiaries	11	5,000	-	5,000	-	
Associate	12	197	133	_	_	
Intangible assets	13	585	573	585	570	
Financial assets at fair value through profit or loss	14	56,914	53,943	56,914	53,943	
Tillaticial assets at fall value tillough profit of loss	17 _	79,085	77,976	78,888	77,840	
	_		,		,	
Current assets						
Inventories		<del>-</del>	1	_	_	
Contract assets	15	533	415	533	415	
Trade and other receivables	17	4,161	3,252	4,135	3,213	
Cash and bank balances	18 _	23,073	21,123	21,122	19,502	
	_	27,767	24,791	25,790	23,130	
Total assets	_	106,852	102,767	104,678	100,970	
Non-current liabilities						
Deferred tax liabilities	19	180	64	180	64	
Lease liabilities	20	7,577	9,381	7,577	9,381	
Provisions	21	350	350	350	350	
Other payables	22	_	240	_	240	
	_	8,107	10,035	8,107	10,035	
Current liabilities	22	4.020	4.046	4.020	4,876	
Trade and other payables Contract liabilities	16	4,928 8.456	4,916 7,129	4,938 8.456	7,129	
Lease liabilities	20	8,456 4,867	,	8,456 4,867	*	
	20	1,867	1,828	1,867	1,828	
Current tax payable	_	448	506	448	506	
Total liabilities	_	15,699	14,379	15,709	14,339	
lotal liabilities	_	23,806	24,414	23,816	24,374	
Net assets	_	83,046	78,353	80,862	76,596	
Represented by						
Accumulated Fund		81,059	74,990	80,862	74,857	
ISCA Support Fund	23(a)	_	1,739	_	1,739	
ISCA Cares Fund	24	1,987	1,624	_	_	
		83,046	78,353	80,862	76,596	
	_		, 0,000		, 0,000	

# **Statements of Changes In Funds**

For The Financial Year Ended 31 December 2023



	Accumulated Fund \$'000	ISCA Support Fund \$'000	ISCA Cares Fund \$'000	Total \$'000
Group		(Note 23(a))	(Note 24)	
Отобр				
Balance at 1 January 2022	80,621	1,934	1,482	84,037
Net (deficit)/surplus and total comprehensive (loss)/income for the financial year	(5,631)	(195)	142	(5,684)
Balance at 31 December 2022	74,990	1,739	1,624	78,353
Transfer to accumulated funds	1,739	(1,739)	_	_
Net surplus and total comprehensive income for the financial year	4,330	_	363	4,693
Balance at 31 December 2023	81,059		1,987	83,046
Institute				
Balance at 1 January 2022	80,533	1,934	_	82,467
Net deficit and total comprehensive loss for the financial year	(5,676)	(195)	_	(5,871)
Balance at 31 December 2022	74,857	1,739	_	76,596
Transfer to accumulated funds	1,739	(1,739)	_	_
Net surplus and total comprehensive				
income for the financial year	4,266			4,266
Balance at 31 December 2023	80,862	_	_	80,862

# **Statements of Cash Flows**

For The Financial Year Ended 31 December 2023



	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Cash flows from operating activities				
Surplus/(deficit) before tax	4,653	(5,438)	4,589	(5,483)
Adjustments for:				
Bad debts (recovered)/written off (Note 5)	(10)	22	(10)	25
Depreciation of property, plant and equipment, investment property, right-of-use assets and amortisation of intangible assets	3,170	3,139	3,170	3,139
Finance cost – unwinding of discount (Note 5)	_	4	_	4
Interest income	(422)	(69)	(422)	(69)
Accretion of interest on lease liabilities (Note 20)	`315 <sup>°</sup>	111	`315 <sup>°</sup>	111
Net fair value (gain)/loss on financial assets at fair value through profit or loss	(3,023)	6,449	(3,023)	6,449
Property, plant and equipment written off (Note 5)	_	55	_	55
Intangible assets written off (Note 5)	3	_	3	_
Gain on disposal of right-of-use assets (Note 5)	(3)	_	(3)	_
Share of results of associate (net of tax)	(64)	(48)	_	
Operating surplus before working capital changes	4,619	4,225	4,619	4,231
Contract assets	(118)	(95)	(118)	(95)
Inventories	1	4	_	4
Receivables	(719)	140	(736)	159
Payables	2,043	123	2,093	61
Contract liabilities	1,327	5,226	1,327	5,226
Cash generated from operations	7,153	9,623	7,185	9,586
Income tax paid	(265)	_	(265)	_
ISCA Cares Fund	366	146	_	_
ISCA Support Fund	870	(195)	870	(195)
Net cash generated from operating activities	8,124	9,574	7,790	9,391
Cash flows from investing activities				
Interest received	242	50	246	55
Additions to property, plant and equipment (Note 8)	(1,341)	(1,346)	(1,341)	(1,346)
Additions to intangible assets (Note 13)	(338)	(132)	(338)	(132)
Net cash used in investing activities	(1,437)	(1,428)	(1,433)	(1,423)
Cash flows from financing activities				
Fixed deposits released from pledges (Note A)	56	_	56	_
Repayment of lease liabilities (Note 20)	(1,814)	(2,031)	(1,814)	(2,031)
Interest paid on lease liabilities (Note 20)	(315)	(111)	(315)	(111)
Net cash used in financing activities	(2,073)	(2,142)	(2,073)	(2,142)
Net increase in cash and cash equivalents	4,614	6,004	4,284	5,826
Cash and cash equivalents at beginning of the financial year	18,448	12,444	16,827	11,001
Cash and cash equivalents at end of the financial year (Note 18)	23,062	18,448	21,111	16,827
· · · · · · · ·	·	•	-	

Note A: Reconciliation of financing activities, excluding equity items

		Group and	d Institute
	Note	2023 \$'000	2022 \$'000
Fixed deposits			
Balance at 1 January		(67)	(67)
Fixed deposits released from pledges		56	
Balance at 31 December	18	(11)	(67)

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

For The Financial Year Ended 31 December 2023



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

#### 1 **CORPORATE INFORMATION**

The Institute (UEN No. T04SS0109E) is the national body for the accountancy profession in Singapore. It was established in June 1963 as the Singapore Society of Accountants ("SSA") under the SSA Ordinance 1963, then reconstituted and renamed the Institute of Certified Public Accountants of Singapore ("ICPAS") on 11 February 1989 under the Accountants Act 1987. As of 31 March 2004, ICPAS was reconstituted as a society under the Societies Act. The restructuring is primarily a change of form for the Institute as ICPAS continued to be the national body for the accountancy profession in Singapore and its functions remain unchanged. In 2013, ICPAS was renamed as the Institute of Singapore Chartered Accountants ("ISCA"). The registered office and principal place of business of the Institute is located at 60 Cecil Street, ISCA House, Singapore 049709.

The principal activities of the Institute are those of administering the Institute's membership, and catering for the training and professional development of its members. The principal activities of the subsidiaries are disclosed in Note 11.

The consolidated financial statements relate to the Institute and its subsidiaries (collectively, the "Group") and the Group's interest in associate.

#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION

#### Basis of preparation a)

The financial statements of the Group have been prepared in accordance with the Societies Act 1966 and Financial Reporting Standards in Singapore ("FRSs").

The financial statements, which are presented in Singapore Dollar ("\$") (rounded to the nearest thousand (\$'000) except when otherwise stated), have been prepared on the historical cost basis except as disclosed in the accounting policies below.

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

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgement or complexity or areas where assumptions significant to the financial statements are disclosed in Note 3.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Basis of preparation (Cont'd)

New and revised standards that are adopted

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

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

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the statements of financial position date which may be early adopted but are not yet effective for the financial year ended 31 December 2023 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Institute.

