INSTITUTE OF SINGAPORE CHARTERED ACCOUNTANTS

ON THE RISE

GROWING WITH THE INDUSTRY

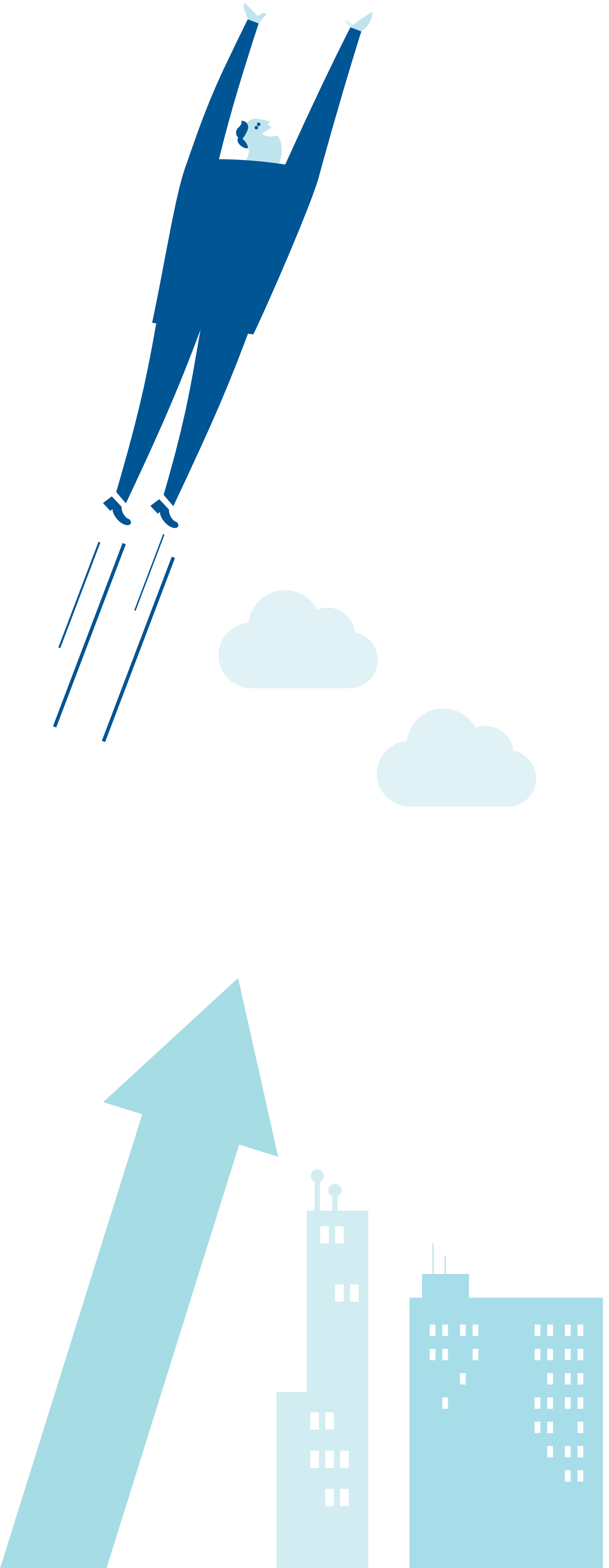
ANNUAL REPORT 2014/2015

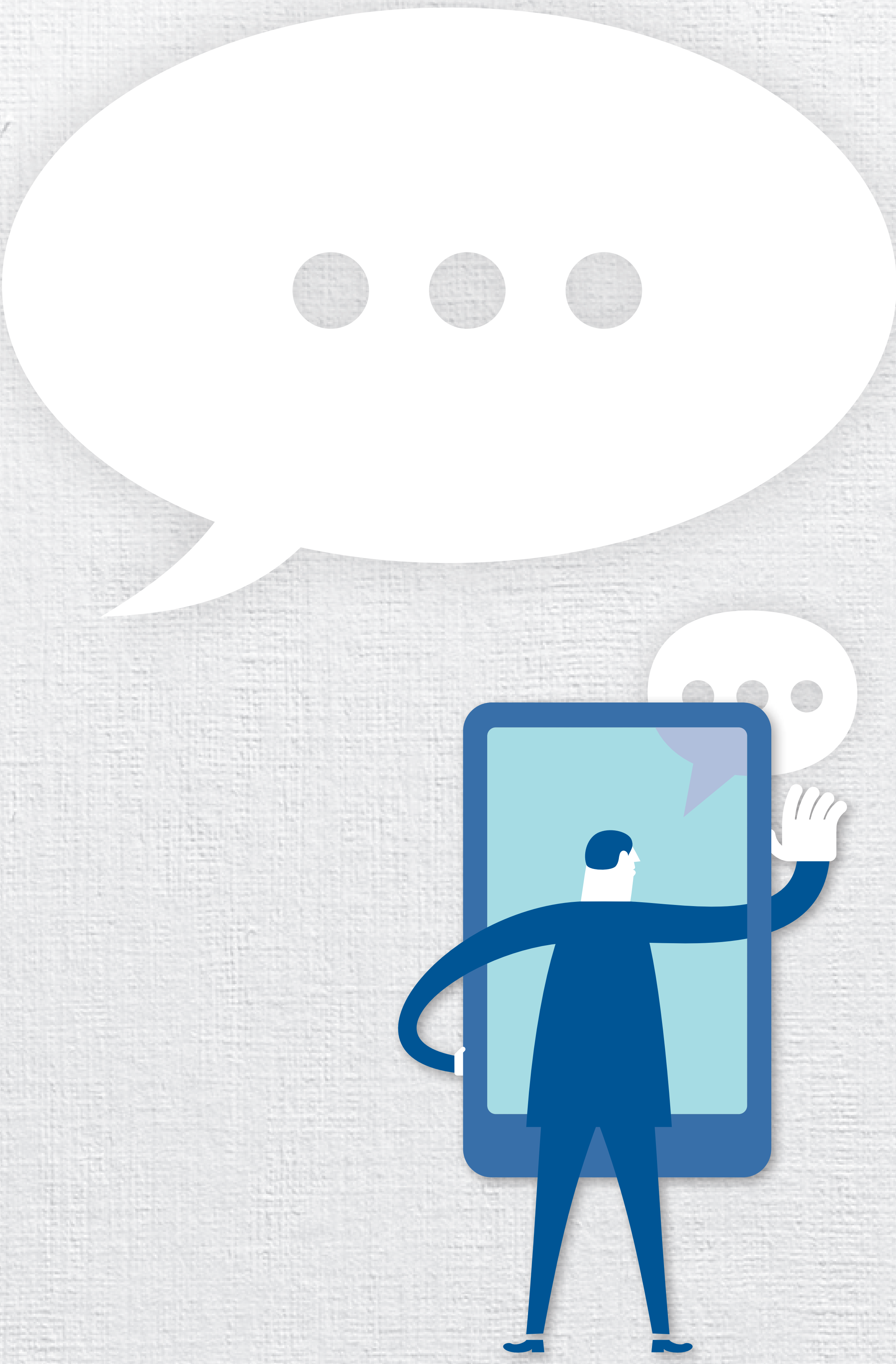
ON THE RISE GROWING WITH THE INDUSTRY

As an organisation that has been part of Singapore's vibrant growth story, the Institute of Singapore Chartered Accountants (ISCA) has continued to grow from strength to strength since our inception in 1963. Just as we have advanced in size, we have similarly extended our stature as a leading institute that shapes the regional accountancy landscape.

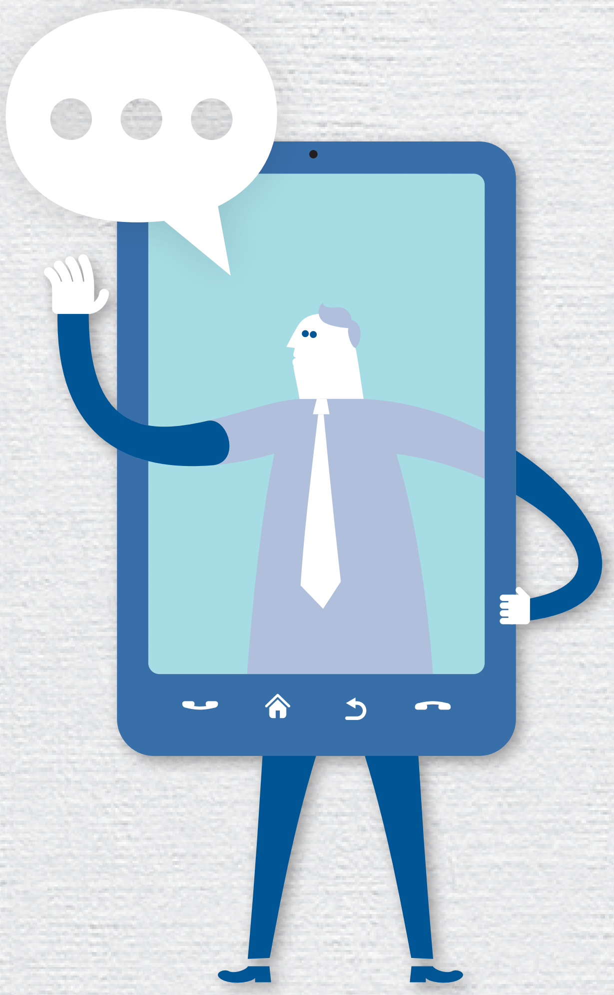
With more than five decades of experience and expertise at hand, ISCA is poised to scale new heights and soar further with a dynamic industry. Moving forward, we will continue to refine our strategies, enhance technical excellence and forge stronger partnerships that will benefit our members, the profession and community.

As we enter our next phase of growth, we are confident that we can take our brand to new heights, and will be able to fulfill our vision to be a globally recognised professional accountancy body that creates value for our stakeholders.





VOICE OF THE PROFESSION



AN ADVOCATE FOR MEMBERS

Being the national accountancy body lends ISCA a strong voice for the Singapore accountancy profession on both the international and local fronts. The resources and broad expertise within ISCA enable the Institute to advocate the views and ideas of the profession and advance the interests of its members.

EMPOWER MEMBERS TO ACHIEVE THEIR ASPIRATIONS

DEDICATED TO THE PROFESSION'S DEVELOPMENT

ISCA shapes the accountancy landscape through its continual involvement in the profession's development. Working in partnership with diverse stakeholders, including government agencies, global accounting organisations, professional bodies, public accounting firms, small and medium practices, employers and educators. We are dedicated to empowering our members to achieve their aspirations.

PROMOTE THE ACCOUNTANCY PROFESSION

BOOST MEMBERS' CAREER OPPORTUNITIES

As the national accountancy body, ISCA is determined to succeed in its vision to be a globally recognised professional accountancy body. ISCA is creating more pathways for aspiring accountants to join the profession, and to boost members' career trajectory and international mobility in an increasingly globalised and competitive world.

2014 HIGHLIGHTS

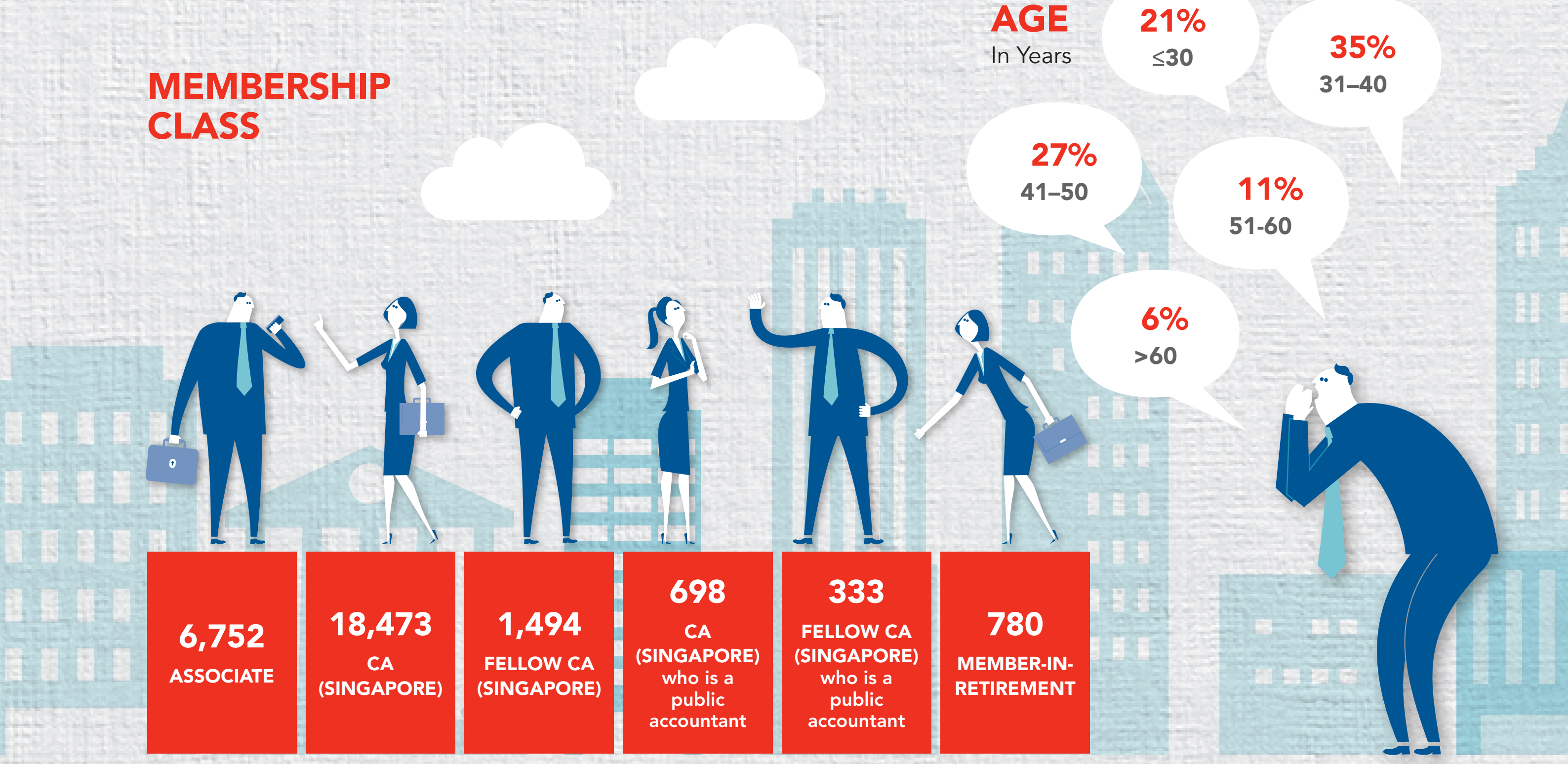
MEMBERSHIP PROFILE

as of 31 Dec 2014

TOTAL NUMBER OF MEMBERS

28,530

MEMBERSHIP CLASS



6,752	18,473	1,494	698	333	780
ASSOCIATE	CA (SINGAPORE)	FELLOW CA (SINGAPORE)	CA (SINGAPORE) who is a public accountant	FELLOW CA (SINGAPORE) who is a public accountant	MEMBER-IN-RETIREMENT

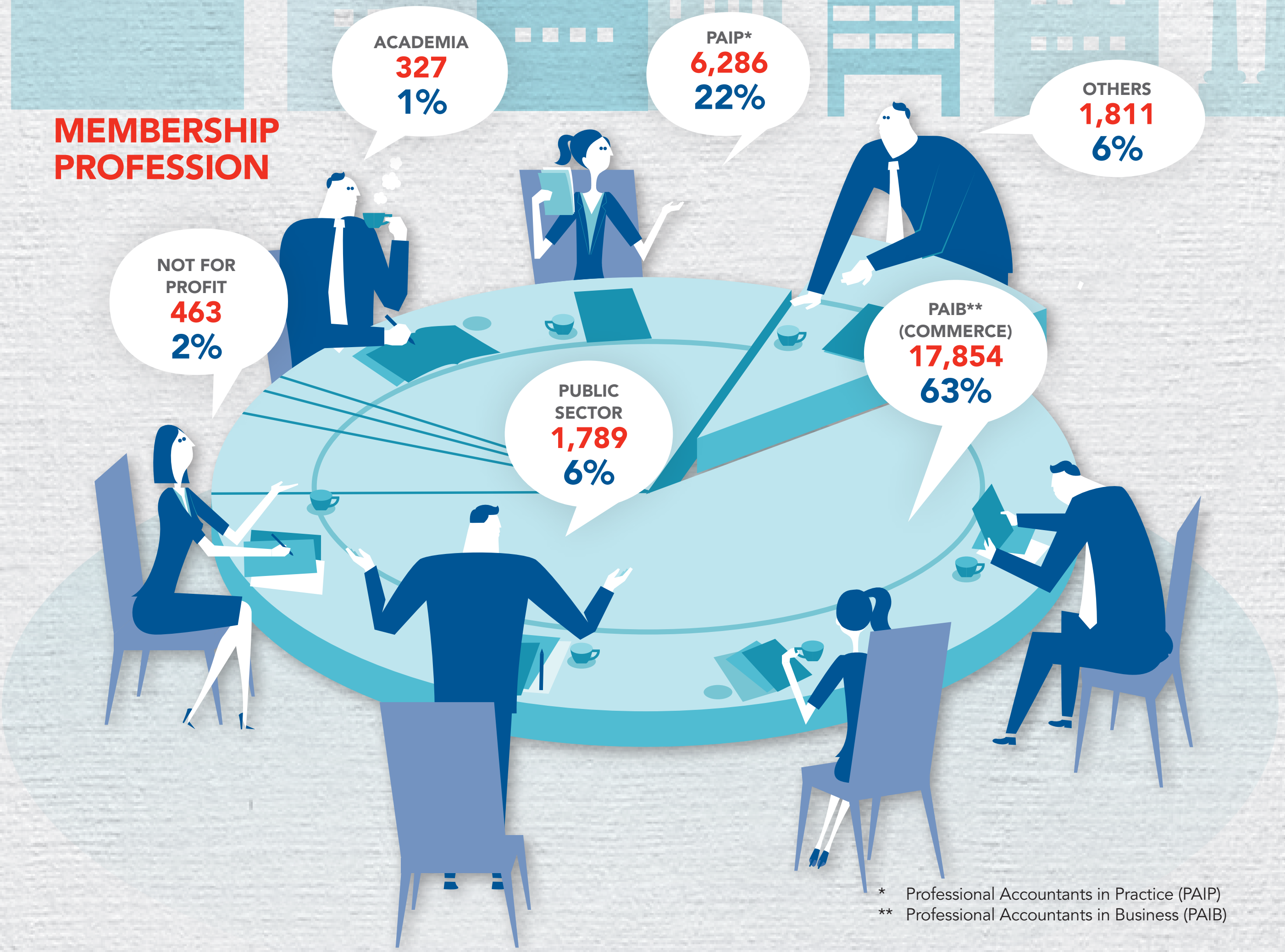
AGE

In Years

- 21% ≤30
- 35% 31–40
- 27% 41–50
- 11% 51-60
- 6% >60

MEMBERSHIP RETENTION

MEMBERSHIP PROFESSION



* Professional Accountants in Practice (PAIP)
** Professional Accountants in Business (PAIB)

2014 HIGHLIGHTS

LAUNCHED A NEW LIBRARY FOR E-LEARNING

400

COURSES IN FINANCE AND BUSINESS SKILLS

NUMBER OF CPE SESSIONS CONDUCTED

2014
800

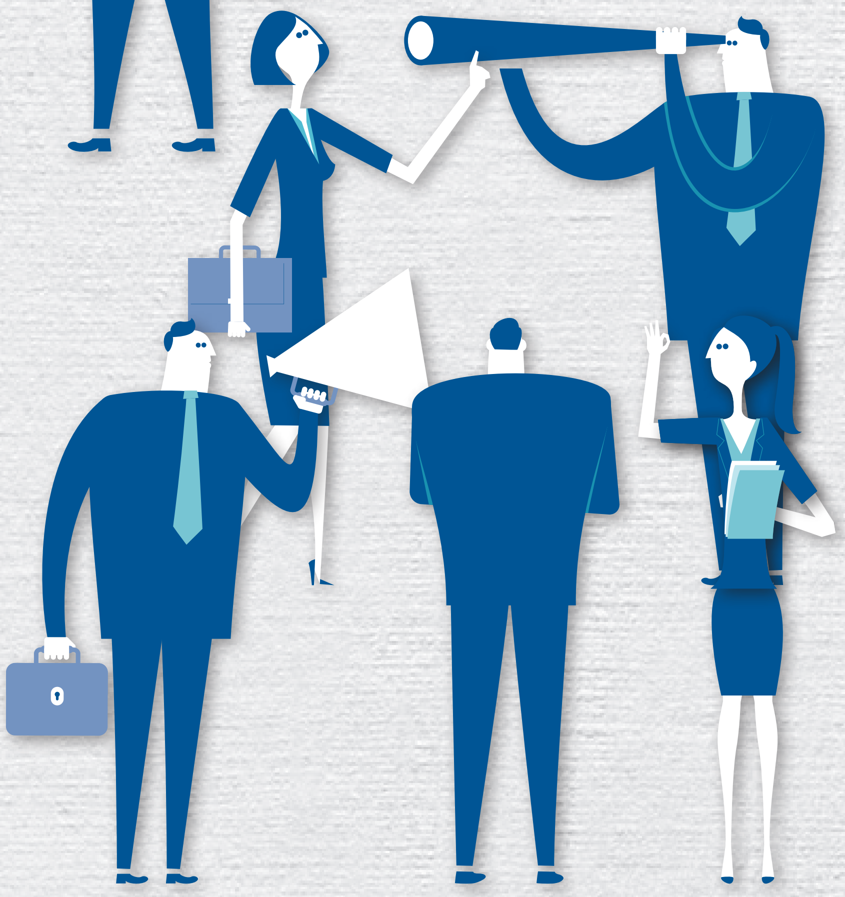
2013
600

2012
500

NUMBER OF CPE ATTENDEES

2014
20,033

2013	2012
14,761	11,167



2014 HIGHLIGHTS

CHAMPIONING EXCELLENCE AND THOUGHT LEADERSHIP

SINGAPORE ACCOUNTANCY CONVENTION 2014

Professor Arnold Schilder, Chairman of the International Auditing and Assurance Standards Board

Mr Hans Hoogervorst, Chairman of the International Accounting Standards Board

Mr Kenneth Yap, Chief Executive, Accounting and Corporate Regulatory Authority

Mr Teo Ser Luck, Minister of State for Trade and Industry

Esteemed panelists (from left): Ms Helen Brand, CEO, Association of Chartered Certified Accountants, Professor Katherine Schipper, Thomas F Keller Professor of Business Administration at Duke University's Fuqua School of Business, Mr Robert Hodgkinson, Executive Director, Technical, The Institute of Chartered Accountants in England and Wales, and Mr Tham Sai Choy, Chairman, KPMG Asia Pacific and Managing Partner, KPMG, Singapore

About 1,400 Finance and Accounting professionals gathered at the Marina Bay Sands Convention Centre and heard from some of the best minds in the sector at the Singapore Accountancy Convention 2014. Since its launch in 2010, the Singapore Accountancy Convention has over the years established itself as the premier industry event for the profession.

Singapore Accountancy Convention 2014 tackled key issues faced by the profession amid an increasingly complex and regulated business world, with the theme "Staying Ahead of the Curve."

Discussions centered on the need to make financial reporting and the profession more relevant to stakeholders. As such, the convention focused on developments in the key disciplines of accounting, auditing, ethics and integrated reporting.

The end goal of these efforts was to help accountants stay ahead of the curve in a volatile and uncertain environment by empowering them with knowledge and insight.

During a series of lively forums and conferences held over three days, participants were able to hear from and meet preeminent figures from the profession, including Professor Arnold Schilder, Chairman, International Auditing and Assurance Standards Board and Mr Hans Hoogervorst, Chairman, International Accounting Standards Board.

2014 HIGHLIGHTS

SINGAPORE ACCOUNTANCY AWARDS

A landmark effort to celebrate the best in the local accountancy sector and inspire the profession to greater heights was unveiled in 2014.

The inaugural Singapore Accountancy Awards, held in conjunction with the Singapore Accountancy Convention 2014, honoured exemplary individuals and organisations from the sector for their achievements. Graced by guest-of-honour Mrs Josephine Teo, Senior Minister of State for Finance and Transport, the awards also aimed to promote good corporate practices, individual excellence and strengthen branding of the profession and industry. Close to 700 distinguished guests attended the ceremony at the grand ballroom of the Marina Bay Sands Convention Centre.

The Singapore Accountancy Awards supported by the Accounting and Corporate Regulatory Authority and Singapore Accountancy Commission, comprised two main categories – Individual Excellence Awards and Business Excellence Awards. The Individual Excellence Awards included the Accountant of the Year and Young Accountant of the Year awards. The Business Excellence Awards comprised the Practice of the Year, Technical Excellence, Excellence in People Development, and Excellence in Productivity & Innovation awards.

Winners of the Business Excellence Awards, posing with Mrs Josephine Teo, Senior Minister of State for Finance and Transport, Mr Gerard Ee, President of ISCA, and Mr Lee Fook Chiew, Chief Executive Officer of ISCA

Winners of the Individual Excellence Awards

MESSAGE FROM OUR PRESIDENT

Dear Members,

It has been a year since I was elected President of ISCA and I am honoured to have been entrusted, together with our Council Members, with the responsibility of bringing the Institute forward in our transformation. With your continued support, I am confident that we can realise our vision and achieve our mission.

ISCA embarked on our transformation journey four years ago to ensure that it remained relevant as our local accounting industry undergoes its own evolution. It marked the beginning of the next phase of growth for the Institute and we are now on track to become a leading professional body with global membership, outlook and standing.

It remains crucial for ISCA to retain its focus and relevancy as a member centric organisation. Our goal is to enhance the profession and help strengthen the infrastructure of the accountancy sector while supporting our members in various ways, including through professional development and advocacy.

In this regard, one of ISCA's key missions is to create more pathways to attract and facilitate the entry of those who aspire to join this respectable profession by striking partnerships with other international accountancy bodies. These partnerships not only strengthen our ties with other professional accountancy organisations, they also increase our members' career opportunities and international mobility.

In January 2014, ISCA signed a Memorandum of Understanding with the Institute of Chartered Accountants in England and Wales (ICAEW) to establish the ICAEW-ISCA Pathways to Membership scheme. The scheme, which is open till December 2015, enables eligible ISCA members to attain ICAEW's Associate Chartered Accountant designation. With the scheme, the Institute aims to help members boost their career trajectory and mobility in an increasingly globalised and competitive world.

ISCA also continued its partnership with the Singapore Accountancy Commission to explore reciprocal membership arrangements with other global accountancy bodies. These included an Expression of Intent (EOI) with the Chartered Accountants Australia and New Zealand, Institute of Chartered Accountants of Scotland, and the Chartered Accountants Ireland.

"ISCA EMBARKED ON OUR TRANSFORMATION JOURNEY FOUR YEARS AGO TO ENSURE THAT IT REMAINED RELEVANT AS OUR LOCAL ACCOUNTING INDUSTRY UNDERGOES ITS OWN EVOLUTION. IT MARKED THE BEGINNING OF THE NEXT PHASE OF GROWTH FOR THE INSTITUTE AND WE ARE NOW ON TRACK TO BECOME A LEADING PROFESSIONAL BODY WITH GLOBAL MEMBERSHIP, OUTLOOK AND STANDING."

MESSAGE FROM OUR PRESIDENT

Most recently, ISCA and the Chartered Institute of Management Accountants (CIMA) inked a Memorandum of Agreement in March 2015 to establish the ISCA-CIMA Pathway for Singapore accounting professionals. The ISCA-CIMA pathway scheme is a fast track for our members to become CIMA members and be conferred the Chartered Global Management Accountant (CGMA) designation.

The globally recognised CGMA designation is a prestigious title jointly awarded by CIMA and the American Institute of Certified Public Accountants (AICPA).

The CGMA qualification, together with the Chartered Accountant of Singapore designation, will complement each other by enhancing the cost accounting competency and business acumen of Singapore accountants. This will enhance the employability of our members and strengthen the talent pool in the accountancy sector.

Like Singapore, ISCA is small and a key challenge we face is limited resources. It is therefore important for ISCA to collaborate with global bodies like the International Federation of Accountants and leading professional accountancy organisations to reap the benefits of synergies and scale.

Within the region, the Institute is playing a leading role in the ASEAN Federation of Accountants (AFA) to advance the role of the accounting profession in light of the upcoming launch of the ASEAN Economic Community (AEC) by the end of 2015.

The AEC will be a single market comprising 10 ASEAN markets with an aggregate economic size of USD2.3 trillion, and is expected to provide extensive opportunities for future economic and social development for the region.

AFA which comprises the national professional accountancy organisations of each ASEAN member state, is keen to work together to develop the profession in the region to capitalise on the opportunities presented by AEC. Such initiatives can help to raise the overall quality of the profession in the region, which in turn will support the region's economic needs and growth.

In addition, ISCA is helping AFA with the possibility to set up a specialised group to study and provide ASEAN's views and perspectives on global accounting issues. This is important to help shape the formulation of international standards and policies that are especially appropriate for a large segment of businesses in developing economies like ASEAN.

We are also developing a simple accounting framework also known as micro accounting model to facilitate micro businesses operating in ASEAN to make a transition from cash to accrual accounting. The objective of this project is to assist micro businesses in taking the first but important step in preparing consistent and reliable financial information. This will help set them in good stead to advance towards a more comprehensive set of international accounting standards as the businesses grow. Having ASEAN adopt this micro accounting model will facilitate participation and contribution of the profession in the region.

As an active member of AFA, we have also shared the ISCA Audit Manual with our counterparts in AFA as part of our efforts to deepen co-operation and to foster closer ties within the region. We believe that through such collaborative efforts, it will help to raise the standards of the profession in the region, which in turn, increases investor confidence and attracts investment to the region.

All the initiatives I have outlined above are aimed at helping ISCA realise its ambition to be a leading professional accountancy body with global membership, outlook and standing. This is why we set out on a transformation journey in 2010. We are now mid-way in our journey and this would not have been possible without the support of our members and stakeholders. I am confident that we will be able to successfully complete this trailblazing journey.

I would like to express my appreciation to all our members, Council Members, the senior management team and staff for their support and tireless efforts.

GERARD EE
President

DELIVERING VALUE TO OUR STAKEHOLDERS

OUR VALUE CREATION

ISCA has a three-pronged mission which is aligned with ISCA's vision of bringing value to our members, the profession and the wider community.

- First, to empower our members to achieve their aspirations.
- Second, to advocate and be the voice for our members and the profession.
- Third, to advance and promote the accountancy profession to develop Singapore into a leading global accountancy hub.

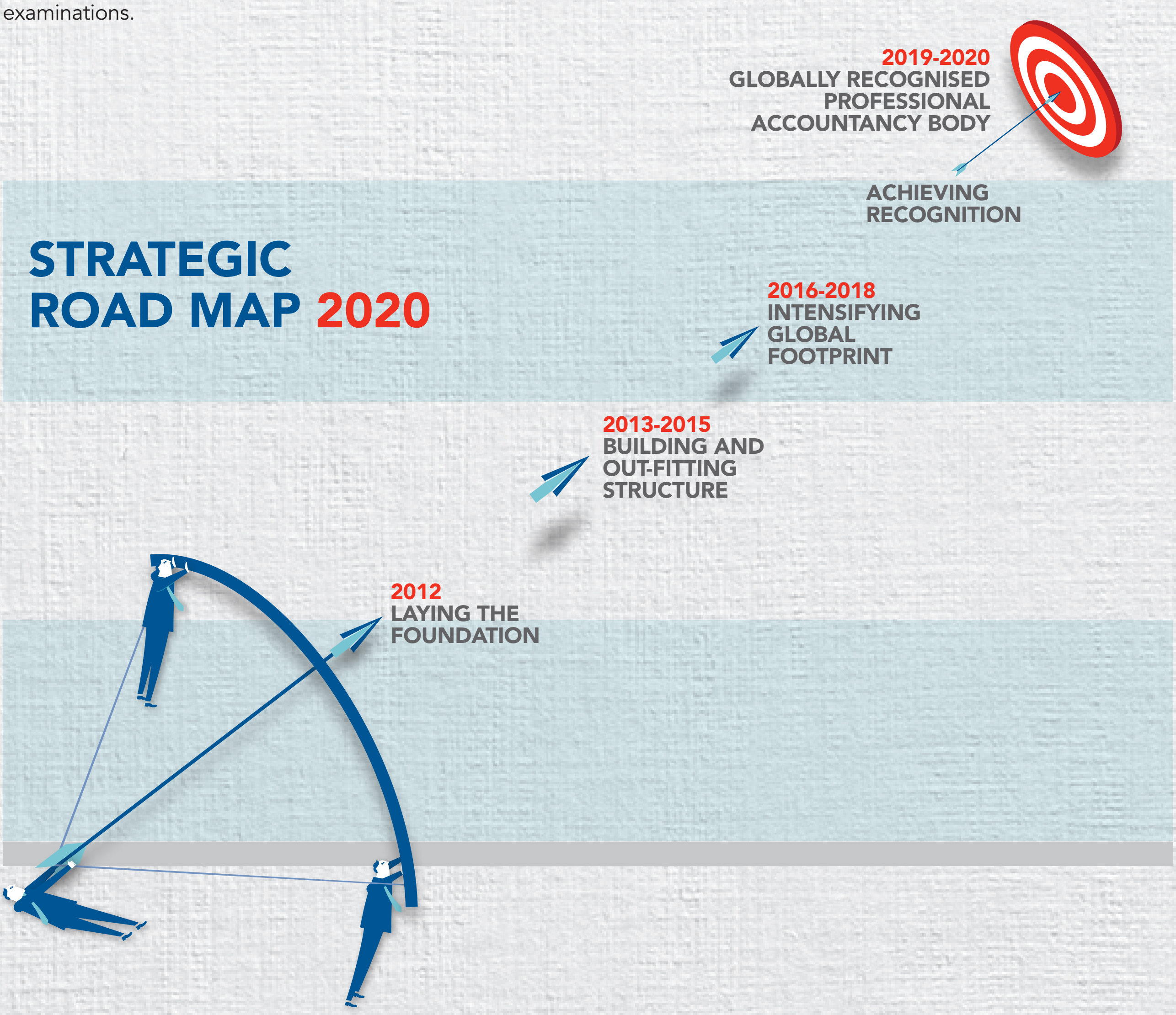
The Institute has three customer segments: members, industry partners and the government.

The Institute exists because of its members and therefore, its primary purpose is to serve their diverse needs. ISCA is funded primarily through annual subscriptions for membership, and fees for professional courses and examinations.

OUR STRATEGIC PRIORITIES

ISCA developed an enhanced strategic plan under the second phase of its transformation journey. The Strategic Plan 2013-2015 focuses on key areas critical to the Institute's transformation.

- Understand needs of members and develop meaningful initiatives
- Develop strong engagement and collaboration with stakeholders
- Achieve organisational effectiveness and build a dynamic work culture
- Strengthen branding and communications