## b) Basis of consolidation

**Subsidiaries** 

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The consolidated financial statements comprise the financial statements of the Institute and its subsidiaries as at the statements of financial position date. The financial statements of the subsidiaries are prepared for the same reporting date as the parent entity. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenditure and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenditure as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

When a change in the Institute's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to accumulated fund if required by a specific FRS.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Basis of consolidation (Cont'd)

Associate

Associate is an entity in which the Group has significant influence, but not control, over their financial and operating policies. The Group's investment in associate is accounted for using the equity method of accounting, less impairment losses, if any. The consolidated financial statements include the Group's share of the profit or loss of the associate from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in the associate, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

Accounting for subsidiaries and associate by the Institute

In the Institute's separate financial statements, investments in subsidiaries and associate are stated at cost less impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

#### Functional and foreign currencies c)

Functional currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the "functional currency"). The financial statements of the Group and the Institute are presented in Singapore Dollar, which is the Institute's functional currency.

## d) Inventories

Inventories, comprising notebooks, merchandise for E-store and pouches, are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method.

## e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and costs of bringing the asset to working condition for its intended use. Dismantlement, removal or restoration costs are included as part of the cost of asset if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to expenditure. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Property, plant and equipment (Cont'd)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

Depreciation of property, plant and equipment is calculated on the straight-line basis to write off the cost less residual value of the assets over their estimated useful lives as follows:

Years Furniture and office equipment 4 to 10 3 to 4 Computers

Renovation remainder of lease term

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each financial year-end. The effects of any revision are recognised in profit or loss when the changes arise.

Renovation-in-progress are not depreciated.

#### f) Investment property

Investment property, comprises freehold building of the Group and the Institute, that is leased out to earn rental. Investment property is initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation of the building is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful life of 50 years.

On disposal of investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

### Intangible assets g)

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the computer software over their estimated useful lives of 3 to 5 years.

Acquired intellectual property and website development includes development costs which relate to the design and testing of new or improved learning materials which are recognised as an asset to the extent that it is expected that such assets will generate future economic benefits.

Deferred development costs are amortised from the date that the new or improved learning materials are put into use. Such costs are subsequently amortised on a straight-line basis over their useful lives of 3 years.

No amortisation is provided on system work-in-progress. Amortisation of the system, on the same basis as other intangible assets, commences when the asset is ready for its intended use.

The amortisation period and amortisation method of intangible assets are reviewed at least at each statements of financial position date. The effects of any revision are recognised in profit or loss when the changes arise.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

### h) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent from other assets or groups of assets.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs of disposal and its value in use. 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 or cash-generating unit.

#### i) Financial assets

## Recognition and derecognition

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

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

## Classification and measurement

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

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVTPL").

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

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

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Financial assets (Cont'd)

## Subsequent measurement

## **Debt instruments**

Debt instruments include trade and other receivables (excluding prepayments) and cash and bank balances. The subsequent measurement category is depending on the Group's business model for managing the asset and cash flow characteristics of the asset:

## Amortised cost

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

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

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

Fair value through profit or loss ("FVTPL")

Debts instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or Fair value through other comprehensive income ("FVOCI") are classified as FVTPL. Movements in fair values and interest income are recognised in profit or loss in the period in which it arises.

## ii) Equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "Other income or Expenses". On disposal of an equity investment classified as FVTPL, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss. Dividends from equity investments are recognised in profit or loss and presented in "Other income".

## iii) Funds placed with fund managers

The Group and the Institute classify a portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis as financial assets at fair value through profit or loss. Such portfolio of financial assets is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The collection of contractual cash flows is only incidental to achieving the business model's objective. The Group's and the Institute's primary focus on a portfolio of financial assets is on the fair value information and uses that information to assess the assets' performance and to make decisions.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

#### i) Financial assets (Cont'd)

## **Impairment**

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a "12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a "lifetime ECL").

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at statements of financial position date. The Group based on its historical credit loss experience, adjusts as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date. The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

#### j) Financial liabilities

Financial liabilities include trade and other payables (excluding Goods and Services Tax payable, accrual for unutilised annual leave, advance billings for rental and other income and grants received). Financial liabilities are recognised on the statements of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value net of directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

## k) **Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) where, as a result of a past event, and 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. Provisions are reviewed at each statements of financial position date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

The Group recognises the estimated costs of dismantlement, removal or restoration of items of assets arising from the acquisition or use of assets (Note 2(e) and Note 2(I)). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value of money. Changes in the estimated timing or amount of the expenditure or discount rate is adjusted against the cost of the related assets unless the decrease in the liability exceeds the carrying amount of the asset or the asset has reached the end of useful life. In such cases, the excess of the decrease over the carrying amount of the assets or the change in the liability is recognised in profit or loss immediately.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Leases

The Group assesses at contract inception whether a contract is, or contains, a lease, that is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

## Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented as a separate line in the statements of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made. The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under FRS 37 Provisions, Contingent Liabilities and Contingent Assets. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Leases (Cont'd)

## When a Group entity is the lessee (Cont'd)

Right-of-use assets (Cont'd)

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset, as follows:

	Years
Lease property	6
Office equipment	5

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets (except for those which meets the definition of an investment property) are presented as a separate line in the statements of financial position. The Group applies FRS 36 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(h).

## When a Group entity is the lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### m) Cash and cash equivalents in the statements of cash flows

For the purpose of presentation on the statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and forms part of the Group's short-term cash management policy and excludes pledge deposits.

## n) Revenue recognition

Revenue is measured based on the consideration to which the Group and the Institute expect to be entitled in exchange for transferring promised goods or services to the customer. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Revenue recognition (Cont'd)

Members' annual fees and members' admission fees

The Institute is the national body for the accountancy professional in Singapore and provides membership services to its members. Such members' annual fees are recognised as a performance obligation satisfied over time. Member's annual fee is recognised as income in the period to which the annual fees relates. Unearned income relating to future period is included in contract liabilities. The members' annual fee is non-refundable and payable upon membership renewal. Members fees are stated net of all fee waivers granted during the year and goods and services tax.

The Group provides members administrative services in the application of membership status. The admission fees are due upon submission of membership application and are non-refundable. The admission fees are recognised as income in the year during which membership commences, or upon an event that the application is unsuccessful. Such members administrative services are recognised as a performance obligation satisfied at a point in time.

### Services (ii)

Course fees (from continuing professional education, seminars and events) and subscription fees.

The Group provides training courses relating to the continuing professional education for its members. Income from workshops, seminars and events are recognised as a performance obligation satisfied at a point in time when the performance is completed within the day.

Subscription fees from e-learning courses and platforms are recognised as a performance obligation satisfied over time, over the period whereby participant is granted access to the e-learning courses or platform. The fees are due upon registration, and non-refundable.

Course fees are stated net of course credits or discounts and excludes the value of complimentary courses.

Unearned income relating to service to be rendered in future periods is included in contract liabilities.

Singapore Chartered Accountant (CA) Qualification fee

Administrative fee income from the Singapore CA Qualification is recognised as a performance obligation satisfied over time. Revenue is recognised over the duration of the service period provided, having regards to the stage of completion determined based on man hours incurred to date over the budgeted man hours. A contract asset is recognised when the Group has performed under the contract but has not yet billed the client. The Group will bill client in accordance to the billing terms in the service agreement and payment within 30 days from the invoice date is required. No element of financing is deemed present. Direct expenses incurred by the Group is reimbursed at cost.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

## Revenue recognition (Cont'd)

- Services (Cont'd) (ii)
  - Practice monitoring review income

Practice monitoring review income from inspection services on audits performed by public accountants are recognised as a performance obligation satisfied over time. The services performed has no alternative use due to the contractual restriction and the Group has enforceable rights to payment arising from the contractual terms. Revenue is recognised over the duration of the service period provided, having regards to the stage of completion determined based on man hours incurred to date over the budgeted man hours. A contract asset is recognised when the Group has performed under the contract but has not yet billed the client. The Group will bill client in accordance to the billing terms in the service agreement and payment within 30 days from the invoice date is required. No element of financing is deemed present.