SUCCESS OUTCOMES

BE A REPUTABLE AND RESPECTED MEMBERSHIP BODY

BE VALUED AS A STRATEGIC PARTNER BY KEY STAKEHOLDERS

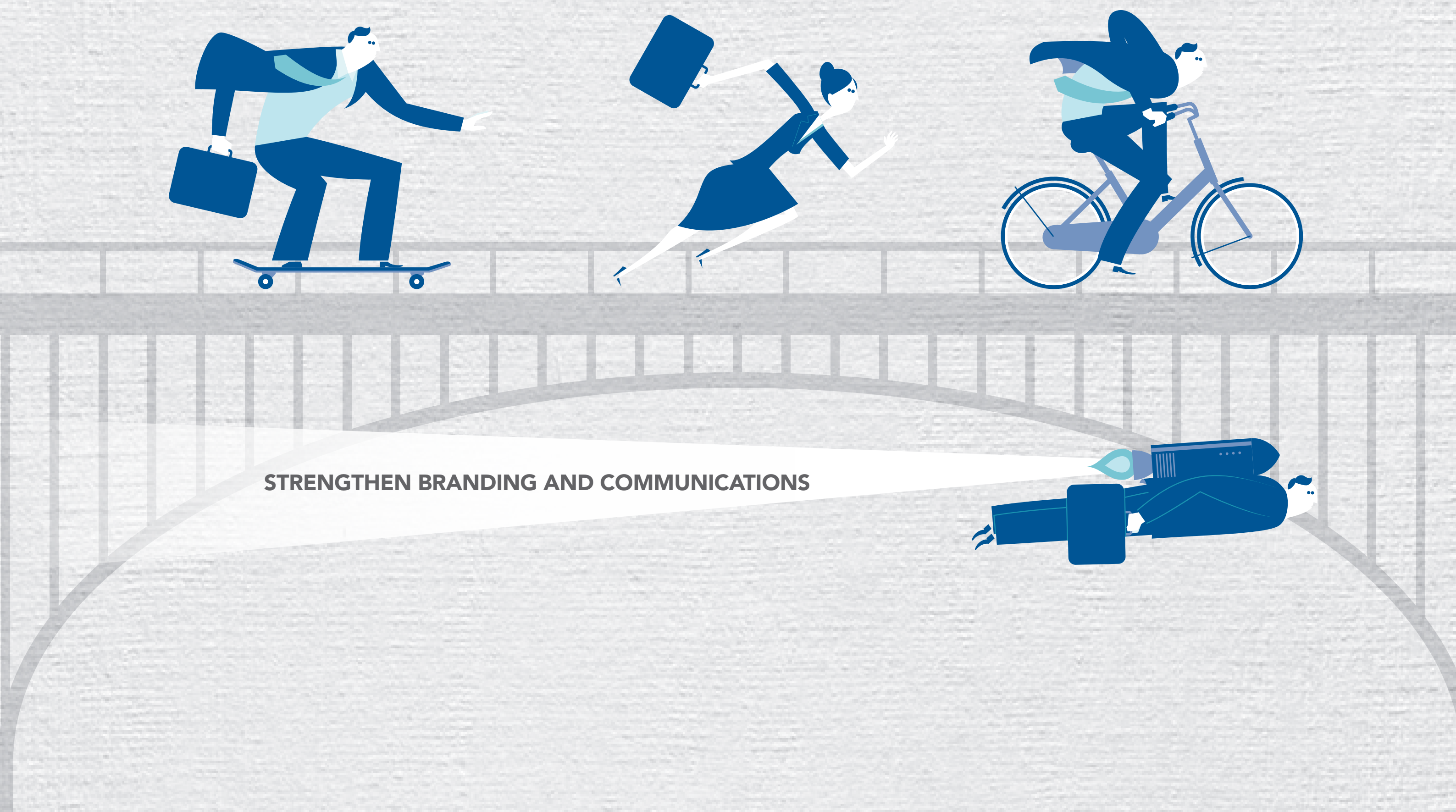
BE AN EMPLOYER OF CHOICE

STRATEGIC PRIORITIES

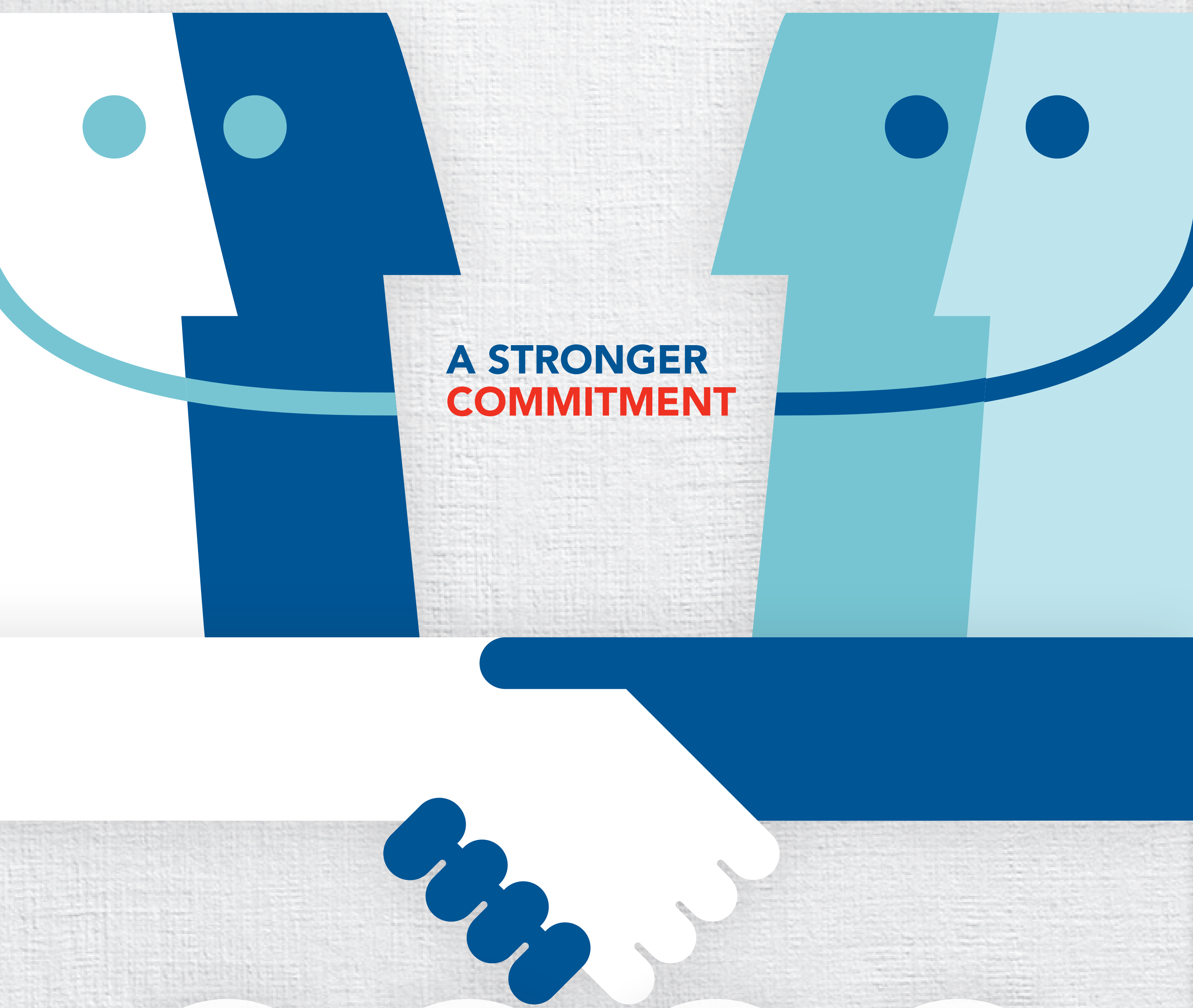
UNDERSTAND NEEDS OF MEMBERS AND DEVELOP MEANINGFUL INITIATIVES

DEVELOP STRONG ENGAGEMENT AND COLLABORATION WITH STAKEHOLDERS

ACHIEVE ORGANISATIONAL EFFECTIVENESS AND BUILD A DYNAMIC WORK CULTURE



OUR KEY STAKEHOLDERS



- to **address issues** that shape and define the accountancy profession today.
- to **strengthen** synergies between Singapore's accountancy community and the rest of the world.
- to **continue** raising the bar in accountancy standards in Singapore.
- to **champion** the interests of our members and the accountancy community.

OUR KEY STAKEHOLDERS

A key goal of our Strategic Plan is to create value for three important stakeholder groups: our members, industry partners and the government.

MEMBERS

As the national accountancy body, we are committed to improving the standing and standard of the accountancy profession locally and globally, serving our members as an advocate and partnering them in their professional journey.

Our members are at the heart of what we do and we will continue to focus on delivering quality products and services that are of value to them.

By equipping our members with relevant skills and knowledge, they will be able to effectively support the businesses they serve, and ultimately become the preferred choice for employers and companies in Singapore. This in turn will help boost the credibility of the profession here and support the government's vision of transforming Singapore into a global accountancy hub by 2020.

We support over 28,000 members who come from both the Professional Accountants in Practice and Professional Accountants in Business segments of the profession. Leveraging our technical knowledge, skills and expertise, we strive to equip our members professionally, providing them with access to technical resources and be an advocate for their professional interests.

Key to achieving this, is our ability to understand the needs of our members and develop meaningful initiatives. The globally recognised Chartered Accountant of Singapore or CA (Singapore) designation launched in 2013 is a key initiative to support the professional growth of our members. It is a recognised mark of excellence across all aspects of business – one that plays an important role in supporting the development of Singapore's economy.

INDUSTRY PARTNERS

ISCA aims to provide companies with a pool of competent and trusted accountants.

This requires us to develop strong engagement and collaboration with partners in the accountancy sector. As such, ISCA continues to develop and strengthen relationships with key stakeholders in the accounting industry, such as major accounting firms, and small and medium practices. We also continue to nurture our relations with leading international agencies, recognised professional bodies and academic institutions.

GOVERNMENT

Government agencies such as the Ministry of Finance, Singapore Accountancy Commission, and Accounting and Corporate Regulatory Authority lead in the development of Singapore as a global accountancy hub. As such, it is important that ISCA strengthens its working relationships with these agencies to develop the accountancy profession.

To successfully deliver value to our stakeholders, ISCA also strives to achieve organisational effectiveness and build a dynamic work culture to execute our strategic priorities.

MEETING THE NEEDS OF OUR MEMBERS

CREATING PATHWAYS TO ENHANCE MEMBERS' CAREER MOBILITY

The Committee to Develop the Accountancy Sector (CDAS) recommendations released in 2010 were aimed at transforming and uplifting the entire Singapore accountancy sector. This requires the development of specialisation pathways in areas such as internal audit, business valuation and international taxation to create vibrancy in the sector. To achieve this vibrancy, ISCA is creating more pathways to boost members' career trajectory and international mobility in an increasingly globalised and competitive world.

- In January 2014, ISCA signed a Memorandum of Understanding with the Institute of Chartered Accountants in England and Wales (ICAEW) to establish the ICAEW-ISCA Pathways to Membership Scheme. The scheme enables eligible ISCA members to become an ICAEW Chartered Accountant. ISCA is the only Institute whose members do not have to qualify for the scheme via professional examinations, attesting to the high regard for ISCA's members.

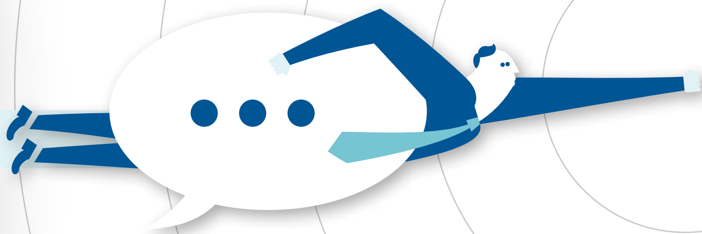
- ISCA partnered the Singapore Accountancy Commission (SAC) to explore reciprocal memberships with other global accountancy bodies. These included Expressions of Intent with the Chartered Accountants Australia and New Zealand, the Institute of Chartered Accountants of Scotland, and the Chartered Accountants Ireland.

- ISCA and the Chartered Institute of Management Accountants (CIMA) inked a Memorandum of Agreement to establish the ISCA-CIMA Pathway for Singapore accounting professionals. The ISCA-CIMA Pathway scheme is a fast track for ISCA members to become CIMA members and be conferred the Chartered Global Management Accountant (CGMA) designation. The globally recognised CGMA designation is a prestigious title jointly awarded by CIMA and the American Institute of Certified Public Accountants.

- The Singapore Qualification Programme (Singapore QP), is one of the possible pathways to the profession. With Asia set to experience a golden era of prosperity for the next 10 years, the demand for accountancy services will grow. The Singapore QP provides a pathway for those aspiring to be in the accountancy profession to realise their ambition to be a Chartered Accountant of Singapore. The successful completion of the Singapore QP will lead to the conferment of the Chartered Accountant of Singapore designation, that is globally recognised and internationally portable. ISCA has been working with SAC to raise the profile of the Singapore QP as the educational pathway of choice for professional accountants.

- ISCA also works closely with SAC to support the Accredited Training Organisations (ATOs) and candidates in their Singapore QP journey. More than 200 employers have since joined the Singapore QP as ATOs to train candidates and provide them with practical experience.

- By leveraging our international partnership networks of accountancy bodies, we will continue to help in promoting and establishing the global recognition and reputation of the CA (Singapore) designation. With this designation, members are given a competitive edge in the industry, enhancing their career mobility worldwide.



AN ADVOCATE FOR MEMBERS

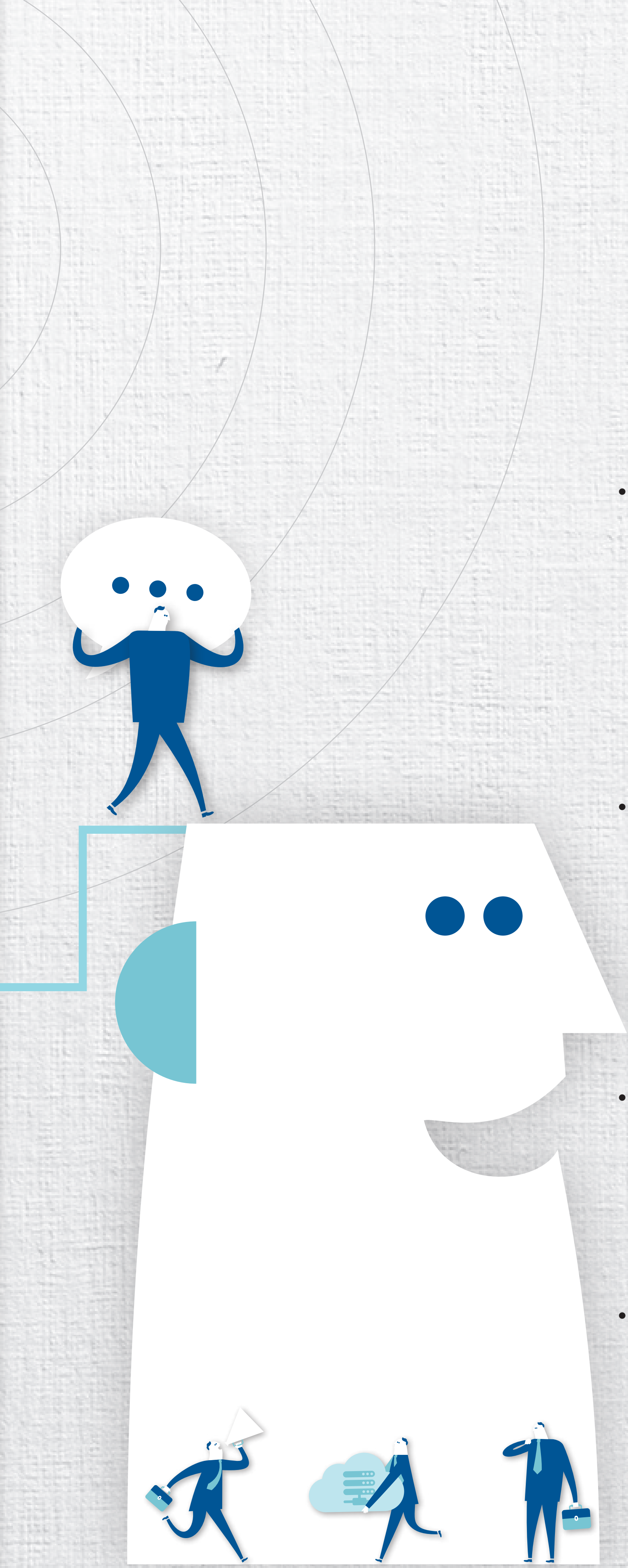
VOICE OF THE PROFESSION

Being the national accountancy body with a membership of more than 28,000, lends ISCA a strong voice for the Singapore accountancy profession on both the international and local fronts. The resources and broad expertise within ISCA enable the Institute to advocate the views and ideas of the profession and advance the interests of our members.

- The Institute produces opinion pieces and commentaries on many accountancy issues, ranging from risk governance and management know-how, new business funding trends, tax jurisdiction matters, to the future of corporate reporting. Our commentaries are frequently published in Singapore's leading business news daily, and regional publications.

- ISCA had also submitted comment letters to facilitate dialogue on the Changes to Certain Provisions of the Code Addressing Non-Assurance Services for Audit Client and Changes to Certain Provisions of the Code Addressing the Long Association of Personnel with an Audit or Assurance Client issued by the International Ethics Standards Board for Accountants.

- The Institute will continue to monitor global developments, such as the International Financial Reporting Standards adoption and International Accounting Standards Board's project on leases, and establish initiatives that will empower our members with the necessary knowledge to navigate through these changes.



- Throughout the year, ISCA continued to work at raising our profile in the global arena, by participating in global initiatives and international events. These deepened the engagement with our international counterparts and helped raise our international standing.

  Some of these initiatives included collaborating with the World Bank on its study on "Current status of the accounting and auditing profession in ASEAN countries", and speaking at the Chartered Accountants Worldwide event in Rome.

- Singapore, through ISCA, chaired the efforts to develop the ASEAN Mutual Recognition Arrangement (MRA) on Accountancy Services. The key objective of the MRA is to facilitate a freer flow and mobility of accountancy service professionals across ASEAN. Under ISCA's chairmanship, negotiations on the MRA were completed in late 2013. ISCA continued to lead the legal review on the ASEAN MRA until the MRA was successfully signed by all 10 ASEAN Member States in November 2014.

- ISCA also participated as a panelist at the MIA International Accountants Conference, spoke at the AFA Conferences, including the LICPA-ACCA Conference in Laos (held in conjunction with the AFA Council meeting), the AFA-IAI conference in Indonesia, and the AFA-PICPA Conference in Philippines, and contributed articles on the IFAC Global Knowledge Gateway.

- ISCA collaborated with the Accounting and Corporate Regulatory Authority in an initiative to raise the quality of corporate financial reporting in Singapore through the reviews of financial statements. The collaboration aims to provide constructive feedback to directors in areas where the presentation and/or contents of their financial statements fall short of compliance with the requirements of accounting standards. With high quality financial statements, the financial reporting supply chain will be strengthened to better safeguard public interest.

CHAMPIONING EXCELLENCE AND THOUGHT LEADERSHIP

ISCA collaborated with local and global institutions to undertake research on business and accounting issues that impact the accountancy landscape.

- The ISCA-NUS Enhanced Auditor's Report Survey 2014 sought the views of various stakeholders on the proposed revisions to the auditor's report. The findings will be useful in guiding the formulation of future ISCA initiatives to raise the level of awareness of the changes to the auditor's report as well as address potential implementation issues.

- ISCA's annual Pre-Budget Survey and Roundtable continues to gather insights and feedback from the accounting community and business leaders on their business outlook and Singapore Budget related matters. As the voice of the profession, ISCA submitted key points to the government for consideration. The findings and feedback also provided helpful insights to policymakers, the business and accounting community, and other stakeholders.

- ISCA collaborated jointly with Singapore Institute of Directors (SID) in an inaugural study of board directorships of SGX-listed entities and the corporate governance aspects of these entities. This study was a successful multi-party collaboration between ISCA, SID, National University of Singapore, Nanyang Technological University, Handshakes and Deloitte. The study, supported by SGX, offered insights regarding board structure and composition, board tenure, board remuneration, board meetings, gender diversity, multiple directorships and other aspects of the Code of Corporate Governance 2012. The findings were presented at a forum with a distinguished panel of experts to discuss pertinent board and corporate governance matters for board directors and C-Suite executives.