#### (iii) Interest income

Interest income is recognised as the interest accrues based on effective interest method.

#### Rental income (iv)

Rental income from operating leases are recognised on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

## (v) **Donations**

Donations are recognised as and when they are received. Income from fund-raising events is recognised at the later of (a) occurrence of the event or (b) upon receipt of the donations.

## **Employee benefits** o)

Defined contribution plans

As required by law, the Group makes contributions to the state pension scheme, the Central Provident Fund ("CPF") Scheme which is a defined contribution pension scheme. Contributions to CPF are recognised as expenditure in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. The estimated liability for leave is recognised for services rendered by employees up to the statements of financial position date.

For The Financial Year Ended 31 December 2023



#### 2 MATERIAL ACCOUNTING POLICIES INFORMATION (CONT'D)

#### Income tax p)

Income tax on the profit or loss for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised outside profit or loss, either in other comprehensive income or directly in equity in which the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity respectively).

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the statements of financial position date, and any adjustment to tax payable in respect of previous years. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, providing for all temporary differences at the statements of financial position date between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither the accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on currently enacted or substantively enacted tax rates at the statements of financial position date.

## q) **Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statements of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expenditure item, it is recognised in profit or loss over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

For The Financial Year Ended 31 December 2023



#### 3 CRITICAL JUDGEMENTS IN APPLYING THE GROUP'S ACCOUNTING POLICIES

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the preceding paragraphs).

## **Business model assessment**

Classification and measurement of financial assets depends on the cashflows that are solely payments of principal and interest ("SPPI") and the results of the business model test (refer to Note 2(i)). The Group and the Institute determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Group and the Institute classify a portfolio of financial assets that is managed and whose performance is evaluated on a fair value basis as financial assets at fair value through profit or loss. Such portfolio of financial assets is neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets. The collection of contractual cash flows is only incidental to achieving the business model's objective. The Group's and the Institute's primary focus on a portfolio of financial assets is on the fair value information and uses that information to assess the assets' performance and to make decisions.

The Group and the Institute monitor financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reasons for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Financial assets are not reclassified subsequent to their initial recognition unless the Group and the Institute change its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

## Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

For leases of office space and equipment, the following factors are considered to be most relevant:

- If any leasehold improvements are expected to have a significant remaining value, the Group includes the extension option in lease liabilities; and
- The Group considers other factors including its historical lease periods and the costs and business disruption required to replace the leased asset.

The assessment of reasonable certainty to exercise extension option is only revised if a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

For The Financial Year Ended 31 December 2023



#### 4 **INCOME**

## Disaggregation of revenue

	G	Group		titute
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Timing of transfer of goods or services		4.004		4.004
At a point in time	2,256	1,824	2,256	1,824
Over time	18,876	18,085	18,876	18,085
Revenue under FRS 115	21,132	19,909	21,132	19,909

### b) Revenue recognised during the financial year from:

Group		itute	
<b>2023</b> 2022	<b>2023</b> 2022 <b>2023</b>	2023	2022
\$'000	\$'000	\$'000	
1 903	7.129	1,903	
	1,903	1,903 <b>7,129</b>	

### c) Transaction price allocated to remaining performance obligations

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2023 is \$208,000 (2022: \$657,000). The Group and Institute expect to recognise \$208,000 (2022: \$657,000) as revenue relating to the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 December 2023 in the financial year ending 31 December 2024.

## d) **Others**

	Gre	Group		titute	
	2023	2022	2023	2022	
	\$'000	\$'000	\$'000	\$'000	
Other income					
Government grants	184	296	184	296	
Advertising income	36	35	36	35	
Rental of ISCA House facilities	246	2	246	2	
Membership reinstatement and late fee	70	74	70	74	
Quality Assurance Review Programme					
and content fee	85	46	85	46	
Sundry income	204	175	204	175	
	825	628	825	628	

For The Financial Year Ended 31 December 2023



### 5 **SURPLUS FROM OPERATIONS**

The following items have been included in arriving the surplus from operations:

	Group		Ins	titute
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Expenses				
Advertisement and promotion expenses	235	189	235	189
Bad debts (recovered)/written off				
– Third parties	(10)	22	(10)	22
<ul> <li>Amounts due from subsidiaries</li> </ul>	· -	_		3
Amortisation of intangible assets	289	316	289	316
Depreciation of property, plant and equipment (Note 8)	631	499	631	499
Depreciation of right-of-use assets (Note 9)	1,946	2,022	1,946	2,022
Depreciation of investment property (Note 10)	304	302	304	302
_	3,170	3,139	3,170	3,139
Direct costs of providing training and other courses	1,659	1,896	1,659	1,896
Finance cost	_	4	_	4
Interest expense on lease liabilities (Note 20)	315	111	315	111
Property, plant and equipment written off	_	55	_	55
Intangible assets written off	3	_	3	_
Gain on disposal of right-of-use assets	(3)	_	(3)	_
Repair and maintenance	286	262	286	262
Publications	348	337	348	337
Seminar and talk expenses	926	493	926	493
Staff costs (Note 6)	11,810	11,164	11,810	11,164
Website and cybersecurity expenses	1,203	1,150	1,203	1,150

## STAFF COSTS 6

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Salaries and bonuses	10,323	9,859	10,323	9,859
Contributions to CPF	1,296	1,172	1,296	1,172
Other employee benefit expenses	191	133	191	133
	11,810	11,164	11,810	11,164

For The Financial Year Ended 31 December 2023



### 7 **INCOME TAX EXPENSE**

Income tax expense attributable to results is made up of:

	Group		Institute	
	2023	<b>2023</b> 2022 <b>2023</b>	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current income tax provision	207	241	207	241
Deferred tax – current year	116	(32)	116	(32)
Over provision in respect of previous financial years:				
<ul> <li>Current income tax</li> </ul>	_	(16)	_	(16)
	323	193	323	193

The income tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax to surplus/(deficit) before tax due to the following factors:

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Surplus/(deficit) before tax	4.649	(5,438)	4.589	(5,483)
- July 103/ (deficit) before tax	4,043	(3, 130)	4,505	(3, 103)
Tax calculated at a tax rate of 17% (2022 - 17%)	790	(924)	780	(932)
Singapore statutory stepped income exemption	(17)	(17)	(17)	(17)
Income not subject to tax (a)	(558)	(1)	(558)	(1)
Expenses not deductible for tax purposes (b)	89	1,177	89	1,177
Over provision in respect of previous financial years	_	(16)	_	(16)
Others	19	(26)	29	(18)
	323	193	323	193

Income not subject to tax relate mainly to net fair value gain with respect to the other financial assets at fair value (a) through profit or loss and website development grant.

Expenses not deductible for tax purposes relate mainly to depreciation of non-qualifying assets and other (b) disallowed expenses incurred in the ordinary course of business.

For The Financial Year Ended 31 December 2023



### PROPERTY, PLANT AND EQUIPMENT 8

	Furniture and office equipment \$'000	Computers \$'000	Renovation \$'000	Renovation in-progress \$'000	Total \$'000
Group and Institute					
Cost					
Balance at 1 January 2022	971	1,848	388	_	3,207
Additions	4	454	_	1,439	1,897
Written off	(624)	(170)	(388)		(1,182)
Balance at 31 December 2022	351	2,132	_	1,439	3,922
Additions	681	210	_	_	891
Reclassifications	361	_	1,078	(1,439)	_
Written off	(101)	(403)			(504)
Balance at 31 December 2023	1,292	1,939	1,078	_	4,309
Accumulated depreciation and impairment					
Balance at 1 January 2022	803	1,472	303	_	2,578
Depreciation charge (Note 5)	100	314	85	_	499
Written off	(569)	(170)	(388)	_	(1,127)
_	, ,	, ,	, ,		
Balance at 31 December 2022	334	1,616	_	_	1,950
Depreciation charge (Note 5)	172	293	166	_	631
Written off	(101)	(403)	_	_	(504)
Balance at 31 December 2023	405	1,506	166	_	2,077
Carrying amount					
Balance at 31 December 2023	887	433	912	_	2,232
					_, <b>_</b> _
Balance at 31 December 2022	17	516		1,439	1,972

Reconciliation of additions to property, plant and equipment in the statement of cash flows

Included in trade and other payables are outstanding balances of \$101,000 (2022: \$551,000) for property, plant and equipment acquired during the financial year. The cash outflow on additions to property, plant and equipment of the Group and Institute was \$1,341,000 (2022: \$1,346,000).

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### 9 **RIGHT-OF-USE ASSETS**

	Lease property \$'000	Office equipment \$'000	Total \$'000
Group and Institute			
Cost			
Balance at 1 January 2022	7,842	182	8,024
Lease modification (Note 20)	11,523_	_	11,523
Balance at 31 December 2022	19,365	182	19,547
Additions (Note 20)	_	76	76
Disposals		(145)	(145)
Balance at 31 December 2023	19,365	113	19,478
Accumulated depreciation Balance at 1 January 2022 Depreciation charge (Note 5)	6,256 1,985	98 37	6,354 2,022
Balance at 31 December 2022	8,241	135	8,376
Depreciation charge (Note 5) Disposals	1,922	24 (121)	1,946 (121)
Balance at 31 December 2023	10,163	38	10,201
Carrying amount Balance at 31 December 2023	9,202	75	9,277
Balance at 31 December 2022	11,124	47	11,171

During the financial year, there are non-cash additions to the Group's and Institute's right-of-use assets of \$76,000 (2022: Nil) through entering into new leases.

## 10 **INVESTMENT PROPERTY**

	Group and Institute		
	2023		
	\$'000	\$'000	
Cost			
Balance at 1 January and 31 December	15,122	15,122	
Accumulated depreciation Balance at 1 January Depreciation charge (Note 5)	4,938 304	4,636 302	
Balance at 31 December	5,242	4,938	
Carrying amount Balance at 31 December	9,880	10,184	

For The Financial Year Ended 31 December 2023



### **INVESTMENT PROPERTY (CONT'D)** 10

The following amounts are recognised in profit or loss:

	Group and	Group and Institute	
	2023	2022	
	\$'000	\$'000	
Rental income from investment property	962	962	
Direct operating expenses arising from investment			
property that generated rental income	(162)	(154)	
Depreciation charge	(304)	(302)	

In accordance with the Constitution of the Institute, the freehold building is held by Institute of Singapore b) Chartered Accountants Pte. Ltd. in trust for the Institute.

	Floor area		
Location	(Square metres)	Tenure	
6 Raffles Quay			
#23-00			
Singapore 048580	941	Freehold	

The fair value of investment property is disclosed in Note 29(d).

## SUBSIDIARIES AND INTRA-GROUP TRANSACTIONS

Investments in subsidiaries a)

	Inst	titute
	2023	2022
	\$'000	\$'000
Unquoted equity shares, at cost	*	_*

Amount of \$3 for unquoted equity shares, at cost, held in Institute of Singapore Chartered Accountants Pte. Ltd.

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## SUBSIDIARIES AND INTRA-GROUP TRANSACTIONS (CONT'D) 11

## Details of subsidiaries are as follows:

	Country of		Effective int	
Name of subsidiaries	incorporation	Principal activities	2023	2022
			%	%
Institute of Singapore Chartered Accountants Pte. Ltd. <sup>(1)</sup>	Singapore	To undertake and perform the office and duties of trustee of and for the Institute in accordance with the Constitution of the Institute	100	100
Held by Institute of Singa	pore Chartered A	ccountants Pte. Ltd.		
ISCA Cares Limited <sup>(2)(3)</sup>	Singapore	To provide needy Singapore youths access to quality accountancy education through pecuniary and non-pecuniary assistance	100	100

<sup>(1)</sup> This subsidiary is considered to be a wholly-owned subsidiary of the Institute as the members of the subsidiary are trustees of the Institute.

## Intra-group transactions c)

During the financial year, the Institute has the following significant transactions with its subsidiaries on terms agreed between the parties:

Ir	nstitute
2023	2022
\$'000	\$'000
8	6
	2023

The Institute, as part of supporting ISCA Cares Limited (the "Charity") contributed 1,589 hours (2022: 1,883 hours) to support the administration of the Charity for the financial year ended 31 December 2023.

There is no cost of investment for this subsidiary as it is a company limited by guarantee. Under such structure, each member of this subsidiary agrees to contribute towards the subsidiary's debts and liabilities in the event of liquidation, up \$1 per member.

<sup>(3)</sup> ISCA Cares Limited is an approved Institution of a Public Character and its fund balance is disclosed separately on statements of financial position of the Group (Note 24).

For The Financial Year Ended 31 December 2023



### **ASSOCIATE** 12

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Investment in associate	197	133	_	_

Details of associate are as follows:

	Country of		Effective interest held by the Group	
Name of associate	incorporation	Principal activities	2023	2022
			%	%_
Insolvency Practitioners Association of Singapore Limited	Singapore	Professional body for insolvency practitioners	50	50

There is no cost of investment as the associate is a company limited by guarantee whereby every member of the company undertakes to contribute to meet the debts and liabilities of the company in the event of its liquidation to an amount not exceeding \$10 for each member.

The summarised financial information of the associate based on its management account and reconciliation to the carrying amount of the investments in the consolidated financial statements is as follows:

	2023 \$'000	2022 \$'000
	\$ 000	\$ 000
Revenue	625	546
Profit after tax	128	96
Non-current assets	2	4
Current assets	567	399
Current liabilities	(176)	(138)
Net assets	393	265
Group's share of net assets based on proportion of ownership interest,		
representing net carrying amount of investment	197	133

For The Financial Year Ended 31 December 2023



### 13 INTANGIBLE ASSETS

	Computer software \$'000	Others \$'000	Total \$'000
Group			
Cost			
At 1 January 2022	2,000	663	2,663
Additions	86	34	120
At 31 December 2022	2,086	697	2,783
Additions	192	115	307
Written off	<del>_</del>	(81)	(81)
At 31 December 2023	2,278	731	3,009
Accumulated amortisation			
At 1 January 2022	1,467	423	1,890
Amortisation charge	169	151	320
At 31 December 2022	1,636	574	2,210
Amortisation charge	188	104	292
Written off		(78)	(78)
At 31 December 2023	1,824	600	2,424
Carrying amount			
At 31 December 2023	454	131	585
At 31 December 2022	450	123	573
Institute			
Cost			
At 1 January 2022	1,977	663	2,640
Additions	86	34	120
At 31 December 2022	2,063	697	2,760
Additions	192	115	307
Written off		(81)	(81)
At 31 December 2023	2,255	731	2,986
Accumulated amortisation			
At 1 January 2022	1,451	423	1,874
Amortisation charge	165	151	316
At 31 December 2022	1,616	574	2,190
Amortisation charge (Note 5)	185	104	289
Written off		(78)	(78)
At 31 December 2023	1,801	600	2,401
Carrying amount			
At 31 December 2023	454	131	585
At 31 December 2022	447	123	570

For The Financial Year Ended 31 December 2023



#### 13 **INTANGIBLE ASSETS (CONT'D)**

Amortisation charge is taken up as follows:

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Statement of Profit or Loss and Other Comprehensive Income:				
<ul><li>Operating expenses (Note 5)</li></ul>	289	316	289	316
<ul> <li>ISCA Cares Fund</li> </ul>	3	4	_	_
	292	320	289	316

Computer software comprises membership, financial management and administrative systems.