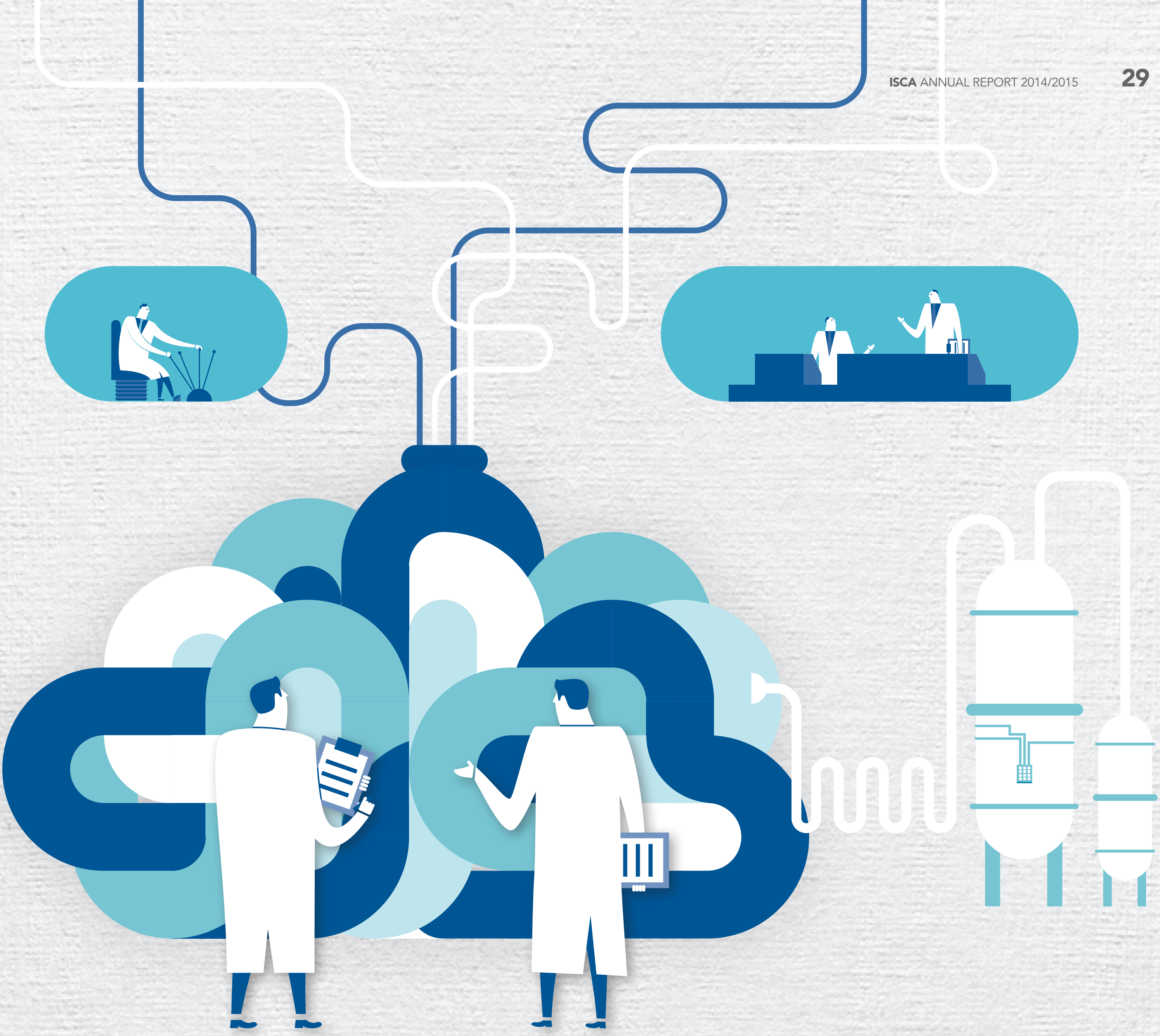
- Faced with a tightening labour supply, raising productivity is important to Singapore businesses. To understand the impact on accounting and finance functions of businesses, ISCA collaborated with Robert Half to survey over 550 senior finance executives in Singapore and the region, namely Hong Kong, China (Shanghai) and Japan, to understand where their focus lay regarding enhancing productivity of their functional units or departments.

INTEGRATED REPORTING

ISCA is committed to playing a key role in shaping and influencing the corporate reporting landscape.

Singapore is the first country in the region to establish an Integrated Reporting (<IR>) Steering Committee. The <IR> Steering Committee was set up by ISCA with the first meeting held in April 2014. The Committee brings together government agencies, industry leaders, investors and the academics to provide insight, learning, and research to promote <IR> adoption.

The Steering Committee has established five work groups. One of these work groups is Asia's first <IR> Business Network, which has more than 10 of Singapore's leading companies participating in peer-to-peer-learning and knowledge sharing on how to best approach <IR>. Singapore shared its experience of establishing an



<IR> Steering Committee at the ASEAN Federation of Accountants conference in June 2014.

The commitment to <IR> yielded Asia's first <IR> roundtable in 2013 and <IR> Forum in 2014 organised by ISCA in Singapore, which were attended by representatives from other accountancy bodies in the region.

Building upon ISCA's initiatives to champion integrated reporting (<IR>), ISCA and NUS conducted an Integrated Reporting Survey in 2014 to understand the level of awareness of <IR> and how it is perceived among users of financial statements as an emerging form of corporate reporting in Singapore.

Going forward, the Steering Committee, work groups and members will continue to further raise awareness of <IR> as the future of better corporate reporting.

The <IR> Steering Committee members and ISCA senior management and staff, met up with Mr Paul Druckman, CEO of the International Integrated Reporting Countil (IIRC)

IMPROVING PRODUCTIVITY AND MOVING UP THE VALUE CHAIN

Mr Koert Breebaart, Senior Principal, Industry Value Advisor, SAP, speaking at the 2nd ISCA Productivity Scorecard and Benchmarking Survey

RAISING PRODUCTIVITY IN THE ACCOUNTANCY SECTOR

The need to raise productivity and build value-adding capabilities for Singapore's accountancy sector was one of the key issues highlighted in the CDAS Report.

As the business environment has become increasingly complex and challenging, finance executives must now compete at the highest level, including having the ability to accurately measure the effectiveness of their company's accounting and finance functions in order to optimise growth. Benchmarking and standards are thus critical as they enable executives to evaluate important procedures and workforce management.

- ISCA, in partnership with SAP, released the second Productivity Scorecard and Benchmarking Survey for the accountancy sector in May 2014. The study enabled participating firms to measure and benchmark their productivity levels against the industry average, and track their productivity improvements over time.

- As a follow up to the productivity benchmarking effort, ISCA has been promoting the adoption of technology, human resource development systems, and training infrastructure to Small and Medium Practices (SMPs). At the close of the call-for-collaboration for Software-as-a-Service initiative by the Infocomm Development Authority of Singapore in late 2014, some 67 SMPs had enrolled in the scheme to adopt a cloud-based practice management solution to help raise productivity.

- The Institute also facilitated efforts of several SMPs to tap on the Singapore Workforce Development Agency's Enterprise Training Support assistance scheme. The scheme supports participating firms in engaging consultancy firms to develop a robust Human Resource framework, helping to boost staff productivity and retention.

SUPPORTING THE NEEDS OF SMALL AND MEDIUM PRACTICES

As Singapore continues in its restructuring efforts, many of our SMPs and their clients are encouraged to look at improving various aspects of their operations to boost productivity. These include tapping on technology, streamlining processes, upgrading business infrastructure, manpower training and establishing networks and mergers, to name a few.

Participants of the ISCA Technology Seminar and SMP Dialogue gathered insights on raising productivity

Mr Michael Chin, ISCA council member, speaking to participants on SSQC 1

The Industry Special Interest Group (iSIG) was designed as an interactive and informal sharing session for same-industry CFOs

To help our members benefit from the different government schemes aimed at driving productivity and innovation, ISCA organised regular workshops and seminars, and facilitated several collaborations among our SMPs. These include the following:

- Improving the competency and productivity of SMPs is a key strategic focus for the Institute. Responding to members' feedback on the need for practical audit training for staff, ISCA developed the Practical Audit Workshop (PAW) programme. PAW – Audit Working Paper 1 is today a certifiable skills training course funded by the Workforce Development Agency.

- To help SMPs in the implementation of SSQC 1, ISCA has developed a CIP Process Manual (CIP-PM) with SPRING Singapore. Through CIP-PM, SMPs can engage an external consultant to help develop a customised quality control manual and undergo a SSQC 1 post-implementation review by ISCA's Quality Assurance team to review their compliance with SSQC 1.

- Companies are encouraged to innovate and adopt technology to raise productivity and accelerate business growth. The ISCA Technology Seminar titled "Accelerating Business Growth through Technology" in October 2014 was organised for SMPs, and SMEs to explore and tap on technological opportunities.

INDUSTRY SPECIAL INTEREST GROUP

ISCA organises activities that are industry specific so that issues common to an industry sector can be better raised and addressed in greater depth.

- The Institute organised its first Industry Special Interest Group (iSIG) session with a gathering of ISCA CFO members from the retail sector at ISCA House in July 2014. The CFOs found the networking sessions with their counterparts from the same industry sector useful as they were able to share experiences in resolving issues specific to the industry sector, as well as hear from other experts.

ENHANCING QUALITY AND EQUIPPING MEMBERS

AUDIT QUALITY

To help SMPs improve their audit quality, ISCA carried out the Quality Assurance Review programme. The programme helps to identify areas of improvement in audit procedures and documentation.

With the increasing emphasis on audit quality globally, the Institute released a publication "Enhancing Audit Quality – From Different Perspective", which gathered the viewpoints of key stakeholders (practitioners, directors, regulators, preparers) in Singapore on the audit quality framework issued by the International Auditing and Assurance Standards Board and its application in practice.

Through ISCA's Technical Clinic, public accountants were also given a platform to share and discuss auditing related issues among themselves with the aim of improving the quality of audit.

GUIDING THE ACCOUNTANCY PROFESSION TO COUNTER FINANCING OF TERRORISM AND ANTI-MONEY LAUNDERING

The Institute is committed to playing a leading role in guiding the accountancy profession to contribute to the well being of Singapore and also support the global movement on anti-money laundering and countering the financing of terrorism.

- We provided our members with relevant requirements and guidelines to help members establish sound and robust Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) controls and measures in order to mitigate the risk of dealing with clients involved in money laundering or terrorist financing activities. ISCA held seminars and developed resources to support the accountancy profession in implementing these controls and procedures.

- A new Ethics Pronouncement 200 – "*Anti-Money Laundering and Countering the Financing of Terrorism – Requirements and Guidelines for Professional Accountants in Singapore*" was developed with relevant regulators to help accountants abide by enhanced mandatory requirements. With money laundering and terrorist financing activities becoming increasingly sophisticated, the pronouncement further strengthens Singapore's reputation as a trusted international financial and business centre.

- Given the changing business landscape and ongoing economic uncertainty, accountants may often find themselves in situations where they have to choose between fulfilling economic interests and ethical considerations. Hence, ISCA reconstituted the Ethics Committee to raise ethical standards for the accountancy profession in Singapore.

PROMOTING CONTINUING PROFESSIONAL EDUCATION

Continuing Professional Education (CPE) launched a record number of 800 sessions in 2014 and will continue to provide continuing education programmes to meet members' needs for knowledge improvement, skills upgrading and professional development. The response from members continued to exceed expectations with more than 20,000 members participating in all our continuing education programmes, from business or practice entities involving accounting and audit to risk management, finance, tax, insolvency and restructuring work.

There are now more ways for ISCA members to fulfil their training and development needs. ISCA has developed a library for e-Learning with 400 courses in finance and business skills. The web-based modules are designed to provide enhanced access and greater ease of use and navigation. ISCA members who are travelling can still complete the courses as they are available 24/7, via various platforms including the mobile phone, iPad and laptop/computer.

PROMOTING CONTINUING PROFESSIONAL EDUCATION

NUMBER OF CPE SESSIONS CONDUCTED IN 2014

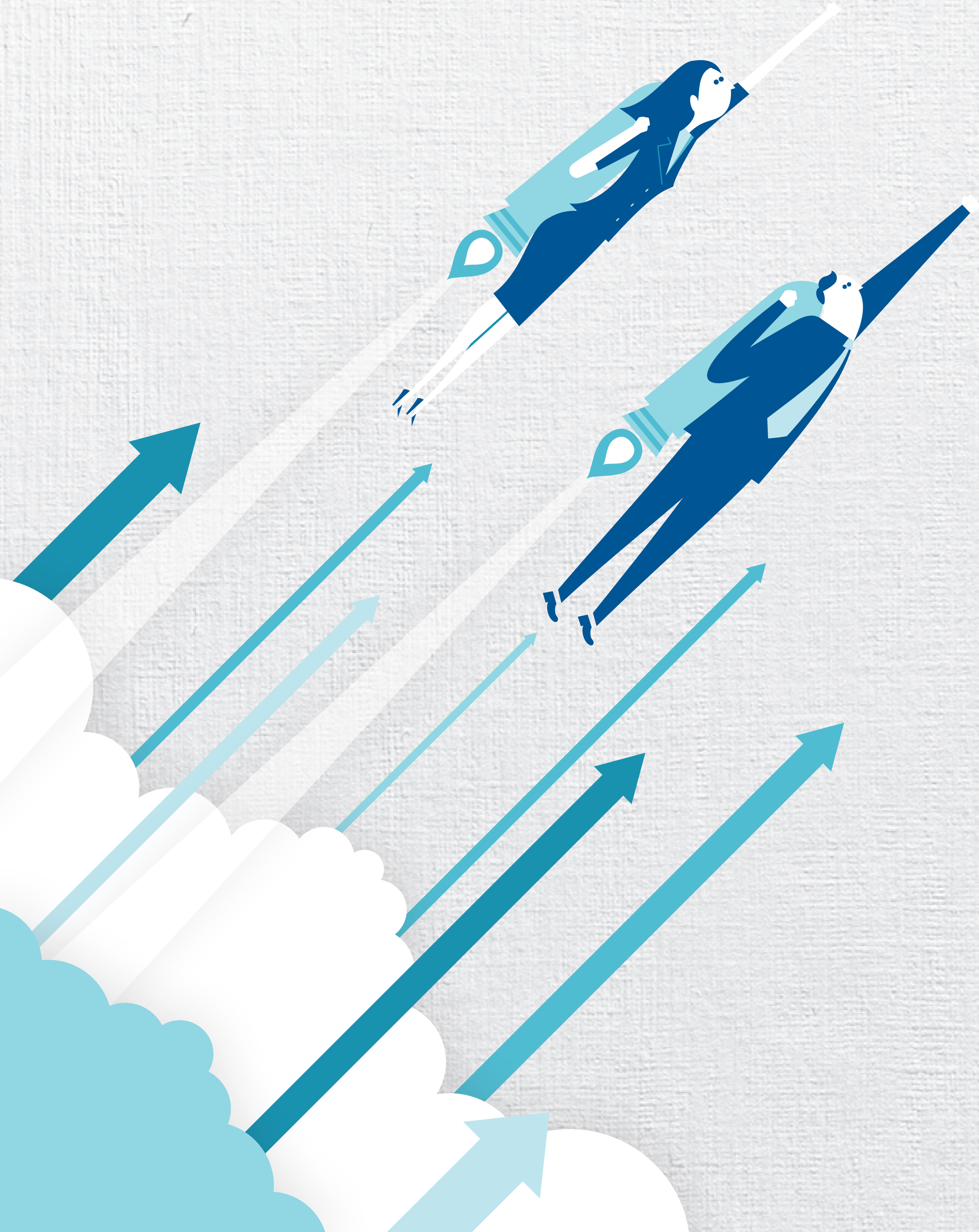
800

LIBRARY FOR E-LEARNING

400

COURSES IN FINANCE AND BUSINESS SKILLS

EMPOWERING OUR PEOPLE



OUR PEOPLE

ISCA is committed to investing in the development of its people, who are important to ISCA's success, to enable them to reach their full potential. The Institute needs highly capable employees to realise its vision to be a professional accountancy body with a global membership, outlook and standing.

At the heart of ISCA's people development initiatives is the competency development of its people and leaders to enable them to perform their roles well to deliver our strategic objectives. A talent management and development framework is being developed and will form the foundation to strengthen the management pool in ISCA.

The Institute continues to focus on nurturing a committed, motivated and engaged workforce and seeks to attract talent with the right skill sets and values.

During the year, a number of activities and events to engage staff were rolled out.

TEAM BUILDING

To help forge stronger ties among staff, a teambuilding exercise was held at the Marina Barrage over a weekend that featured numerous games and activities.

The session was a useful platform for colleagues from different departments to interact and bond with one another, with the aim of enhancing working relationships.

BRING YOUR CHILDREN TO WORK DAY

ISCA employees were encouraged to bring their children to work for one day as part of the Institute's efforts to promote family values and create a family-oriented organisation.

Bring Your Children to Work Day gave our employees a chance to show their children the value of the work they perform on a daily basis. Children were offered a first-hand view of how their parents can play a vital role in society, within an organisation that is bound by a sense of community.

The ISCA team after a successful team bonding and building session

OUR PEOPLE

This special event created an opportunity for parents and their children to bond in an environment outside of the home.

ISCA President and Senior Management sharing a light-hearted moment on camera with the children

ISCA RUN

As part of ISCA's corporate social reponsibility efforts, the inaugural ISCA Run organised, brought together more than 1,000 participants for a morning workout at the East Coast Park. The event succeeded in raising awareness of the Singapore Association of Visually Handicapped (SAVH) and promoted camaraderie among members, family bonding and healthy living. Most importantly, the ISCA Run was about giving back to the society and the event raised $100,000 for SAVH.

(From left): Dr Ernest Kan – past-president of ISCA, with Guest-of-Honour Mdm Halimah Yacob – Speaker of Parliament of Singapore, Mr R. Dhinakaran – vice president of ISCA and Mr Vincent Lim – chairman of ISCA's Community, Social and Sports Advisory panel

ISCA staff and Council members at the ISCA Run

ISCA ACCREDITED AS ATE BY ICAEW

ISCA worked closely with the Institute of Chartered Accountants in England and Wales (ICAEW) and was recognised as an Authorised Training Employer (ATE) in December 2014.

This created a new pathway for ISCA staff with the CA (Singapore) designation to have their professional experience recognised under ICAEW's Associate Chartered Accountant (ACA) membership, a globally recognised qualification that will position them for greater success in the future.

This followed ISCA's accreditation in May 2013 as an Accredited Training Organisation (ATO) to provide training support to staff under the Singapore Qualification Programme framework.

Senior staff from ISCA and ICAEW after the presentation of the Authorised Training Employer (ATE) certificate in December 2014

CEO DIALOGUES

We also continued with the CEO Dialogue series which provided a platform for staff to have their views and concerns addressed by the CEO. In 2014, the sessions were organised according to different staff grades which allowed for a better understanding of issues commonly faced by different segments of staff across ISCA.

OUR LEADERS

20

COUNCIL MEMBERS

MEET THE PEOPLE WHO HAVE BEEN TASKED WITH GUIDING ISCA TOWARDS REALISING ITS VISION OF BECOMING A GLOBALLY RECOGNISED ACCOUNTANCY BODY.