Others comprise intellectual property, website development and development costs of e-learning platform, including development costs of the educational system and curriculum contents.

Reconciliation of additions to intangible assets in the statement of cash flows

Included in trade and other payables are outstanding balances of \$14,000 (2022: \$45,000) for intangible assets acquired during the financial year. The cash outflow on additions to intangible assets of the Group and Institute was \$338,000 (2022: \$132,000).

#### 14 FINANCIAL ASSETS AT "FAIR VALUE THROUGH PROFIT OR LOSS" (FVTPL)

	Group and Institute		
	2023		
	\$'000	\$'000	
Financial assets measured at FVTPL			
<ul> <li>Funds placed with fund managers</li> </ul>	56,914	53,943	
Accumulated fair value gains since initial investment			
At 1 January	1,873	8,322	
Fair value gains/(losses) during the year	3,023	(6,449)	
At 31 December	4,896	1,873	

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#### 15 **CONTRACT ASSETS**

Contract assets relate to the Group's and the Institute's rights to consideration for work completed but not billed at the reporting date.

Judgements are used to estimate the man hours to complete. In making these estimates, management has relied on past experience of completed projects. The estimated total contract costs is reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

	Group and Institute	
	2023	2022
	\$'000	\$'000
Trade receivables from contracts with customers (Note 17)	1,113	713
Contract assets	533	415

Significant changes in the contract assets balances during the financial year are as follows:

	Group and Institute	
	2023	2022
	\$'000	\$'000
Unbilled amounts for practice monitoring review services		
and fee income from Singapore CA Qualification	1,023	977
Contract assets reclassified to trade receivables	(905)	(882)

## 16 **CONTRACT LIABILITIES**

Contract liabilities comprise course fees and subscription fees received in advance from participants and/or members for courses or events organised by the Group or the Institute and members annual fee, respectively. Contract liabilities are recognised as revenue as (or when) the Group and the Institute satisfy the performance obligations under its contracts.

	Group a	nd Institute
	2023	2022
	\$'000	\$'000
Contract liabilities	8,456	7,129

Contract liabilities have increased mainly due to an increase in the advances received from subscription fees of \$690,000 (2022: \$4,934,000) and an increase in advances received from course fees of \$728,000 (2022: \$251,000) in the financial year ended 31 December 2023.

For The Financial Year Ended 31 December 2023



#### 17 TRADE AND OTHER RECEIVABLES

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade receivables (Note 15)	1,113	713	1,113	713
Rental deposits	533	532	533	532
Interest receivables	215	35	205	29
Others	79	156	63	133
At amortised cost	1,940	1,436	1,914	1,407
Prepayments	685	630	685	620
Grant receivable from projects	1,536	1,186	1,536	1,186
	4,161	3,252	4,135	3,213

Trade receivables are non-interest bearing and are generally on 30 days' terms.

### **CASH AND BANK BALANCES** 18

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest bearing accounts	17,361	13,077	15,410	11,456
Non-interest bearing accounts	5,712	8,046	5,712	8,046
	23,073	21,123	21,122	19,502
Less:				
Fixed deposits pledged	(11)	(67)	(11)	(67)
Undisbursed balance of ISCA Support Fund	_	(2,608)	-	(2,608)
Cash and cash equivalents per Statements of Cash Flows	23,062	18,448	21,111	16,827

Included in interest bearing accounts of the Group and Institute are fixed deposits amounting to \$15,215,000 (2022: \$10,439,000) and \$14,077,000 (2022: \$9,214,000) respectively which are placed for varying periods between 3 to 12 months (2022: 3 to 12 months) depending on the immediate cash requirements of the Group and the Institute, and earn interest of 0.10% to 3.90% (2022: 0.10% to 3.50%) per annum. Fixed deposits of the Group and Institute amounting to \$11,000 (2022: \$67,000) are pledged to bank for banking facilities.

Included in interest bearing accounts of the Group is the bank balance of ISCA Cares Fund amounting to \$1,969,000 (2022: \$1,665,000), of which \$18,000 (2022: \$44,000) is held by the Institute.

Included in the interest bearing accounts of the Group at the end of 2022 was a balance of \$2,608,000 that was set up in a designated bank account by the Institute for the Enterprise Singapore ("Enterprise SG") - SG Together Enhancing Enterprise Resilience ("STEER") programme under the ISCA Support Fund as disclosed in Note 23(a). In March 2023, the undisbursed portion of the fund contributed by Enterprise SG amounting to \$869,000 was returned.

For The Financial Year Ended 31 December 2023



### 19 **DEFERRED TAX LIABILITIES**

Movements in deferred tax liabilities during the financial year were as follows:

	At 1 January 2022 \$'000	Recognised in profit or loss \$'000	At 31 December 2022 \$'000	Recognised in profit or loss \$'000	At 31 December 2023 \$'000
Group and Institute					
Deferred tax liabilities:					
Difference in depreciation for tax purposes	(215)	34	(181)	(114)	(295)
Provisions and accruals	119	(2)	117	(2)	115
	(96)	32	(64)	(116)	(180)

### 20 LEASE LIABILITIES

	Group a	Group and Institute	
	2023	2022	
	\$'000	\$'000	
Non-current Lease liabilities	7,577	9,381	
Current Lease liabilities	1,867	1,828	
	9,444	11,209	

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Lease liabilities	
	2023	
	\$'000	\$'000
Balance at 1 January	11,209	1,717
Lease modification	-	11,523
Additions	76	_
Disposals	(27)	_
Changes from financing cash flows:		
- Repayments	(1,814)	(2,031)
- Interest paid	(315)	(111)
Non-cash changes:		
<ul> <li>Accretion of interest</li> </ul>	315	111
Balance at 31 December	9,444	11,209

For The Financial Year Ended 31 December 2023



### 21 **PROVISIONS**

Provisions for dismantlement, removal and restoration costs have been recognised as a consequence of lease arrangement entered into for its office and training premises. The provisions represent the present value of management's best estimate of the future outflow of economic benefits that will be required to reinstate the leased property to its original state. The estimates have been made on the basis of quotes obtained from external contractors. The unexpired term of the lease is 4.8 years (2022: 5.8 years).

#### 22 TRADE AND OTHER PAYABLES

	Group		Institute	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Non-current				
		240		240
Rental deposits received		240		240
Current				
Trade payables	931	840	931	840
Amount due to subsidiaries	_	_	24	46
Accrued operating expenses	2,496	2,118	2,482	2,106
Other payables	_	74	_	_
Rental deposits received	256	_	256	_
At amortised cost	3,683	3,032	3,693	2,992
Goods and Services Tax payable	692	458	692	458
Accrual for unutilised annual leave	324	337	324	337
Advance billings for rental and other income	210	201	210	201
Deferred grants	19	888	19	888
	4,928	4,916	4,938	4,876

Trade payables are non-interest bearing and are normally settled on 30 days' terms.

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

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#### 23 **ISCA SUPPORT FUND**

## **Support for Small and Medium Enterprises**

	Group and Institute	
	2023	2022
	\$'000	\$'000
At beginning of financial year	1,739	1,934
Transfer to Accumulated Fund	(1,739)	-
Disbursement to recipients	_	(292)
Disbursement funded by Enterprise Singapore ("Enterprise SG")	_	97
Deficit for the financial year	_	(195)
At the end of financial year		1,739

In 2021, with the support of Enterprise SG's STEER programme, a \$3 million funding was set up that goes towards accelerating the digital transformation and upskilling efforts of small and medium practices ("SMPs"), as well as provide working capital to SMPs affected by the COVID-19 pandemic. Through the STEER programme, Enterprise SG matched \$1 for every \$2 contributed by ISCA and eligible SMPs could apply for funding in the areas of working capital, business growth and upgrading of capabilities. The Institute received a \$1 million advance from Enterprise SG and transferred its share of \$2 million to the ISCA Support Fund.

A total of \$392,000 was disbursed to eligible recipients during the qualifying period in 2021 and 2022. As the qualifying period for funding support ended in 2022, the undisbursed portion of the advance from Enterprise Singapore of \$869,000 was returned in March 2023. The undisbursed funding set aside by the Institute, amounting to \$1,739,000 was transferred back to the accumulated fund upon the cessation of the ISCA Support Fund.

For The Financial Year Ended 31 December 2023



#### 23 ISCA SUPPORT FUND (CONT'D)

## Support for Members

In 2021, \$5 million of support was allocated towards supporting ISCA members to help members who are experiencing financial difficulties due to the economic impact of COVID-19. \$100/- CPE course credit vouchers totaling \$3 million in value were issued to all members for upskilling and reskilling for the post COVID-19 environment. To further assist specific members who experienced financial difficulties due to the economic impact of COVID-19, membership fees were waived for these members, who also received complimentary training packages to enable them to acquire new skills that enhance employability.

From the course credit vouchers issued in the financial year ended 31 December 2021, a total of \$1,050,000 were utilised, of which \$321,000 was for training courses delivered in the financial year ended 31 December 2022.

In the financial year ended 31 December 2022, 319 members received membership fee waivers amounting to \$130,000 and complimentary training courses packages valued at \$32,000.

The CPE course credit vouchers, membership fee waivers and complimentary course packages ceased in the financial year ended 31 December 2023.

Members' annual fees and income from courses as presented in Note 2 are stated net of all CPE course credits, membership fees waivers and fees waived under the complimentary course packages. The value of these fees waivers and course credits were:

	Group ar	Group and Institute	
	2023	2022	
	\$'000	\$'000	
\$100/- CPE course credit vouchers	_	321	
Complimentary course fees	_	32	
Waived membership fees		130	
	_	483	

For The Financial Year Ended 31 December 2023



#### **ISCA CARES FUND** 24

	Gr	oup	
	2023	2022	
	\$'000	\$'000	
At beginning of financial year	1,624	1,482	
Donations received:			
<ul> <li>Tax deductible receipts</li> </ul>	105	254	
<ul> <li>Non-tax deductible receipts</li> </ul>	3	9	
Donations-in-kind	33	_	
Other income:			
<ul> <li>Fund raising activity</li> </ul>	280	_	
- Government grant	250	_	
- Interest income	37	9	
Bursary awards	(221)	(110)	
Fund raising expenses	(65)		
Donations-in-kind expenses	(33)	_	
Amortisation of intangible assets	(3)	(4)	
Administrative and other operating expenses	(23)	(16)	
	363	142	
At end of financial year	1,987	1,624	
Represented by:			
Non-current assets			
Intangible assets		2	
Current assets			
Cash and bank balances	1,969	1,665	
Receivables	26	39	
Inventories		1	
	1,995	1,705	
Total assets	1,995	1,707	
Current liabilities			
Payables, representing total liabilities	(8)	(83)	
Net assets	1,987	1,624	

The purpose of the ISCA Cares Fund is to provide needy Singapore youths with academic potential, access to quality accountancy education through financial and non-financial assistance. Pursuant to the Constitution of ISCA Cares Limited, if upon the winding up or dissolution of the company or in the event the company ceases to be a registered charity, the fund balance shall be donated to charitable organisations or Institutions of a Public Character with similar objectives in Singapore.

For The Financial Year Ended 31 December 2023



#### 25 SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the Group/Institute have the following significant transactions between the Group/Institute and related parties during the financial year on terms agreed by the parties concerned.

Key management personnel compensation comprises:

	Group an	d Institute
	2023	2022
	\$'000	\$'000
Short-term employee benefits	1,432	1,404
Contribution to CPF	118	104
	1,550	1,508

#### **CAPITAL COMMITMENT** 26

Capital commitment not provided for in the financial statements:

	Group and	d Institute
	2023	2022
	\$'000	\$'000
Capital commitment in respect of property, plant and equipment	88	626

#### 27 **LEASES**

#### The Group and the Institute as a lessee a)

## Nature of the Group's and the Institute's leasing activities

 $The \ Group \ and \ the \ Institute \ lease \ property \ and \ of fice \ equipment \ from \ non-related \ parties \ under \ non-cancellable$ operating lease agreements. These leases have an average tenure of between one to six years, varying terms and renewal options.

The maturity analysis of the lease liabilities is disclosed in Note 28(b).

Information about leases for which the Group is a lessee is presented below:

## Carrying amount of right-of-use assets

The carrying amount and additions of right-of-use assets are disclosed in Note 9.

For The Financial Year Ended 31 December 2023



#### LEASES (CONT'D) 27

## The Group and the Institute as a lessee (Cont'd)

## Amounts recognised in profit or loss

	2023	2022
	\$'000	\$'000
Depreciation charge for the financial year		
Leased property	1,922	1,985
Office equipment	24	37
Total	1,946	2,022
Interest expense on lease liabilities (Note 20)	315	111

Total cash outflow for leases amounted to \$2,129,000 (2022: \$2,142,000) and \$2,129,000 (2022: \$2,142,000) for the Group and the Institute respectively.

#### b) The Group and the Institute as a lessor

The Group and the Institute leased out its investment property to a third party for monthly lease payments. The lease is classified as an operating lease because the risks and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from investment property is disclosed in Note 10.

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	Group ar	Group and Institute	
	2023	2022	
	\$'000	\$'000	
Within one year	177	959	
1 to 2 years		177	

The lease for the Group's investment property was extended in March 2024 for another 6 years, until March 2030.

For The Financial Year Ended 31 December 2023



#### 28 FINANCIAL INSTRUMENTS

## Categories of financial instruments

Financial instruments at their carrying amounts as of the statements of financial position date are as follows:

	G	roup	Ins	stitute
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets at fair value through profit or loss	56,914	53,943	56,914	53,943
Financial assets at amortised cost				
<ul> <li>Trade and other receivables</li> </ul>	1,940	1,436	1,914	1,407
<ul> <li>Cash and bank balances</li> </ul>	23,073	21,123	21,122	19,502
	81,927	76,502	79,950	74,852
Financial liabilities At amortised cost				
<ul> <li>Trade and other payables</li> </ul>	3,683	3,272	3,693	3,232
<ul> <li>Lease liabilities</li> </ul>	9,444	11,209	9,444	11,209
	13,127	14,481	13,137	14,441

#### b) Financial risk management

The main risks arising from the Group's financial management are interest rate risk, credit risk, liquidity risk, price risk and foreign currency risk. The Group reviews and agrees policies for managing each of these risks and they are summarised below:

## Credit risk

The Group's and the Institute's exposure to credit risk arises from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group, as and when they fall due. The Group manages this risk by monitoring credit periods and limiting the aggregate financial exposure to any individual counterparty.