Left to Right:

PROF HO YEW KEE
Head
Department of Accounting
NUS Business School
National University of Singapore

MR LEE WAI FAI
Group CFO
United Overseas Bank Limited

MS LEE SHI RUH
CFO
Genting Singapore PLC

MR CHAN HON CHEW
CFO
Keppel Corporation Limited

MR PAUL LEE SENG MENG
Managing Partner
RSM Chio Lim LLP

COUNCIL MEMBERS

Left to Right:

MR MAX LOH KHUM WHAI
Managing Partner, ASEAN & Singapore
Ernst & Young LLP

Vice President
MR R. DHINAKARAN
Managing Director
Jay Gee Group of Companies

President
GERARD EE HOCK KIM
Chairman
Changi General Hospital &
the Eastern Health Alliance,
and Charity Council

Treasurer
MR HO TUCK CHUEN
Group CFO
JTC Corporation

MR FRANKIE CHIA SOO HIEN
Managing Partner &
International Liaison Partner
BDO LLP

Left to Right:

MS LIM KEXIN

Senior Manager, Tax
(on secondment to PwC Indonesia)
PricewaterhouseCoopers Services LLP

MR VINCENT LIM BOON SENG

Director of Finance – Asia
Motorola Solutions

MR MICHAEL CHIN SEK PENG

Deputy Managing Partner &
Head of Audit & Assurance
PKF-CAP LLP

MR ANTHONY MALLEK

CFO
Singapore Press Holdings Limited

MR ONG PANG THYE

Head of Audit
KPMG Singapore

Left to Right:

MR TAN KHOON GUAN

Founder & Director
K.G. Tan & Co PAC

PROF PANG YANG HOONG

Vice Provost (Undergraduate)
Dean, School of Accountancy
Singapore Management University

MR SIM HWEE CHER

Vice Chairman, Operations
Assurance Leader,
PricewaterhouseCoopers LLP

MR TAM CHEE CHONG

Regional Managing Partner, Financial
Advisory Services, Southeast Asia
Deloitte & Touche LLP

PROF GILLIAN YEO HIAN HENG

Associate Dean (Faculty),
Nanyang Business School
Nanyang Technological University

PRINCIPAL OFFICERS

Left to Right:

MR YEE CHEOK HONG

Executive Director
(Policy & Strategic Planning/ Industry Development)

MS GOH PUAY CHEH

Chief Operating Officer

MR LEE FOOK CHIEW

Chief Executive Officer

MS JANET TAN

Executive Director
(Corporate Services)

MS LIM AI LEEN

Executive Director
(Technical Knowledge Centre & Quality Assurance)

MS DANIELLE YEW

Executive Director
Professional Accountants in Business (PAIB) Development

OUR GOVERNANCE

ISCA COUNCIL LEADS THE INSTITUTE TO

BECOME A GLOBALLY RECOGNISED ACCOUNTANCY BODY

Specifically, it oversees and guides the strategies to help ISCA become a globally recognised accountancy body, advance its members' interests, as well as manage its risks and establish high standards of governance practices.

The Council meets seven times a year to review the Institute's operational performance, and its effectiveness in implementing strategies and policies.

Among their various roles, Council members provide expert opinions on financial management, sustainable corporate strategies and stakeholder relations. They also actively participate in ISCA's committees and Council meetings.

CORPORATE GOVERNANCE

DIVERSE COMPOSITION

We believe that having Council members who come from a diverse range of backgrounds adds to the group's vibrancy and allows for better decision-making. This is especially pertinent in an uncertain and fast-evolving business landscape where fresh ideas are needed to overcome new challenges.

ISCA Council members comprise leaders from the corporate sector, the public accounting profession and academia. These highly respected individuals bring to the table their expertise, wide-ranging experiences and extensive industry networks.

To help rejuvenate the Council, the Institute has an ongoing initiative to draw in new talent into its ranks. To ensure it maintains its diversity, the Council inducts new members that include senior executives and accounting professionals.

Executive Committee

The Executive Committee (EXCO) comprises the office bearers: President, Vice President, Treasurer and two other Council members as appointed by the Council and acts as the executive arm of the Council. EXCO exercises a general oversight of the initiatives, operational and financial matters of the Institute.

Audit Committee

The Audit Committee comprises three Council members, who are not office bearers, whose role is to ensure the integrity of the financial statements through its oversight of the Institute's financial reporting process, its internal and external audit functions. In the course of discharging this role, the Audit Committee reviews the selection and appointment of external and internal auditors, the external and internal audit plans and the Institute's risk management and internal control practices. The Committee also reviews significant findings arising from the audit and the annual financial statements prior to approval by the Council. The Committee is further able to investigate any matters within its purview, as it deems appropriate.

Nominations Committee

The Nominations Committee assists the Council in sourcing and identifying candidates for internal and external appointments. It reviews and makes recommendations to the Council on the appointments to ISCA's committees.

CORPORATE GOVERNANCE

REPORT OF THE COUNCIL

The Council has pleasure in presenting its 2014/2015 Annual Report and Accounts of the Institute for the year ended 31 December 2014.

At the first Council meeting held in April 2014, the following Council members were elected as office bearers:

President	-	Gerard Ee Hock Kim
Vice President	-	R. Dhinakaran
Treasurer	-	Ho Tuck Chuen

THE COUNCIL

The 2014/2015 Council held seven ordinary meetings from April 2014 to March 2015. Column A indicates the number of Council meetings the member attended; column B shows the number of committees he/she sits on.

	A	B
Chan Hon Chew	2	1
Frankie Chia Soo Hien	6	2
Michael Chin Sek Peng	5	1
Gerard Ee Hock Kim	7	3
Ho Tuck Chuen	5	4
Ho Yew Kee	6	6
Paul Lee Seng Meng	6	3
Lee Shi Ruh	4	1
Lee Wai Fai	7	1
Vincent Lim Boon Seng	7	2
Lim Kexin	5	1
Max Loh Khum Whai	3	3
Anthony Mallek	4	2
Ong Pang Thye	5	2
Pang Yang Hoong (appointed on 3 June 2014)	5	2
R. Dhinakaran	5	2
Sim Hwee Cher	5	1
Tam Chee Chong	5	3
Tan Khoon Guan	5	1
Gillian Yeo Hian Heng (appointed on 3 June 2014)	4	2

LIST OF COMMITTEES AND MEMBERS

Executive Committee

1.	Gerard Ee Hock Kim	President
2.	R. Dhinakaran	Vice President
3.	Ho Tuck Chuen	Treasurer
4.	Frankie Chia Soo Hien	
5.	Max Loh Khum Whai	

Nominations Committee

1.	Ho Yew Kee	Chairman
2.	Gerard Ee Hock Kim	
3.	Ho Tuck Chuen	
4.	Ernest Kan Yaw Kiong	
5.	Steven Phan Swee Kim	

Audit Committee

1.	Max Loh Khum Whai	Chairman
2.	Ho Yew Kee	
3.	Paul Lee Seng Meng	

Auditing and Assurance Standards Committee

1.	Yeoh Oon Jin	Chairman
2.	Shariq Barmaky	Deputy Chairman
3.	Chen Yiyi	
4.	Foo See Liang	
5.	Goh Kia Hong	
6.	Keung Ching Tung	
7.	Khor Boon Hong	
8.	Hans Koopmans	
9.	Kuan Cheng Tuck	
10.	Lau Soo Ching (Alternate: Bok-Tan Huey Fen)	
11.	Lee Eng Kian	
12.	Paul Lee Seng Meng	
13.	Lee Sze Yeng	
14.	Loh Lee Kim	
15.	Mak Keat Meng	
16.	Ng Kian Hui	
17.	Ong Pang Thye	
18.	Soh Gim Teik	
19.	Tan Boon Siong	
20.	Julia Tay	Observer from ACRA
21.	John Teo Woon Keng	
22.	Toh Kim Teck	

Banking & Finance Committee

1.	Leong Kok Keong	Chairman
2.	Lian Wee Cheow	Deputy Chairman
3.	Balwinder Singh Bagary	
4.	Chow Khen Seng	
5.	Ward Coombs	
6.	Antony M Eldridge	
7.	Ho Kok Yong	
8.	Jek Lim	
9.	Lim Lay Peng	
10.	Lim Tze Chern	
11.	Ong Ai Boon	
12.	Ong Siew Mooi	
13.	Tay Boon Suan	
14.	Sandy Tee Chee Han	
15.	Brian Thung Hock Lai	

Board of Education and Examiners

1.	Gillian Yeo Hian Heng	Chairperson
2.	Cheung Pui Yuen	
3.	Ho Yew Kee	
4.	Ong Chai Yan	
5.	Pang Yang Hoong	
6.	Sarjit Singh	
7.	Patricia Tan Mui Siang	

Community, Social & Sports Advisory Panel

1.	Vincent Lim Boon Seng	Chairman
2.	Zahabar Ali	
3.	Philip Aw Vern Chun	
4.	Anna Chen Heung Kwan	
5.	Cheng Weng Hong	
6.	Esther Chng	
7.	Chua Siong Teck	
8.	Khoo Shee Fei	
9.	Helen Lee Lai Ken	
10.	Lee Puay Hien	
11.	Ong Lei Lian	
12.	Eleana Tan Sze Ying	
13.	Yoong Ee Chuan	

CORPORATE GOVERNANCE

CFO Committee

1.	Jeann Low Ngiap Jong	Chairperson
2.	Chan Hon Chew	Deputy Chairman
3.	Chay Yee Meng	
4.	Chia Nam Toon	
5.	Goh Geok Cheng	
6.	Danny Heng Hock Kiong @ Heng Hang Siong	
7.	Lee Shi Ruh	
8.	Lee Wai Fai	
9.	Anita Ler	
10.	Vincent Lim Boon Seng	
11.	Lelaina Lim Siew Li	
12.	Tommy Loke Hip Meng	
13.	Anthony Mallek	
14.	Ng Eng Kiat	

Corporate Finance Committee

1.	Roger Tay Puay Cheng	Chairman
2.	Chan Yew Kiang	
3.	Chay Yiowmin	
4.	Robin Chin	
5.	Ho Kim Wai	
6.	Rebekah Khan	
7.	Mah Kah Loon	
8.	Ng Jiak See	
9.	Tan Tiong Heng	
10.	Tan Tze Gay	

Corporate Governance Committee

1.	R. Dhinakaran	Chairman
2.	Ho Tuck Chuen	Deputy Chairman
3.	El'fred Boo Hian Yong	
4.	Basil Chan	
5.	Cheng Weng Hong	
6.	Anthony Cheong Fook Seng	
7.	Chow Kam Wing	
8.	Foo See Liang	
9.	Andy Gan Lai Chiang	
10.	Ho Yew Kee	
11.	David Leow	
12.	Irving Low	
13.	Seah Gek Choo	

Ethics Committee

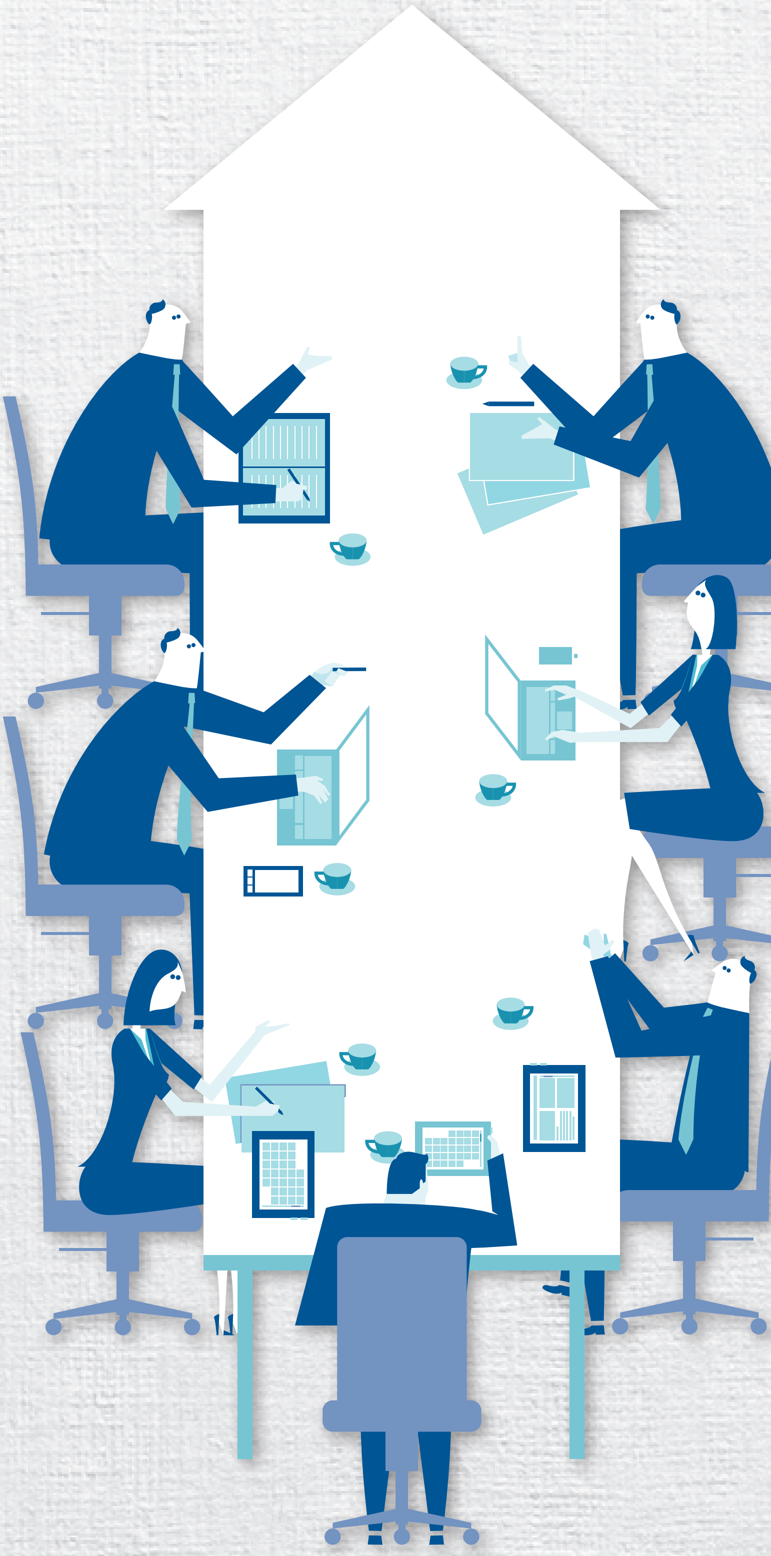
1.	Kwok Wui San	Chairman
2.	Sajjad Akhtar	
3.	Patrick Ang Peng Koon	
4.	David Gerald	
5.	Uantchern Loh	Observer
6.	Anthony Mallek	
7.	Ong Bee Yen	
8.	Tan Seng Choon	
9.	Julia Tay	Observer

Financial Reporting Committee

1.	Chua Kim Chiu	Chairman
2.	Nagaraj Sivaram	Deputy Chairman
3.	Shariq Barmaky	
4.	Cheng Ai Phing	
5.	Susan Foong Chooi Chin	
6.	Peter Jacob	
7.	Keoy Soo Earn	
8.	Irene Khoo	
9.	Reinhard Klemmer	
10.	Kok Moi Lre	
11.	Thanabalan Ladamuthu	
12.	Mikkel Bilyk Larsen	
13.	Lee Eng Kian	
14.	Lim Chu Yeong	
15.	Eric Lim Jin Huei	
16.	Lim Jit Soon	
17.	Loh Ji Kin	
18.	Low Kin Yew	
19.	Ng Joo Khin	
20.	Sim Hwee Cher	
21.	Paul Tan	
22.	Tan Boon Siong	
23.	Kenny Tan Choon Wah	
24.	Tan Seng Choon	

Financial Statements Review Committee

1.	Cheng Ai Phing	Chairperson
2.	Kok Moi Lre	Deputy Chairperson & Sub-Committee Chair
3.	Tan Swee Ho	Deputy Chairman & Sub-Committee Chair
4.	Esther Bay Choon Huay	
5.	Chan Yew Kiang	
6.	Victor Chang Fook Kay	
7.	Chen Voon Hoe	
8.	Yvonne Chiu Sok Hua	
9.	Choo Eng Beng	
10.	Goh Swee Hong	Sub-Committee Chair
11.	Michael Kee Cheng Kong	
12.	Adrian Koh Hian Yan	
13.	Simon Christopher Lambert	
14.	David Anthony Leaver	Sub-Committee Chair
15.	Lee Eng Kian	
16.	Paul Leow Chung Chong Yam Soon	
17.	Andrew Lim Ann Loo	
18.	Philip Ling Soon Hwa	
19.	Peter Low Eng Huat	
20.	Ng Hock Lee	
21.	William Ng Wee Liang	
22.	Ken Ong Beng Lee	
23.	Poon Yew Wah	
24.	Mohamad Saiful Saroni	
25.	Soh Lin Leng	
26.	Adrian Tan Khai Chung	
27.	Tay Guat Peng	
28.	Joseph Toh Kian Leong	Sub-Committee Chair
29.	Michael Tsia Chee Wah	
30.	James Xu Jun	Sub-Committee Chair



CORPORATE GOVERNANCE

Information Technology Services Advisory Panel

1.	Yoong Ee Chuan	Chairman
2.	Benjamin Chiang Wing Wai	
3.	Philip Kwa Teow Huat	
4.	Jessie Leow Mei Ling	
5.	Lyon Poh Leong Yeow	
6.	Siah Weng Yew	
7.	Danny Yap Choh Tat	

Insolvency Practices Committee

1.	Bob Yap Cheng Ghee	Chairman
2.	Andrew Grimmett	Deputy Chairman
3.	Abuthahir Abdul Gafoor	
4.	Chan Yee Hong	
5.	Angela Ee	
6.	Kon Yin Tong	
7.	Leow Quek Shiong	
8.	Sam Kok Weng	

Insurance Committee

1.	Woo Shea Leen	Chairperson
2.	Lau Kam Yuen	Deputy Chairman
3.	Alistair John Chamberlain	
4.	Giam Ei Leen	
5.	Jeffrey Lowe Hong Check	
6.	Jason Neo Choong Hua	
7.	Rina Tan Bee Hong	
8.	Yap Swee Gek	

IS Chartered Accountant Journal Editorial Advisory Panel

1.	Gerard Ee Hock Kim	Chairman
2.	Tan Hun Tong	Deputy Chairman
3.	Cheng Nam Sang	
4.	Ho Tuck Chuen	
5.	Edmund Keung Ching Tung	
6.	Paul Lee Seng Meng	
7.	Luke Lim	

Membership Committee

1.	Ho Yew Kee	Chairman
2.	Rick Chan Hock Leong	
3.	Ho Kuen Loon	
4.	Ong Pang Thye	
5.	Tam Chee Chong	

Public Accounting Practice Committee

1.	Frankie Chia Soo Hien	Chairman
2.	Michael Chin Sek Peng	Deputy Chairman
3.	Raymond Chan Tuck Chee	
4.	Francis Chin Yoke Lan	
5.	Derek How Beng Tiong	
6.	Eleanor Lee Kim Lin	
7.	Lim Yeong Seng	
8.	Terence Ng Chi Hou	
9.	John Tan Hon Chye	
10.	Tan Khoon Guan	
11.	Denis Allen Usher	

Young Professionals Advisory Committee

1.	Lim Kexin	Chairperson
2.	Chris Loh Yu Jun	Deputy Chairman
3.	Malcolm Heng Yeow Teck	
4.	Aanault Lee Chuan Feng	
5.	Lee Yean Ting	
6.	Vivian Li Pei Wen	
7.	Allysia Ling Bee Yen	
8.	Alton Neo Chun How	
9.	Dominique Tan Chin Soon	
10.	Tam Chee Chong	
11.	Kelvin Teo	

ISCA Integrated Reporting <IR> Steering Committee

1.	Ernest Kan Yaw Kiong	Chairman
2.	Willie Cheng	
3.	Chng Lay Chew	
4.	David Gerald	
5.	Ho Yew Kee	
6.	Mikkel Larsen	
7.	Max Loh Khum Whai	
8.	Uantchern Loh	
9.	Ong Pang Thye (alternate: Geoff R Wilson)	
10.	Pang Yang Hoong	
11.	Kenneth Yap	
12.	Gillian Yeo Hian Heng	
13.	Yeoh Oon Jin	

Singapore Institute of Accredited Tax Professionals Board

1.	Gerard Ee Hock Kim	Chairman
2.	Tan Boen Eng	Deputy Chairman
3.	Eng-Tay Geok Lee	
4.	Fang Fang	
5.	Khoo Ho Tong	
6.	Low Hwee Chua	
7.	Low Weng Keong	
8.	Latha Mathew	
9.	Albert Ng	
10.	Simon Poh	
11.	Sum Yee Loong	
12.	Tan Kay Kheng	
13.	Tay Hong Beng	
14.	Chris Woo	
15.	Yee Fook Hong	

Investigation & Disciplinary Panel

The Investigation and Disciplinary Panel comprises Members and Lay Persons for the purpose of enabling the constitution of an Investigation Committee, a Disciplinary Committee or an Appeal Committee. During the year, the following members from the Investigation and Disciplinary Panel were appointed to either an Investigation Committee or a Disciplinary Committee to investigate a complaint or to formally hear a complaint respectively.

Members

1.	Bill Bowman
2.	Cheong Mun Hong
3.	Vivienne Chiang Kok Ying
4.	Robin Chin Sin Beng
5.	Goh Kia Hong
6.	Michael Heng Yeow Meng
7.	Khoo Teng Aun
8.	Leow Quek Shiong
9.	Lisa Liew Geok Bee
10.	Lim Yeong Seng
11.	Lo Wei Min
12.	Loo Wen Lieh
13.	Luar Eng Hwa
14.	Sivaram Nagaraj
15.	Ong Sim Ho
16.	Saw Meng Tee
17.	Tan Kuang Hui
18.	Tan Tiong Heng
19.	Kelvin Tan Wee Peng
20.	Tang Shiuh Huei
21.	Teo Cheow Tong
22.	Wong Sook Yee
23.	Yang Ching Chao
24.	Bob Yap

Lay Persons

25.	David Chung	Architect
26.	Ashvinkumar Kantilal	Architect
27.	Lee Chow Soon	Lawyer
28.	Daniel Lee Hsien Chieh	Doctor
29.	Seah Chee Huang	Architect
30.	Tan Chong Huat	Lawyer
31.	Priscilla Tan Gopalan	Lawyer
32.	Tan Shao Yen	Architect
33.	T Thirumoorthy	Doctor
34.	Wong Chiang Yin	Doctor

RISKS AND OPPORTUNITIES

RISKS

ISCA is a members-based Institute, Its ability to carry out its mission as the national accountancy body ultimately depends on the support of its members. Members join ISCA to develop themselves professionally by taking advantage of the training, accreditation and networking programmes that it organises. ISCA risks losing its relevance and its members if it is unable to offer professional development programmes that can meet their needs.

A decrease in membership will result in fewer resources and revenue for the Institute, further reducing its capacity to offer such programmes, especially since membership dues is one of the main sources of its revenue stream.

ISCA's ability to effectively represent the views of its members as a professional body also depends to a large extent on the strength of its membership. A shrinking membership base will weaken the Institute's voice when engaging the government and other stakeholders, thus becoming less attractive to prospective members.

Staying Relevant

To ensure the continued support of its members, and thus its sustainability, ISCA must continually adapt itself and its offerings in a dynamic environment where financial regulations, accounting and auditing practices are constantly evolving.

To achieve this, it has to keep abreast of these changes, enhance its knowledge of the accountancy domain and be able to effectively transfer this knowledge to its members.

Similarly, a lack of expertise and knowledge of current issues and trends in international accounting, auditing and tax standards will affect the Institute's ability to carry out its role as a partner to the government and stakeholders in transforming Singapore into a leading global accountancy hub.

A Focus on Talent

The collective expertise, capability and organisation efficiency of ISCA's staff are critical to its ability to implement the strategies of the Council, support the various committees, organise events and activities for members and deliver programmes under its centres of excellence.

Therefore, it is very important that the Institute is able to recruit and retain talents without which, its ability to carry out its role as the national accountancy body will be severely affected. This is especially pertinent in a tight labour market where the competition for talent is intense.

The Institute must thus have an exemplary human resource policy and practice that meets an individual's aspirations for fulfilment and development, otherwise it risks losing its ability to recruit and retain talents. This will adversely affect its capability to implement programmes that can attract more members to join the Institute.

Technology

Technology presents both risks and opportunities to ISCA and the broader accountancy sector that it serves.

Accounting professionals need to stay abreast of emerging tools such as big data analytics and cyber security to serve the changing needs of their stakeholders. Hence, ISCA will need to respond to these trends by ensuring that its programmes adequately equip its members with the skills to cope with existing and emerging technologies.

Technology has also led to the rise of web-based academic and professional education in recent years. In particular, Massive Open Online Courses (MOOC) have emerged as a major player in the education space, with millions of learners globally now studying subjects ranging from engineering to finance on the Internet.

This new form of learning could potentially threaten the more traditional classroom based model offered by institutions such as ISCA. That said, online learning platforms also provides an opportunity for the Institute to reach out to a wider audience in a more timely fashion.

As a fast evolving business environment means that knowledge and skills have a shorter shelf life, the Internet is a convenient platform for learners to pick up new topics and stay relevant over the course of their careers. As such, ISCA can further capitalise on web based learning to help carry out its mission.

FINANCIAL STATEMENTS

STATEMENT BY COUNCIL

On behalf of the Council of the Institute of Singapore Chartered Accountants (the "Institute"), we, Gerard Ee and Ho Tuck Chuen, being the President and Treasurer respectively, do hereby state that in our opinion, the consolidated financial statements of the Group and financial statements of the Institute set out on pages 59 to 96 are properly drawn up in accordance with the Societies Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and the Institute as at 31 December 2014 and of its results, changes in accumulated fund and miscellaneous fund and cash flows of the Group and the Institute for the financial year ended on that date.

Gerard Ee
President

Ho Tuck Chuen
Treasurer

27 February 2015

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF THE INSTITUTE OF SINGAPORE CHARTERED ACCOUNTANTS

Report on the Financial Statements

We have audited the accompanying financial statements of the Institute of Singapore Chartered Accountants (the "Institute") and its subsidiaries (collectively, the "Group") set out on pages 59 to 96, which comprise the balance sheets of the Group and the Institute as at 31 December 2014, the statements of profit or loss and other comprehensive income, statements of changes in the accumulated fund and miscellaneous fund and statements of cash flows of the Group and the Institute for the financial year then ended and a summary of significant accounting policies and other explanatory information.

The Council's Responsibility 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 Singapore Financial Reporting Standards, and for such internal control as Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements of the Group and the financial statements of the Institute are properly drawn up in accordance with the Societies Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Group and the Institute as at 31 December 2014 and the results, changes in accumulated fund and miscellaneous fund and cash flows of the Group and the Institute for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Institute have been properly kept in accordance with those regulations.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

Khor Boon Hong
Engagement Partner
(appointed since financial year ended 31 December 2012)

27 February 2015

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

		Group		Institute	
		2014	2013	**2014**	2013
	Note	**$**	$	**$**	$
Income					
Members' annual fees		**7,299,505**	6,593,665	**7,299,505**	6,593,665
Members' admission fees		**700,200**	737,700	**700,200**	737,700
Income from Continuing Professional Education		**4,944,316**	3,926,187	**4,944,567**	3,926,187
Income from other training courses		**14,848,718**	15,342,427	**5,220,707**	4,821,585
Other income	5	**5,152,275**	4,086,259	**5,062,911**	4,787,759
Total income		**32,945,014**	30,686,238	**23,227,890**	20,866,896
Less expenditure					
Operating expenses (excluding impairment)		**(32,813,117)**	(29,937,375)	**(22,852,730)**	(19,292,872)
Write-back of impairment loss of freehold land and building	9,10	**2,147,300**	1,723,750	**2,147,300**	1,723,750
Total expenditure		**(30,665,817)**	(28,213,625)	**(20,705,430)**	(17,569,122)
Surplus from operating activities	4	**2,279,197**	2,472,613	**2,522,460**	3,297,774
Share of profit of associate (net of tax)		**1,818**	2,134	**–**	–
Surplus before tax		**2,281,015**	2,474,747	**2,522,460**	3,297,774
Income tax credit/(expense)	6	**41,791**	151,648	**84,000**	(58,000)
Surplus for the year	7	**2,322,806**	2,626,395	**2,606,460**	3,239,774
Surplus in miscellaneous fund	19	**13,487**	11,467	**13,487**	11,467
Total comprehensive income for the year		**2,336,293**	2,637,862	**2,619,947**	3,251,241

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

BALANCE SHEETS

AT 31 DECEMBER 2014

		Group		Institute	
		2014	2013	**2014**	2013
	Note	**$**	$	**$**	$
Non-current assets					
Property, plant and equipment	9	**13,531,187**	13,298,722	**2,339,630**	2,764,130
Investment properties	10	**26,429,029**	25,618,379	**37,021,963**	35,308,798
Investment in subsidiaries	11	**–**	–	**300,003**	300,003
Investment in associate	12	**107,108**	105,290	**–**	–
Deferred tax assets	13	**364,000**	310,000	**220,000**	136,000
Intangible assets	14	**661,712**	652,838	**495,921**	406,761
		41,093,036	39,985,229	**40,377,517**	38,915,692
Current assets					
Inventories		**15,240**	16,329	**15,240**	16,329
Trade and other receivables	15	**2,550,734**	2,989,514	**2,411,343**	3,310,416
Cash and cash equivalents	16	**20,284,939**	16,946,036	**12,694,933**	8,289,215
		22,850,913	19,951,879	**15,121,516**	11,615,960
Total assets		**63,943,949**	59,937,108	**55,499,033**	50,531,652
Non-current liabilities					
Provisions	17	**532,856**	528,448	**357,056**	352,648
Current liabilities					
Trade and other payables	18	**6,499,822**	6,589,598	**5,114,497**	5,404,475
Course fees received in advance		**2,955,027**	3,960,509	**412,987**	545,545
Subscription fees received in advance		**3,116,490**	352,618	**3,116,290**	350,728
Current tax payable		**12,408**	14,882	**–**	–
		12,583,747	10,917,607	**8,643,774**	6,300,748
Total liabilities		**13,116,603**	11,446,055	**9,000,830**	6,653,396
Net assets		**50,827,346**	48,491,053	**46,498,203**	43,878,256
Represented by					
Accumulated fund		**50,731,458**	48,408,652	**46,402,315**	43,795,855
Miscellaneous fund	19	**95,888**	82,401	**95,888**	82,401
		50,827,346	48,491,053	**46,498,203**	43,878,256

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

STATEMENTS OF CHANGES IN ACCUMULATED FUND AND MISCELLANEOUS FUND

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Accumulated fund $	Miscellaneous fund $	Total $
Group			
Balance at 1 January 2013	45,782,257	70,934	45,853,191
Surplus and total comprehensive income for the year	2,626,395	11,467	2,637,862
Balance at 31 December 2013	48,408,652	82,401	48,491,053
Surplus and total comprehensive income for the year	2,322,806	13,487	2,336,293
Balance at 31 December 2014	**50,731,458**	**95,888**	**50,827,346**
Institute			
Balance at 1 January 2013	40,556,081	70,934	40,627,015
Surplus and total comprehensive income for the year	3,239,774	11,467	3,251,241
Balance at 31 December 2013	43,795,855	82,401	43,878,256
Surplus and total comprehensive income for the year	2,606,460	13,487	2,619,947
Balance at 31 December 2014	**46,402,315**	**95,888**	**46,498,203**

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Cash flows from operating activities				
Surplus before tax	**2,281,015**	2,474,747	**2,522,460**	3,297,774
Adjustments for:				
Depreciation, write-back of impairment loss and amortisation of property, plant and equipment, investment properties and intangible assets	**(645,068)**	(376,554)	**(1,021,744)**	(834,487)
Finance cost	**4,408**	2,204	**4,408**	2,204
Interest income	**(81,985)**	(51,122)	**(50,766)**	(36,902)
Property, plant and equipment written off	**329**	208,594	**–**	126,274
Share of profit of associate	**(1,818)**	(2,134)	**–**	–
Operating surplus before working capital changes	**1,556,881**	2,255,735	**1,454,358**	2,554,863
Inventories	**1,089**	7,466	**1,089**	7,466
Receivables	**439,170**	(1,448,362)	**900,577**	(1,728,376)
Payables	**(89,776)**	2,728,180	**(289,978)**	2,575,964
Course fees received in advance	**(1,005,482)**	113,597	**(132,558)**	245,962
Subscription fees received in advance	**2,763,872**	(799,120)	**2,765,562**	(799,990)
Miscellaneous fund	**13,487**	11,467	**13,487**	11,467
Cash generated from operations	**3,679,241**	2,868,963	**4,712,537**	2,867,356
Income tax paid	**(14,683)**	(20,346)	**–**	–
Income tax refunded	**–**	8,500	**–**	–
Net cash from operating activities	**3,664,558**	2,857,117	**4,712,537**	2,867,356
Cash flows from investing activities				
Fixed deposit pledged	**(38)**	(12)	**–**	–
Interest received	**81,595**	35,548	**49,262**	30,489
Proceeds from disposal of property, plant and equipment	**–**	26,830	**–**	–
Purchases of property, plant and equipment	**(165,080)**	(2,225,298)	**(117,811)**	(2,133,505)
Additions to intangible assets	**(242,170)**	(97,620)	**(238,270)**	(80,395)
Net cash used in investing activities	**(325,693)**	(2,260,552)	**(306,819)**	(2,183,411)
Net increase in cash and cash equivalents	**3,338,865**	596,565	**4,405,718**	683,945
Cash and cash equivalents at beginning of year	**16,930,904**	16,334,339	**8,289,215**	7,605,270
Cash and cash equivalents at end of year (Note 16)	**20,269,769**	16,930,904	**12,694,933**	8,289,215

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

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 organisation of 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, 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 Significant accounting policies

a) Basis of preparation

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

The financial statements, which are presented in Singapore dollars ("$"), have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Group and the Institute, and are consistent with those used in the previous financial year.

The preparation of financial statements in conformity with FRS 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 income or expenditure during the financial year. Although these estimates are based on the 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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

In the current financial year, the Group has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS and INT FRS did not have any material effect on the financial results or position of the Group and the Institute.

New standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2014 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group and financial statements of the Institute.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

b) 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 Group and its subsidiaries as at the balance sheet 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.

Associates

Associates are those entities in which the Group has significant influence, but not control, over their financial and operating policies. The Group's investments in associates are 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 associates 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 an 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 associates 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 income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

c) Functional and foreign currencies

Functional currency

Items included in the consolidated financial statements are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Institute and its subsidiaries ("the functional currency"). The consolidated financial statements are presented in Singapore dollars ("$"), which is the functional currency of the Institute and its subsidiaries.

Foreign currencies

Transactions in foreign currencies are translated into the functional currency using the exchange rate in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the rates ruling at that date. All exchange differences are taken to income or expenditure.

d) Inventories

Inventories, comprising commemorative gold coins, 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 costs 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 income or expenditure as incurred.

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 income or expenditure in the year the asset is derecognised.

Freehold land is not depreciated. Depreciation of other 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:

Freehold buildings	50 years
Furniture and office equipment	4 to 10 years
Computers	3 to 4 years
Renovation	3 to 12 years

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 income or expenditure when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

f) Investment properties

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

Transfers are made to or from investment property only when there is a change in use. When transfer is made between investment property and owner-occupied property, its carrying amount (cost less accumulated depreciation and impairment) at the date of transfer becomes its carrying amount for subsequent accounting.

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

g) Intangible assets

Acquired intellectual property and website development are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the assets over their estimated useful lives of 3 years.

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 5 years.

The amortisation period and amortisation method of intangible assets are reviewed at least at each balance sheet date. The effects of any revision are recognised in income and expenditure when the changes arise.

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 expenditure if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell 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.

Impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognised. Reversal of impairment loss is recorded in income or expenditure. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

i) Financial assets

i) Classification

The Group classifies its financial assets according to the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date. The Group's only financial assets are loans and receivables.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are presented as "trade and other receivables" (excluding prepayments) and "cash and cash equivalents" on the balance sheet.

ii) Recognition and derecognition

Regular 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. On disposal of a financial asset, the difference between the net sale proceeds and its carrying amount is recognised in income or expenditure. Any amount in the fair value reserve relating to that asset is also transferred to income or expenditure.

iii) Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method, less impairment.

Interest income on financial assets is recognised separately as income.

v) Impairment

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment loss recognised in income or expenditure. The impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Subsequent recoveries of amounts previously written off are recognised against the same line item in income or expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

i) Financial assets (cont'd)

v) Impairment (cont'd)

If in subsequent periods, the impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through income or expenditure to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversed date.

j) Financial liabilities

Financial liabilities include trade and other payables (excluding provisions for unutilised annual leave). Financial liabilities are recognised on the balance sheet 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 of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in income or expenditure 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 balance sheet 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 property, plant and equipment arising from the acquisition or use of assets (Note 2(e)). This provision is estimated based on the best estimate of the expenditure required to settle the obligation, taking into consideration time value.

l) Operating leases

Lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to income or expenditure on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expenditure in the period in which termination takes place.

Lessor

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

m) Cash and cash equivalents

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 excludes pledge deposits.

n) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the rendering of services, net of goods and services tax, discount and after eliminating revenue within the Group. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Members' annual and admission fees are recognised when due.

Course fees (from continuing professional education and training) are recognised when the services are rendered.

Administrative fee income from the administration of Singapore Qualification Programme ("SQP") is recognised net of expenditure incurred. The net amount of the income recognised is derived based on a pre-determined fixed percentage of the pre-approved expenditure incurred for the SQP.

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

Rental income from operating leases are recognised on a straight-line basis over the lease term.

o) 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 balance sheet and is amortised to income or expenditure 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 income or expenditure over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

2 Significant accounting policies (cont'd)

p) Employee benefits

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 balance sheet date.

q) Income tax

Income tax for the financial year comprises current and deferred tax. Income tax is recognised in income or expenditure except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised, using the liability method, providing for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

3 Critical accounting judgment and key sources of estimation uncertainty

Critical judgments in applying the entity's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgments 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).

Deferred income tax assets

The Group and the Institute recognise deferred income tax assets on carried forward tax losses and other temporary differences to the extent there are sufficient estimated future taxable profits and/or taxable temporary differences against which the tax losses can be utilised and that the Group and the Institute are able to satisfy the continuing ownership test. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. The unrecognised tax losses and the carrying values of deferred tax assets recognised of the Group and the Institute at 31 December 2014 are disclosed in Notes 6 and 13 respectively.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Depreciation of property, plant and equipment and investment properties

The cost of property, plant and equipment and investment properties are depreciated on a straight-line basis over their respective useful lives. Management estimates the useful lives of these property, plant and equipment and investment properties to be within 3 to 50 years. The estimation of the useful lives and residual amount involves assumptions concerning the future and estimations of the assets common life expectancies and expected level of usage. Any changes in the expected useful lives of these assets would affect the net carrying amount of property, plant and equipment and investment properties, and the depreciation charge for the financial year.