As the Group and the Institute do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments, is the carrying amount of that financial instruments presented in the respective statements of financial position.

The Group and the Institute place cash and fixed deposits with the established banks and financial institutions in Singapore. Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Group's policy. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. As at 31 December 2023, the banks and financial institutions that the Group had deposits with were rated by Moody's at Aa1 to A3 (Investment Grade).

For The Financial Year Ended 31 December 2023



#### 28 **FINANCIAL INSTRUMENTS (CONT'D)**

## Financial risk management (Cont'd)

## Credit risk (Cont'd)

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts.	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
Contractual payments are more than 1 year past due or there is evidence of credit impairment.	Lifetime ECL – credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, and reminders and warning letters issued for debts due for more than 12 months.	Write-off

## Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook that is available without undue cost or effort.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date.

## Definition of default

The Group considers an event of default for internal credit risk management purpose. Management considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

For The Financial Year Ended 31 December 2023



#### 28 **FINANCIAL INSTRUMENTS (CONT'D)**

## Financial risk management (Cont'd)

## Credit risk (Cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Trade receivables and contract assets

The Group has applied the simplified approach to measure the lifetime expected credit loss allowance for trade receivables and contract assets.

The contract assets relate to unbilled work-in-progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. Trade receivables and contract assets that shared the same credit risk characteristics and days past due are grouped together in measuring the expected credit losses.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions.

There has been no change in the estimation techniques or significant assumptions made during the current financial year.

A trade receivable is written off when there is information indicating that there is no realistic prospect of recovery from the debtor such as when the debtor has been placed under liquidation, has entered into bankruptcy proceedings, cannot be located or are not recoverable despite legal recourse made to recover the debt, including reminders and warning letters issued for debts due for more than 12 months.

The Group and Institute have reviewed the profile of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group and Institute measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Other financial assets at amortised cost

Other financial assets at amortised cost include other receivables and cash and bank balances.

Credit risk exposure in relation to other financial assets at amortised cost as at 31 December 2023 and 31 December 2022 is insignificant, and accordingly no credit loss allowance is recognised as at 31 December 2023 and 31 December 2022. During the year, the bad debts recovered by the Group and the Institute was \$10,000 (2022: bad debts written-off \$22,000) and \$10,000 (2022: bad debts written-off \$25,000) respectively.

For The Financial Year Ended 31 December 2023



#### 28 FINANCIAL INSTRUMENTS (CONT'D)

## Financial risk management (Cont'd)

## Liquidity risk

In the management of liquidity risk, the Group and the Institute monitor and maintain a level of cash and bank balances deemed adequate by the Management to finance the Group's and the Institute's operations and mitigate the effects of fluctuations in cash flows.

The table below summarises the maturity profile of the Group's and the Institute's non-derivative financial liabilities at the statements of financial position date based on contractual undiscounted repayment obligations.

		20	023			20	)22	
	◄	\$'(	000 ——		<b>←</b>	\$'(	000 ——	-
	1 year	1 to 5	Over 5		1 year	1 to 5	Over 5	
	or less	years	years	Total	or less	years	years	Total
Group								
Trade and other payables*	3,683	_	_	3,683	3,032	240	_	3,272
Lease liabilities	2,143	8,419	1,663	12,225	2,140	8,419	1,663	12,222
Institute								
Trade and other payables*	3,693	_	_	3,693	2,992	240	_	3,232
Lease liabilities	2,143	8,419	1,663	12,225	2,140	8,419	1,663	12,222

excluding Goods and Services Tax payable, accrual for unutilised annual leave, advance billing for rental and other income and grants received

## Interest rate risk

The Group and the Institute are exposed to interest rate risk through the impact of rate changes on interest bearing fixed deposits. The sensitivity analysis for changes in interest rate is not disclosed as the effect on profit or loss is considered not significant.

## Price risk

Market price risk is the risk that the fair value or future cash flows of the Group's and the Institute's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group and the Institute are exposed to equity price risk arising from its investment in quoted equity instruments. These instruments were classified as financial assets at fair value through profit or loss. To manage price risk arising from investment in quoted equity instruments, the Group and the Institute diversify its portfolio in accordance with the limits set by the Group. The Institute's investment policy, investment approach and asset allocation are under the oversight of the Investment Committee. The Committee also oversees the selection and appointment of external investment/fund managers and evaluates/monitors the performance of the fund managers and the risks associated with the investment's decisions.

## Sensitivity analysis

Funds placed with fund managers comprise a portfolio of equity instruments, bonds, derivatives and cash and cash equivalents. The Group and the Institute are exposed to changes in market prices, interest rate risk and foreign exchange risk with respect to its funds placed with fund managers. Fair values of debt instruments at fixed rates may fluctuate due to changes in market interest rates. A 3% (2022: 3%) increase/(decrease) in the fair value of the portfolio at the statements of financial position date would increase/(decrease) the Group's and the Institute's profit or loss by \$1,707,000 (2022: \$1,618,000).

For The Financial Year Ended 31 December 2023



#### 28 **FINANCIAL INSTRUMENTS (CONT'D)**

## Financial risk management (Cont'd)

## Foreign currency risk

The Group's and the Institute's foreign currency risk results mainly from cash flows and transactions denominated in foreign currencies. It is the Group's and the Institute's policy not to enter into derivative forward foreign exchange contracts for speculative purposes except for the use as hedging instruments where appropriate and cost-efficient. The Group does not apply hedge accounting.

The Group and the Institute do not have significant financial assets and liabilities held in foreign currency.

#### **FAIR VALUE OF ASSETS AND LIABILITIES** 29

#### a) Definition of fair value

FRS 113 defines fair value as 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.

#### b) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- a) Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data c) (unobservable inputs).

#### Fair value measurement of assets that are measured at fair value c)

The following table presents the assets measured at fair value at 31 December 2023.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurement				
2023 Group and Institute Financial assets at fair value through profit or loss – Funds placed with fund managers	31,274	25,640		56,914
2022  Group and Institute  Financial assets at fair value through profit or loss  – Funds placed with fund managers	29.280	24.663	_	53.943

For The Financial Year Ended 31 December 2023



#### 29 FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

#### Assets and liabilities not carried at fair value but which fair values are disclosed

			value measurer nt of financial p	
	Carrying amount \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
2023 Group and Institute	9,880			28,500
Investment property				28,500
2022				
Group and Institute				
Investment property	10,184	_		28,200

The above does not include financial assets and financial liabilities whose carrying amounts are measured on the amortised cost basis. The carrying amounts of these financial assets and financial liabilities approximate their fair values due to their short-term nature.

#### e) **Determination of fair values**

Fair values have been determined for measurement and/or disclosure purpose based on the following methods:

Funds placed with fund managers

The fair values of funds placed with fund managers are determined based on market prices of the financial instruments provided by financial institutions at the statements of financial position date. These instruments are included in Level 1 or 2.

Investment property

The fair value is determined based on the property's highest and best use by an external and independent professional valuer who specialises in valuing these types of investment properties. A Direct Comparison Approach is used, under which the property is assessed having regards to the recent transactions within the development and around the vicinity. Appropriate adjustments have been made between comparables and the subject property to reflect the differences in size, tenure, location, condition, prevailing marketing, and all other factors affecting their value. The most significant input into the valuation model is the price per square foot of the property. The fair value measurement is categorised under Level 3 of the fair value hierarchy. The Group has determined that the highest and best use of the property used for office space is its current use.