The carrying amount of the Group's and Institute's property, plant and equipment and investment properties as at 31 December 2014 and the annual depreciation charge for the financial year ended 31 December 2014 are disclosed in Notes 9 and 10 respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

4 Surplus from operating activities

	Secretariat	
	2014	2013
	$	$
Group		
Income		
Members' annual fees	**7,299,505**	6,593,665
Members' admission fees	**700,200**	737,700
Income from Continuing Professional Education	**–**	–
Income from other training courses	**–**	–
Other income	**5,545,909**	5,313,576
Total income	**13,545,614**	12,644,941
Less expenditure		
Operating expenses (excluding impairment)	**(17,915,956)**	(14,689,558)
Write-back of impairment loss of freehold land and building	**2,147,300**	1,723,750
Total expenditure	**(15,768,656)**	(12,965,808)
(Deficit)/surplus from operating activities	**(2,223,042)**	(320,867)
Institute		
Income		
Members' annual fees	**7,299,505**	6,593,665
Members' admission fees	**700,200**	737,700
Income from Continuing Professional Education	**–**	–
Income from other training courses	**–**	–
Other income	**4,699,367**	4,482,896
Total income	**12,699,072**	11,814,261
Less expenditure		
Operating expenses (excluding impairment)	**(17,147,181)**	(13,927,441)
Write-back of impairment loss of freehold land and building	**2,147,300**	1,723,750
Total expenditure	**(14,999,881)**	(12,203,691)
(Deficit)/surplus from operating activities	**(2,300,809)**	(389,430)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

Training division		Elimination		Total	
2014	2013	2014	2013	2014	2013
$	$	$	$	$	$
–	–	–	–	7,299,505	6,593,665
–	–	–	–	700,200	737,700
4,944,567	3,926,187	(251)	–	4,944,316	3,926,187
14,848,718	15,342,427	–	–	14,848,718	15,342,427
1,013,311	909,549	(1,406,945)	(2,136,866)	5,152,275	4,086,259
20,806,596	20,178,163	(1,407,196)	(2,136,866)	32,945,014	30,686,238
(16,304,357)	(17,384,683)	1,407,196	2,136,866	(32,813,117)	(29,937,375)
–	–	–	–	2,147,300	1,723,750
(16,304,357)	(17,384,683)	1,407,196	2,136,866	(30,665,817)	(28,213,625)
4,502,239	2,793,480	–	–	2,279,197	2,472,613
–	–	–	–	7,299,505	6,593,665
–	–	–	–	700,200	737,700
4,944,567	3,926,187	–	–	4,944,567	3,926,187
5,220,707	4,821,585	–	–	5,220,707	4,821,585
363,544	304,863	–	–	5,062,911	4,787,759
10,528,818	9,052,635	–	–	23,227,890	20,866,896
(5,705,549)	(5,365,431)	–	–	(22,852,730)	(19,292,872)
–	–	–	–	2,147,300	1,723,750
(5,705,549)	(5,365,431)	–	–	(20,705,430)	(17,569,122)
4,823,269	3,687,204	–	–	2,522,460	3,297,774

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

5 Other income

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Secretariat				
Government grants	**53,788**	32,797	**37,265**	27,797
Registration and subscription fees	**758,715**	770,865	**–**	–
Interest income from bank deposits and bank balances	**60,601**	44,885	**50,766**	36,902
Management fees	**870,777**	959,259	**870,777**	959,259
Practice Monitoring income and review fees	**233,406**	224,530	**233,406**	224,530
Seminar and talk fees	**1,054,811**	1,231,757	**998,504**	1,204,585
Rental income	**1,791,675**	1,699,153	**1,791,675**	1,699,153
Advertising income	**223,065**	224,789	**223,065**	224,789
Other fees	**113,474**	34,305	**113,474**	34,305
Sundry income	**385,597**	91,236	**380,435**	71,576
	5,545,909	5,313,576	**4,699,367**	4,482,896
Training Division				
Government grants	**83,571**	65,390	**–**	–
Interest income from bank deposits and bank balances	**21,384**	6,237	**–**	–
Seminar and talk fees	**78,119**	80,028	**76,519**	78,428
Development fee	**–**	61,000	**–**	61,000
Rental income	**165,804**	226,581	**47,817**	–
SQP net administrative fee	**206,597**	137,908	**206,597**	137,908
Other fees	**374,390**	272,714	**6,940**	5,440
Sundry income	**83,446**	59,691	**25,671**	22,087
	1,013,311	909,549	**363,544**	304,863
Sub-total	**6,559,220**	6,223,125	**5,062,911**	4,787,759
Elimination	**(1,406,945)**	(2,136,866)	**–**	–
Combined	**5,152,275**	4,086,259	**5,062,911**	4,787,759

The SQP net administrative fee of the Training Division during the current financial year is derived as a fixed percentage of the expenditure incurred by the Group and Institute, which includes the following:

	$	$	**$**	$
Staff costs	**(851,030)**	(713,068)	**(851,030)**	(713,068)
Contributions to CPF	**(106,441)**	(92,481)	**(106,441)**	(92,481)
Rental expenses	**(269,401)**	(95,366)	**(269,401)**	(95,366)
Depreciation of property, plant equipment (Note 9)	**(46,837)**	(10,480)	**(46,837)**	(10,480)
Amortisation of intangible assets (Note 14)	**(31,125)**	–	**(31,125)**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

6 Income tax (credit)/expense

Income tax (credit)/expense attributable to results is made up of:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Current income tax	**12,408**	14,847	**–**	–
Deferred tax	**(130,000)**	(162,000)	**(84,000)**	–
	(117,592)	(147,153)	**(84,000)**	–
Over provision of income tax in prior years	**(199)**	(21,122)	**–**	–
Over recognition of deferred tax assets in prior years	**76,000**	16,627	**–**	58,000
	(41,791)	(151,648)	**(84,000)**	58,000

The income tax (credit)/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 before tax due to the following factors:

	$	$	**$**	$
Surplus before tax	**2,281,015**	2,474,747	**2,522,460**	3,297,774
Tax calculated at a tax rate of 17%	**387,773**	420,707	**428,818**	560,622
Singapore statutory stepped income exemption	**(16,187)**	(22,145)	**–**	–
Income not subject to tax	**(383,341)**	(309,729)	**(370,332)**	(297,763)
Expenses not deductible for tax purposes	**104,733**	153,374	**85,341**	81,772
Effect of tax incentive and tax rebate*	**(213,939)**	(390,678)	**(206,307)**	(346,321)
Utilisation of deferred tax assets previously not recognised	**–**	(1,207)	**–**	–
Deferred tax assets not recognised	**23,789**	–	**–**	–
Recognition of deferred tax assets previously not recognised	**(21,000)**	–	**(21,000)**	–
Over provision of income tax in prior years	**(199)**	(21,122)	**–**	–
Over recognition of deferred tax assets in prior years	**76,000**	16,627	**–**	58,000
Others	**580**	2,525	**(520)**	1,690
	(41,791)	(151,648)	**(84,000)**	58,000

* Tax incentive for the Group and the Institute mainly arose from the Productivity and Innovation Credit scheme.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

6 Income tax (credit)/expense (cont'd)

At the balance sheet date, the Group and the Institute have unutilised tax losses of $1,408,000 (2013: $1,137,000) and $524,000 (2013: $524,000) respectively that are available for carry forward to offset against future taxable income, subject to the agreement of the tax authorities and compliance with the relevant provisions of the Income Tax Act. The Group and the Institute have recognised deferred tax assets in respect of $1,074,000 (2013: $419,000) and $524,000 (2013: $Nil) respectively of such losses, on the basis that there are sufficient estimated future taxable profits and taxable temporary differences against which the tax benefits can be utilised, based on the management projection of surplus from operations. No deferred tax assets have been recognised in respect of the remaining unutilised tax losses as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised.

7 Surplus for the year

This is arrived at after charging/(crediting) the following:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Depreciation of property, plant and equipment (Note 9)	**845,398**	775,959	**495,474**	342,313
Depreciation of investment properties (Note 10)	**376,701**	376,701	**434,135**	434,135
Write-back of impairment loss of freehold land and building (Notes 9 and 10)	**(2,147,300)**	(1,723,750)	**(2,147,300)**	(1,723,750)
Amortisation of intangible assets (Note 14)	**202,171**	184,056	**117,985**	102,335
Bad debts written off	**13,496**	1,394	**390**	1,394
Direct costs of providing training and other courses	**6,306,839**	5,840,823	**2,850,442**	2,154,471
Finance cost	**4,408**	2,204	**4,408**	2,204
Property, plant and equipment written off	**329**	208,594	**–**	126,274
Rental expenses	**3,542,964**	2,808,226	**2,194,150**	1,605,803
Staff costs (Note 8)	**13,919,513**	11,950,181	**10,967,839**	8,832,502

8 Staff costs

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Salaries and bonuses	**12,341,528**	10,562,025	**9,742,377**	7,824,220
Contributions to CPF	**1,350,002**	1,196,807	**1,041,857**	861,160
Other employee benefit expenses	**227,983**	191,349	**183,605**	147,122
	13,919,513	11,950,181	**10,967,839**	8,832,502

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

9 Property, plant and equipment

Group

	Freehold land $	Freehold buildings $	Furniture and office equipment $	Computers $	Renovation $	Total $
Cost						
Balance at 1 January 2013	20,176,000	6,584,502	2,054,327	2,103,837	1,482,717	32,401,383
Additions	–	–	1,241,654	246,369	1,087,719	2,575,742
Reclassified to investment properties (Note 10)	(11,376,679)	(3,712,816)	–	–	–	(15,089,495)
Disposals/written off	–	–	(1,056,042)	(407,954)	(960,111)	(2,424,107)
Balance at 31 December 2013	8,799,321	2,871,686	2,239,939	1,942,252	1,610,325	17,463,523
Additions	–	–	36,611	229,225	–	265,836
Written off	–	–	(7,050)	(14,529)	–	(21,579)
Adjustments	–	–	(67,073)	–	(33,683)	(100,756)
Balance at 31 December 2014	8,799,321	2,871,686	2,202,427	2,156,948	1,576,642	17,607,024
Accumulated depreciation and impairment						
Balance at 1 January 2013	3,972,750	1,975,350	1,042,214	1,740,615	861,062	9,591,991
Depreciation charge for the year	–	57,434	254,697	226,775	247,533	786,439
Reclassified to investment properties (Note 10)	(2,240,122)	(1,113,845)	–	–	–	(3,353,967)
Disposals/written off	–	–	(898,173)	(407,954)	(882,556)	(2,188,683)
Write-back of impairment loss	(670,979)	–	–	–	–	(670,979)
Balance at 31 December 2013	1,061,649	918,939	398,738	1,559,436	226,039	4,164,801
Depreciation charge for the year	–	57,434	344,635	253,096	237,070	892,235
Written off	–	–	(6,721)	(14,529)	–	(21,250)
Write-back of impairment loss	(959,949)	–	–	–	–	(959,949)
Balance at 31 December 2014	101,700	976,373	736,652	1,798,003	463,109	4,075,837
Carrying amount						
Balance at 31 December 2013	7,737,672	1,952,747	1,841,201	382,816	1,384,286	13,298,722
Balance at 31 December 2014	**8,697,621**	**1,895,313**	**1,465,775**	**358,945**	**1,113,533**	**13,531,187**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

9 Property, plant and equipment (cont'd)

Group (cont'd)

(a) The Elite Building (formerly known as the CPA House) is classified as an investment property in the Institute's balance sheet as it is fully leased out. However in the Group's consolidated balance sheet, the portion that is occupied by its wholly-owned subsidiary, SAA Global Education Centre Pte. Ltd., is classified as property, plant and equipment.

(b) At the balance sheet date, the market value of certain units of the Elite Building (Note (f) below) classified as property, plant and equipment is valued at $12,000,000 (2013: $11,090,000). The valuation is determined based on the properties' highest and best use by an external and independent professional valuer, Suntec Real Estate Consultants Pte Ltd, using the Direct Comparison Approach, 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 its value. The fair value measurement is categorised under Level 3 of the fair value hierarchy.

As the recoverable amount of the Elite Building units in the current financial year is higher than its carrying amount, a write-back of impairment loss of $959,949 (2013: $670,979) is recognised by the Group.

(c) Depreciation charge is taken up as follows:

	2014	2013
	$	$
Statement of Profit or Loss and Other Comprehensive Income		
- Other income - SQP net administrative fee (Note 5)	**46,837**	10,480
- Operating expenses (Note 7)	**845,398**	775,959
	892,235	786,439

(d) Additions to renovation in the previous year included provision for dismantlement, removal and restoration costs of $350,444. Adjustments made during the current year relate to the over accrual of renovation costs, which were finalised by renovation contractor in the current year. The cash outflow on acquisition of property, plant and equipment during the year amounted to $165,080 (2013: $2,225,298).

(e) The basis of determining fair values for measurement is as follows:

The following table shows the significant unobservable inputs used in the valuation model:

Description	Valuation technique	Significant unobservable input	Range
Elite Building Consisting of 2 floors (Units #04-01, #04-02, #05-01 and #05-02)	Direct comparison approach	Price per square metre [1]	$11,682 to $16,000

[1] Any significant isolated increases (decreases) in the significant unobservable input would result in a significantly higher (lower) fair value measurement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

9 Property, plant and equipment (cont'd)

Group (cont'd)

(f) In accordance with the Constitution of the Institute, the freehold land and building are held by Institute of Singapore Chartered Accountants Pte. Ltd. in trust for the Institute.

Location	Floor area (Square metres)	Tenure
Elite Building 20 Aljunied Road Singapore 389805 Consisting of 2 floors (Units #04-01, #04-02, #05-01 and #05-02)	1,212	Freehold

Institute

	Furniture and office equipment $	Computers $	Renovation $	Total $
Cost				
Balance at 1 January 2013	813,849	1,559,116	529,235	2,902,200
Additions	1,205,326	212,613	1,066,010	2,483,949
Written off	(487,510)	(61,534)	(433,954)	(982,998)
Balance at 31 December 2013	1,531,665	1,710,195	1,161,291	4,403,151
Additions	23,775	194,792	–	218,567
Written off	(730)	(13,418)	–	(14,148)
Adjustments	(67,073)	–	(33,683)	(100,756)
Balance at 31 December 2014	**1,487,637**	**1,891,569**	**1,127,608**	**4,506,814**
Accumulated depreciation				
Balance at 1 January 2013	478,475	1,279,042	385,435	2,142,952
Depreciation charge for the year	103,917	180,951	67,925	352,793
Written off	(403,019)	(61,534)	(392,171)	(856,724)
Balance at 31 December 2013	179,373	1,398,459	61,189	1,639,021
Depreciation charge for the year	217,579	203,177	121,555	542,311
Written off	(730)	(13,418)	–	(14,148)
Balance at 31 December 2014	**396,222**	**1,588,218**	**182,744**	**2,167,184**
Carrying amount				
Balance at 31 December 2013	1,352,292	311,736	1,100,102	2,764,130
Balance at 31 December 2014	**1,091,415**	**303,351**	**944,864**	**2,339,630**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

9 Property, plant and equipment (cont'd)

Institute (cont'd)

(aa) Depreciation charge is taken up as follows:

	2014 $	2013 $
Statement of Profit or Loss and Other Comprehensive Income		
- Other income - SQP net administrative fee (Note 5)	**46,837**	10,480
- Operating expenses (Note 7)	**495,474**	342,313
	542,311	352,793

(bb) Additions to renovation in the previous year included provision for dismantlement, removal and restoration costs of $350,444. Adjustments made during the current year relate to the over accrual of renovation costs, which were finalised by renovation contractor during the current year. The cash outflow on acquisition of property, plant and equipment during the year amounted to $117,811 (2013: $2,133,505).

10 Investment properties

	Group		Institute	
	2014 $	2013 $	2014 $	2013 $
Cost				
At beginning of year	**30,211,757**	15,122,262	**41,882,764**	41,882,764
Reclassified from property, plant and equipment (Note 9)	**–**	15,089,495	**–**	–
At end of year	**30,211,757**	30,211,757	**41,882,764**	41,882,764
Accumulated depreciation and impairment				
At beginning of year	**4,593,378**	1,915,481	**6,573,966**	7,863,581
Reclassified from property, plant and equipment (Note 9)	**–**	3,353,967	**–**	–
Depreciation charge (Note 7)	**376,701**	376,701	**434,135**	434,135
Write-back of impairment loss	**(1,187,351)**	(1,052,771)	**(2,147,300)**	(1,723,750)
At end of year	**3,782,728**	4,593,378	**4,860,801**	6,573,966
Carrying amount	**26,429,029**	25,618,379	**37,021,963**	35,308,798

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

10 Investment properties (cont'd)

Group

(a) In the previous financial year, certain units of the Elite Building which were held for leasing to third parties were reclassified from property, plant and equipment to investment properties.

(b) At the balance sheet date, the market values of certain units of the Elite Building (Note (c) below) classified as investment properties and #23-00, 6 Raffles Quay are valued at $16,130,000 (2013: $14,910,000) and $27,000,000 (2013: $27,000,000) respectively. The valuations are determined based on the properties' highest and best use by an external and independent professional valuer, Suntec Real Estate Consultants Pte Ltd, using the Direct Comparison Approach, under which the properties are 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 fair value measurement is categorised under Level 3 of the fair value hierarchy.

As the recoverable amount of the Elite Building units in the current financial year is higher than its carrying amount, a write-back of impairment loss of $1,187,351 (2013: $1,052,771) is recognised by the Group.

(c) In accordance with the Constitution of the Institute, the freehold land and buildings are held by Institute of Singapore Chartered Accountants Pte. Ltd. in trust for the Institute.

Location		Floor area (Square metres)	Tenure
i)	Elite Building 20 Aljunied Road Singapore 389805 Consisting of 3 floors (Units #01-01, #01-03, #01-04, #01-05, #01-06, #02-01, #02-02, #06-01 and #06-02)	1,567	Freehold
ii)	6 Raffles Quay #23-00 Singapore 048580	941	Freehold

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

10 Investment properties (cont'd)

Institute

(aa) At the balance sheet date, the market values of certain units of the Elite Building (consisting of 5 floors) classified as investment properties and #23-00, 6 Raffles Quay are valued at $28,130,000 (2013: $26,000,000) and $27,000,000 (2013: $27,000,000) respectively. The valuations are determined based on the properties' highest and best use by an external and independent professional valuer, Suntec Real Estate Consultants Pte Ltd, using the Direct Comparison Approach, under which the properties are 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 fair value measurement is categorised under Level 3 of the fair value hierarchy.

As the recoverable amount of the Elite Building units in the current financial year is higher than its carrying amount, a write-back of impairment loss of $2,147,300 (2013: $1,723,750) is recognised by the Group.

(bb) In accordance with the Constitution of the Institute, the freehold land and buildings are held by Institute of Singapore Chartered Accountants Pte. Ltd. in trust for the Institute.

	Location	Floor area (Square metres)	Tenure
i)	Elite Building 20 Aljunied Road Singapore 389805 Consisting of 5 floors (Units #01-01, #01-03, #01-04, #01-05, #01-06, #02-01, #02-02, #04-01, #04-02, #05-01, #05-02 #06-01 and #06-02)	2,779	Freehold
ii)	6 Raffles Quay #23-00 Singapore 048580	941	Freehold

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

10 Investment properties (cont'd)

Group and Institute

(i) The basis of determining fair values for measurement is as follows:

The following table shows the significant unobservable inputs used in the valuation model:

Description	Valuation technique	Significant unobservable input	Range
Elite Building	Direct comparison approach	Price per square metre [1]	\$11,682 to \$16,000
#23-00, 6 Raffles Quay	Direct comparison approach	Price per square metre [1]	\$21,239 to \$35,305

[1] Any significant isolated increases (decreases) in the significant unobservable input would result in a significantly higher (lower) fair value measurement.

(ii) The following amounts are recognised in income and expenditure:

	Group		Institute	
	2014	2013	**2014**	2013
	\$	\$	**\$**	\$
Rental income	**1,275,051**	706,524	**1,791,675**	1,568,638
Direct operating expenses arising from investment properties that generated rental income	**(281,754)**	(115,470)	**(388,030)**	(237,821)
Direct operating expenses arising from investment properties that did not generate rental income	**–**	(37,943)	**–**	(22,974)
Write-back of impairment loss	**1,187,351**	1,052,771	**2,147,300**	1,723,750
Depreciation charge	**(376,701)**	(376,701)	**(434,135)**	(434,135)

11 Subsidiaries and intra-group transactions

a) Investment in subsidiaries

	Institute	
	2014	2013
	\$	\$
Unquoted equity shares, at cost		
At beginning and end of year	**300,003**	300,003

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

11 Subsidiaries and intra-group transactions (cont'd)

b) Details of subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective interest held by the Group	
			2014	2013
			%	%
Association of Taxation Technicians (S) Limited*#	Singapore	To administer the structured training program and to set and to manage the syllabus and examination which will lead to the Diploma in Taxation	**100**	100
Certified Accounting Technicians (Singapore) Ltd*#	Singapore	To support and advance the status and interests of Certified Accounting Technicians	**100**	100
Institute of Singapore Chartered Accountants Pte. Ltd.#	Singapore	To undertake and perform the office and duties of trustee of and for the ISCA in accordance with the constitution of the ISCA	**100**	100
SAA Global Education Centre Pte. Ltd.#	Singapore	Operating a private education centre which offers higher education programmes	**100**	100
Singapore Institute of Accredited Tax Professionals Limited*#	Singapore	Accreditation body for tax professionals	**100**	100

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

These subsidiaries are considered to be wholly-owned subsidiaries of the Institute as the members of the subsidiaries are trustees of the Institute and the Council of the Institute has direct control over these subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

11 Subsidiaries and intra-group transactions (cont'd)

c) Intra-group transactions

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

	Institute	
	2014	2013
	$	$
Management fee income	**856,614**	945,096
Rental income	**519,879**	976,095
Rental expenses	**16,158**	158,787

12 Investment in associate

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Investment in associate	**107,108**	105,290	**–***	–*

	Group	
	2014	2013
	$	$
Share of profit		
At beginning of year	**105,290**	103,156
Share of profit	**1,818**	2,134
At end of year	**107,108**	105,290

Details of associate are as follows:

Name of associate	Country of incorporation	Principal activities	Effective interest held by the Group 2014 %	Effective interest held by the Group 2013 %
Insolvency Practitioners Association of Singapore Limited*	Singapore	Professional body for insolvency practitioners	**50**	50

* There is no cost of investment as the associate is 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

12 Investment in associate (cont'd)

The summarised financial information of the associate not adjusted for the proportion of ownership interest held by the Group is as follows:

	2014 $	2013 $
Assets and liabilities		
Current assets	**239,331**	234,109
Current liabilities	**25,116**	23,530
Results		
Revenue	**25,548**	25,526
Profit after taxation	**3,636**	4,266

During the financial year, the Institute has the following transaction with an associate on the terms agreed between the parties:

	Group & Institute	
	2014 **$**	2013 $
Management fee income	**14,163**	14,163

13 Deferred tax

	2014 $	2013 $
Group		
Deferred tax assets/(liabilities) comprises tax effect of temporary differences arising from:		
Accelerated accounting/(tax) depreciation	**14,000**	(179,700)
Provisions and accruals	**98,000**	375,600
Unutilised tax losses	**183,000**	114,100
Unabsorbed capital allowances	**49,000**	–
Unabsorbed approved donations	**20,000**	–
	364,000	310,000
Representing:		
Non-current		
Deferred tax assets	**364,000**	310,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

13 Deferred tax (cont'd)

	2014 $	2013 $
Institute		
Deferred tax assets/(liabilities) comprises tax effect of temporary differences arising from:		
Accelerated tax depreciation	**(19,000)**	(198,900)
Provisions and accruals	**84,000**	334,900
Unutilised tax losses	**89,000**	–
Unabsorbed capital allowances	**49,000**	–
Unabsorbed approved donations	**17,000**	–
	220,000	136,000
Representing:		
Non-current		
Deferred tax assets	**220,000**	136,000

14 Intangible assets

Group

	Computer software $	Others $	Total $
Cost			
Balance at 1 January 2013	869,200	19,388	888,588
Additions	97,620	–	97,620
Balance at 31 December 2013	966,820	19,388	986,208
Additions	212,170	30,000	242,170
Balance at 31 December 2014	1,178,990	49,388	1,228,378
Accumulated amortisation			
Balance at 1 January 2013	134,234	15,080	149,314
Amortisation charge for the year (Note 7)	179,748	4,308	184,056
Balance at 31 December 2013	313,982	19,388	333,370
Amortisation charge for the year (Note 7)	231,630	1,666	233,296
Balance at 31 December 2014	545,612	21,054	566,666
Carrying amount			
Balance at 31 December 2013	652,838	–	652,838
Balance at 31 December 2014	**633,378**	**28,334**	**661,712**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

14 Intangible assets (cont'd)

Group (cont'd)

(a) Amortisation charge is taken up as follows:

	2014 $	2013 $
Statement of Profit or Loss and Other Comprehensive Income		
- Other income - SQP net administrative fee (Note 5)	**31,125**	–
- Operating expenses (Note 7)	**202,171**	184,056
	233,296	184,056

Institute

	Computer software $	Others $	Total $
Cost			
Balance at 1 January 2013	467,985	19,388	487,373
Additions	80,395	–	80,395
Balance at 31 December 2013	548,380	19,388	567,768
Additions	208,270	30,000	238,270
Balance at 31 December 2014	756,650	49,388	806,038
Accumulated amortisation			
Balance at 1 January 2013	43,592	15,080	58,672
Amortisation charge for the year (Note 7)	98,027	4,308	102,335
Balance at 31 December 2013	141,619	19,388	161,007
Amortisation charge for the year (Note 7)	147,444	1,666	149,110
Balance at 31 December 2014	289,063	21,054	310,117
Carrying amount			
Balance at 31 December 2013	406,761	–	406,761
Balance at 31 December 2014	**467,587**	**28,334**	**495,921**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

14 Intangible assets (cont'd)

Institute (cont'd)

(aa) Amortisation charge is taken up as follows:

	2014 $	2013 $
Statement of Profit or Loss and Other Comprehensive Income		
- Other income - SQP net administrative fee (Note 5)	**31,125**	–
- Operating expenses (Note 7)	**117,985**	102,335
	149,110	102,335

Group and Institute

Others comprised intellectual property and website development. Additions during the year relate to the development, design and maintenance of E-Learning portal.

15 Trade and other receivables

	Group		Institute	
	2014 $	2013 $	2014 $	2013 $
Trade receivables				
- third parties	**731,371**	1,378,600	**681,203**	1,352,600
- subsidiaries	**–**	–	**321,609**	607,977
- associate	**15,154**	15,154	**15,154**	15,154
Amount due from a subsidiary	**–**	–	**150,000**	200,000
Accrued practice review fee receivable	**137,500**	68,243	**137,500**	68,243
Deposits	**984,484**	1,149,307	**608,884**	780,017
Interest receivables	**30,205**	29,815	**20,445**	18,941
Prepayments	**588,064**	305,515	**452,648**	231,461
Others	**63,956**	42,880	**23,900**	36,023
	2,550,734	2,989,514	**2,411,343**	3,310,416

Amount due from a subsidiary is non-trade in nature, unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

16 Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and fixed deposits.

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Interest bearing accounts	**18,238,425**	12,441,697	**11,608,821**	6,826,677
Non-interest bearing accounts	**2,046,514**	4,504,339	**1,086,112**	1,462,538
	20,284,939	16,946,036	**12,694,933**	8,289,215
Less: Fixed deposit pledged	**(15,170)**	(15,132)	–	–
As per statements of cash flows	**20,269,769**	16,930,904	**12,694,933**	8,289,215

Included in interest bearing accounts of the Group and Institute are fixed deposits totaling $14,773,245 (2013: $11,263,885) and $9,189,458 (2013: $5,648,865) respectively which are placed for varying periods of between 1 and 12 months (2013: 1 and 12 months) depending on the immediate cash requirements of the Group and the Institute and earn interest of 0.02% to 1.35% (2013: 0.075% to 1.25%) per annum. Fixed deposit of the Group of $15,170 (2013: $15,132) is pledged to bank for banking facilities.

17 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.

Movements in provisions are as follows:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
At beginning of year	**528,448**	175,800	**352,648**	–
Provision made	**–**	352,648	**–**	352,648
Discount rate adjustment	**4,408**	–	**4,408**	–
At end of year	**532,856**	528,448	**357,056**	352,648

The provisions represent the present value of management's best estimate of the future outflow of economic benefits that will be required to reinstate 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 leases including the renewal options range from 2 to 11 years (2013: 3 to 12 years).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

18 Trade and other payables

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Trade payables	**1,657,128**	981,211	**968,616**	664,436
Other payables	**1,740**	745,345	**1,740**	745,345
Amount due to a subsidiary	**–**	–	**1,853**	1,878
Accrued operating expenses	**4,118,203**	3,833,771	**3,419,537**	2,963,545
Deposits received	**413,321**	222,572	**413,321**	222,572
Advance received	**36,383**	–	**36,383**	–
Billings in advance	**273,047**	806,699	**273,047**	806,699
	6,499,822	6,589,598	**5,114,497**	5,404,475

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

19 Miscellaneous fund

Community Service Project Fund

The fund is made up of donations from members, money from fund-raising projects and contributions from the Institute. It is used for the Institute's community service projects and is made up as follows:

	Group & Institute	
	2014	2013
	$	$
At beginning of year	**82,401**	70,934
Add: Donations from members, representing surplus for the year	**13,487**	11,467
At end of year	**95,888**	82,401

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

20 Related party transactions

(a) In addition to information disclosed elsewhere in the financial statements, the following transactions took place between the Group/Institute and related parties during the financial year on terms agreed by the parties concerned:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Seminar fees	**3,500**	–	**3,500**	–
Lecturers' fees	**3,000**	21,500	**3,000**	21,500
Printing and stationery expenses	**–**	43,329	**–**	10,818

Related parties comprise firms and companies which are controlled or jointly controlled by certain Council Members of the Institute.

(b) Key management personnel compensation comprise:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Short-term employee benefits	**1,643,344**	1,570,584	**1,514,380**	1,429,797
Contribution to CPF	**70,492**	62,518	**60,050**	53,522
	1,713,836	1,633,102	**1,574,430**	1,483,319

21 Commitments

(a) Lease commitments - where the Group is a lessee

The Group and the Institute lease properties and office 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, escalation clauses and renewal options.

The future minimum lease payments under non-cancellable operating leases contracted for at balance sheet date, but not recognised as liabilities, are as follows:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Within one year	**4,004,428**	4,172,076	**2,252,396**	2,281,270
After one year but within five years	**8,816,746**	11,263,448	**7,788,665**	8,483,335
More than five years	**–**	1,552,376	**–**	1,552,376

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

21 Commitments (cont'd)

(b) Lease commitments - where the Group is a lessor

The Group leases out office premises to non-related parties, while the Institute leases out office premises to subsidiaries and non-related parties, all of which are under non-cancellable operating leases.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Within one year	**1,633,286**	1,275,051	**2,149,910**	1,791,675
After one year but within five years	**3,025,574**	4,658,860	**3,240,834**	5,390,744

22 Financial instruments

(a) Categories of financial instruments

	Group		Institute	
	2014	2013	**2014**	2013
	$	$	**$**	$
Financial assets				
Loans and receivables (including cash and cash equivalents)	**22,247,609**	19,630,035	**14,653,628**	11,368,170
Financial liabilities				
Amortised cost	**5,608,950**	6,103,391	**4,310,902**	5,013,553

(b) Financial risk management

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

<u>Interest rate risk</u>

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 income or expenditure is considered not significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

22 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

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.

The Group and the Institute place cash and fixed deposits with banks and financial institutions which are regulated.

The credit risk is as follows:

i) Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies and individuals with a good collection track record.

ii) Financial assets that are past due but not impaired

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

The age analysis of trade receivables past due but not impaired is as follows:

	Group		**Institute**	
	2014	2013	**2014**	2013
	$	$	**$**	$
Past due 0 to 3 months	**661,690**	1,128,231	**934,247**	1,724,414
Past due 3 to 6 months	**42,596**	106,932	**41,480**	106,749
Past due over 6 months	**42,239**	158,591	**42,239**	144,568
	746,525	1,393,754	**1,017,966**	1,975,731

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 Group and the Institute target for available funds in the form of surplus liquidity and aims at maintaining flexibility in funding by keeping committed and uncommitted credit lines available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

22 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Liquidity risk (cont'd)

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

	2014				2013			
	1 year or less $	**1 to 5 years $**	**Over 5 years $**	**Total $**	1 year or less $	1 to 5 years $	Over 5 years $	Total $
Group								
Trade and other payables	**5,608,950**	**–**	**–**	**5,608,950**	6,103,391	–	–	6,103,391
Institute								
Trade and other payables	**4,310,902**	**–**	**–**	**4,310,902**	5,013,553	–	–	5,013,553

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 hedging and speculative purposes.

The Group and the Institute have no significant financial assets and liabilities held in foreign currency.

23 Fair value of assets and liabilities

(a) *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 (ie derived from prices); and
c) Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014

23 Fair value of assets and liabilities (cont'd)

(b) *Assets and liabilities not carried at fair value but which fair values are disclosed*

	Carrying amount	Fair value measurement at balance sheet date		
		Level 1	Level 2	Level 3
	$	$	$	$
2014				
Group				
Investment properties	**26,429,029**	**–**	**–**	**43,130,000**
Institute				
Investment properties	**37,021,963**	**–**	**–**	**55,130,000**
2013				
Group				
Investment properties	25,618,379	–	–	41,910,000
Institute				
Investment properties	35,308,798	–	–	55,000,000

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.

(c) *Determination of fair values*

Investment properties

The basis of determining fair values for disclosure at balance sheet date is disclosed in Note 10.

24 Fund management

The Group's and the Institute's objectives when managing these funds are to safeguard the Group's and the Institute's ability to maintain adequate working capital to continue as going concern, 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.

25 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 2014 were authorised for issue by the Council on 27 February 2015.

NOTICE OF ANNUAL GENERAL MEETING 2015

Notice is hereby given that in accordance with Article 78 of the Constitution of the Institute, the Annual General Meeting 2014/2015 of the Institute of Singapore Chartered Accountants will be held on **Saturday, 25 April 2015 at 2.00 pm**, at Marina Mandarin, Marina Mandarin Ballroom, Level 1, 6 Raffles Boulevard, Marina Square, Singapore 039594.

AGENDA

1 President's address.

2 To confirm the minutes of the Annual General Meeting 2013/2014 of Members held on 19 April 2014.

3 To receive the Report of the Council for the year 2014/2015 and Accounts of the Institute for the year ended 31 December 2014.

4 To elect eight members to the Council in accordance with Article 33 comprising:

(a) At least three CAs (Singapore) who are Public Accountants to hold office for a term of two years;

(b) At least three CAs (Singapore) who are not Public Accountants to hold office for a term of two years.

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

Chartered Accountants of Singapore who are Public Accountants	Chartered Accountants of Singapore who are not Public Accountants
Paul Lee Seng Meng Max Loh Khum Whai Ong Pang Thye Tan Khoon Guan	Chan Hon Chew Ho Tuck Chuen Ho Yew Kee Lee Wai Fai

Nominations have been received for the following:

Chartered Accountants of Singapore who are Public Accountants	Nominated by
Paul Lee Seng Meng	Chan Weng Keen Goh Swee Hong How Beng Tiong Lim Lee Meng See Ling Ling, Helen
Max Loh Khum Whai	Mak Keat Meng Ng Boon Heng Ng Weng Kwai, Philip Phan Swee Kim, Steven Tan Peck Yen
Ong Pang Thye	Chiu Sok Hua Eng Chin Chin Lee Jee Cheng, Philip Lee Sze Yeng Leong Kok Keong

NOTICE OF ANNUAL GENERAL MEETING 2015

Chartered Accountants of Singapore who are Public Accountants	Nominated by
Tan Khoon Guan	Ho Su-Yen, Cindi Lim Yeong Seng Ng Chin Yi Ong Jia Yi Tan Peck Yen
Chartered Accountants of Singapore who are not Public Accountants	**Nominated by**
Chan Hon Chew	Goh Geok Cheng Ler Sok Hua, Anita Pang Chee Siang Yeo Lick Koon Yeoh Oon Jin
Ho Tuck Chuen	Chee Wan Chin Leong Wai Kin Tan Chin Huat Tang Shu Hwei, Sharon Yasoda Vaithianathan
Ho Yew Kee	Chng Chee Kiong Keung Ching Tung Poh Siew Beng, Simon See Tho Soat Ching Teo Chee Khiang
Lee Wai Fai	Ang Siang Hoon Lim Mui Hong Tan Yn Liow Wee Chai Lin, Corrine Wong Sin Huey

5. To re-appoint Messrs Baker Tilly TFW LLP as Auditors of the Institute for the financial year ending 31 December 2015 and to authorize the Council to fix their remuneration.

By order of the Council

JANET TAN
Secretary
31 March 2015

FORM OF PROXY

THE SCHEDULE

Rule 33

INSTITUTE (GENERAL MEETINGS) RULES

I, ______________________________, ______________________________
(Full Name in Block) (NRIC/Passport Number)

of ____
(Address)

being a member of the Institute, do hereby appoint:

Name	Address	NRIC /Passport Number

or failing him/her

Name	Address	NRIC /Passport Number

each of whom is a CA (Singapore) of ISCA as my proxy to vote for me at the Annual General Meeting of the Institute to be held on 25 April 2015 and any adjournment of such meeting.

Signature of member: ______________________________

Dated this ____________________ day of ____________________ 2015

NOTES:

A Member entitled to vote may appoint as his proxy any other Member who is entitled to vote <u>except that no member shall be entitled to vote by proxy in the election of a member or members of the Council</u>.
[Rule 32, Institute (General Meetings) Rules]

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 36, Institute (General Meetings) Rules]

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