#### 30 **FUND MANAGEMENT**

The Group's and the Institute's objectives when managing the accumulated fund and ISCA Cares Fund are to safeguard the Group's and the Institute's ability to maintain adequate working capital, to promote its objective to lead, develop and support accountancy professionals in Singapore and uphold the public interest and these objectives remain unchanged from previous year.

Eair value measurements

For The Financial Year Ended 31 December 2023



#### 31 **COMPARATIVE FIGURES**

- The financial statements for the year ended 31 December 2022 were audited by another firm of auditors whose report dated 15 March 2023 expressed an unmodified opinion on those financial statements.
- b) Restatement to comparative figures

The following items have been reclassified to conform with the current year's presentation:

	Reported		Restated
	2022	Adjustment	2022
	\$'000	\$'000	\$'000
Extract of statements of cash flows			
Group			
Depreciation of property, plant and equipment, investment property, right-of-use assets and			
amortisation of intangible assets	3,143	(4)	3,139
Operating surplus before working capital changes	4,229	(4)	4,225
Payables	(72)	195	123
Cash generated from operations	9,432	191	9,623
ISCA Cares Fund	142	4	146
ISCA Support Fund		(195)	(195)
Institute			
Payables	(134)	195	61
Cash generated from operations	9,391	195	9,586
ISCA Support Fund		(195)	(195)

The reclassification did not have any effects on the Group's and Institute's statements of profit or loss and other comprehensive income and statements of changes in funds for the financial year ended 31 December 2022, and statements of financial position as at 31 December 2022 and 1 January 2022.

#### 32 **AUTHORISATION OF FINANCIAL STATEMENTS**

The consolidated financial statements of the Group and the financial statements of the Institute for the financial year ended 31 December 2023 were authorised for issue by the Council on 13 March 2024.

# Notice of Annual General Meeting 2024



NOTICE is hereby given that, in accordance with Article 78 of the Constitution of the Institute, the Annual General Meeting 2023/2024 (the "AGM") of the Institute of Singapore Chartered Accountants will be held at both ISCA House and live-streamed virtually on Saturday, 27 April 2024 at 10:00 am (Singapore time).

## AGENDA

- 1. Update by the CEO and Treasurer.
- 2. President's address.
- 3. To confirm the minutes of the Annual General Meeting 2022/2023 held on 29 April 2023.
- 4. To receive the Report of the Council for the year 2023/2024 and Financial Statements of the Institute for the year ended 31 December 2023.
- To elect eight members to the Council in accordance with Article 32.1 of the Constitution comprising: 5.
  - At least 3 CAs (Singapore) who are Public Accountants to hold office for a term of two years; (a)
  - At least 3 CAs (Singapore) who are not Public Accountants to hold office for a term of two years. (b)

The following members of the Council retire in accordance with the provisions of Articles 49 to 51 of the Constitution:

Chartered Accountants of Singapore who are	Chartered Accountants of Singapore who are not
Public Accountants	Public Accountants
Mohammad Shariq Sayeed Barmaky	Lai Chin Yee
Choo Eng Beng	Teo Ser Luck
Goh Chern Ni Jocelyn	Yiong Yim Ming
Koh Wee Kwang	
Lim Yeong Seng	

Nominations have been received for the following:

Chartered Accountants of Singapore who are Public Accountants	Nominated by	
Choo Eng Beng	Yeow Chee Keong	Lee Chian Yorn
	Tham Tuck Seng	Yong Zen Yun
	Hans Koopmans	
Goh Chern Ni Jocelyn	Chia Soo Hien	Leong Hon Mun Peter
	Khor Boon Hong	Ng Kian Hui
	Tay Hui Jun Sabrina	
Koh Wee Kwang	Lew Weng Hong	Tang Choon Foo
	Liew Seh Siong	Victor Chang Fook Kay
	Chandra Mohan S/O Subramaniam	
Lee Boon Teck	Tey Jack Kie	Ng Peck Hoon
	Lim Bee Hui	Yang Chi Chih
	Michael Ng Wee Kiat	
Lew Weng Hong Jason	Balasubramaniam Janamanchi	Chua Soo Rui
	Tan Lye Heng Paul	Tan Hui Yien
	Lim Fang Sung	
Lim Yeong Seng	See Zhen Ni Jenny	Heng Yeow Meng
	Lua Guat Bee Sharon	Charles Parulian
	Tan Lye Heng Paul	
Helmi Bin Ali Bin Talib	Sharifah Nabihah Binte Syed Mahmood	Suriyati Binti Mohamed Yusof
	See John Kuan	Jaypee Lolong Bautista
	Mari Jane Tiburcio	

# Notice of Annual General Meeting 2024

Chartered Accountants of Singapore who are not Public Accountants	Nominated by	
Choo Kok Wei Eric	Ong Li Qin	Fang Lee Wei
	Tan Choon Wah Kenny	Ong Li Chuin
	Kon Yin Tong	
Ho Mang Chan	Terry Wee Hiang Bing	Ronald Wong Kin Wai
	Lim Tze Yuen	Tan Jie Shi
	Ang Hui Shan	
Lim Wei Kiat William	Abdul Jabar Bin Mustaffa	Tok Seok Ling
	Ho Yew Kee	Too Siew Hong Anna
	See Ling Ling Helen	
Ong Kok Yeong David	Marcus Lam Hock Choon	Goh Siow Hui
	Young Hsien Lin Belinda	Wee Liang Chyan
	Tham Chee Soon	
Teo Ser Luck	Lee Chun Fun	Ng Chiau Meng
	Chay Yiowmin	Leong Kum Hoe Joel
	Koh Jia Mian	

- To re-appoint Messrs Foo Kon Tan LLP as Auditors of the Institute for the financial year ending 31 December 2024 and to authorise the Council to fix their remuneration.
- 7. To consider, and if thought fit, approve and adopt (by way of special resolution and with or without modification) each of the amendments proposed to be made to the provisions of the Constitution of the Institute as set out in the Appendix, a copy of which is accessible at <a href="https://isca.org.sg/docs/default-source/annual-general-meeting/">https://isca.org.sg/docs/default-source/annual-general-meeting/</a> appendix-to-agenda-item-7\_amendments-to-isca-constitution.pdf (each, an "Amendment" and collectively, the "Amendments"), and each Amendment that is tabled for consideration, approved and adopted as aforesaid to take effect from such date as the Council shall determine.

By order of the Council

Secretary

4 April 2024

# **FORM OF PROXY**

## THE SCHEDULE

Rule 34

## THE INSTITUTE (GENERAL MEETINGS) RULES

(Full Name in Block)		NRIC /Passport Number (last 3 digits and alphabet only)
of		
	(Full Addres	s)
being a member of the Ir	nstitute, do hereby appoint:	
Name	Address	NRIC /Passport Number (last 3 digits and alphabet only)
or failing him/hor		
or failing him/her		
Name	Address	NRIC /Passport Number (last 3 digits and alphabet only)
		, , , , , , , , , , , , , , , , , , , ,
	Singapore) of ISCA as my proxy to vote for r nd any adjournment of such meeting.	ne at the Annual General Meeting of the Institute to be
Signature of member:		
Dated this	day of	2024
NOTES:		
	oxy in the election of a member or members	ber who is entitled to vote <u>except that no member sha</u> s of the Council.

The proxy shall not be entitled to vote at a meeting unless the instrument of proxy has been deposited with the Chief Executive

Officer not less than 48 hours before the date and time fixed for the meeting.

[Rule 37, Institute (General Meetings) Rules]

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