ISCA PRE-BUDGET ROUNDTABLE 2014
Restructuring towards Higher Value
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ISCA is the Administrator of the Singapore Qualification Programme (Singapore QP) and the Designated Entity to confer the Chartered Accountant of Singapore - CA (Singapore) - designation.

It aims to raise the international profile of the Singapore QP, a post-university professional accountancy qualification programme and promote it as the educational pathway of choice for professional accountants seeking to achieve the CA (Singapore) designation, a prestigious title that is expected to attain global recognition and portability.

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AT THE ROUNDTABLE

CHAIRPERSONS:

DR ERNEST KAN
President
Institute of Singapore Chartered Accountants

Chief-of-Operations
(Clients & Markets)
Deloitte Singapore

MS JESSICA TAN SOON NEO
Chairman
Government Parliamentary Committee for Finance and Trade & Industry
Managing Director
Microsoft Singapore

PANELLISTS:

MR ADRIAN CHAN
First Vice-Chairman
Singapore Institute of Directors

MR FRANKIE CHIA
Managing Partner
BDO LLP

MR RICHARDO CHUA
Managing Director
Adrenalin Group Pte Ltd

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Managing Director
Jay Gee Melwani Group

MR HO MENG KIT
Chief Executive Officer
Singapore Business Federation

MR JIMMY KOH
Head, Managing Director,
Investor Relations and Research
UOB

MS SELENA LING
Head, Treasury Research & Strategy
OCBC Bank

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

MR CHALY MAH
Chief Executive Officer
Deloitte Asia Pacific

MR PHILLIP OVERMYER
Chief Executive
Singapore International Chamber of Commerce

MR SIMON POH
Board Member and Accredited Tax Advisor (Income Tax & GST)
Singapore Institute of Accredited Tax Professionals (SIATP)
Tax Director
Nexia TS Tax Services Pte Ltd

MR ALAN ROSS
Head Of Tax
PricewaterhouseCoopers Services LLP

MR TAY HONG BENG
Partner, Head of Tax
KPMG Advisory LLP

MR KURT WEE
President
Association of Small and Medium Enterprises
The ISCA Pre-Budget Roundtable 2014, held on 8 January 2014, for the fifth year running, continued to be an invaluable platform to gather the views and insights of business leaders, in particular, with regard to the policies in Budget 2013 and the upcoming focus areas for Budget 2014. The Budget Statement for 2014 will be delivered by Deputy Prime Minister and Minister for Finance, Mr Tharman Shanmugaratnam, in Parliament on February 21, 2014.

While the ground feedback on what businesses in Singapore hope for from Budget 2014 focused on providing continued, if not more, help with rising business costs and manpower constraints, the Roundtable raised the need to also look at growth and increasing revenue, in particular, in maintaining competitiveness through innovation and value-add. There is a need to balance both short term pressing concerns and the longer term need to position organisations for sustainable growth in future.

While there is a keen awareness of the impact of rising cost on businesses, an important question that also needs to be addressed is how businesses will grow. It appears that Singapore companies are not moving fast enough in this area, especially when compared to their regional counterparts.

A recent survey highlighted that fewer SMEs are doing business overseas. This highlights the need for continued innovation as well as internationalization to drive growth. If not, companies from the other markets would seize the opportunities and become more competitive instead.

Hence, there is a need to encourage our SMEs to go beyond buying and leasing equipment and training employees in raising productivity. There is also a need to look at what can be done to promote innovation and higher value-added activities in Singapore. The Roundtable also highlighted the need for the Government to continue its focus on social inclusiveness in its coming Budget.

One key thrust to productivity-led growth is transformation which businesses, both large and small, must undertake to become more efficient and innovative. 

- Dr Ernest Kan  
President, Institute of Singapore Chartered Accountants  
Chief-of-Operations (Clients & Markets), Deloitte Singapore

How do we enable and support our SMEs to focus more on the areas of innovation, IP creation, and patent registration, research and development? These are important areas to stay competitive and for business growth. While SMEs are leveraging PIC, current usage of PIC in these categories is low as SMEs are addressing more immediate concerns.

- Ms Jessica Tan  
Chairman, Government Parliamentary Committee for Finance and Trade & Industry  
Managing Director, Microsoft Singapore

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1 The annual SME Survey conducted by DP Information Group in November 2013 showed that the proportion of respondents doing business overseas declined from 54% in 2012 to 46% in 2013.
EXECUTIVE SUMMARY

The roundtable highlighted that given high business costs and tight labour market in Singapore, raising productivity is crucial. In addition to reducing or managing cost, the panellists raised the need to also focus on raising revenue. This meant paying emphasis on innovation and transforming capabilities, rather than on efficiency alone.

To drive innovation and capability transformation, the importance of building a talent pipeline of trained engineers and information technology specialists was highlighted during the Roundtable. This will help ensure that there is a sufficient pool of such talent to leverage on the opportunities brought about by technology. In addition, to further encourage research and development (R&D), it will be useful to review the incentive structure for such activities.

PRODUCTIVITY AND INNOVATION

Given the high business costs and tight labour market in Singapore, raising productivity is crucial. In doing so, the Roundtable panellists raised the need to also focus on raising revenue, in addition to reducing or managing cost. This meant paying emphasis on innovation and transforming capabilities rather than on efficiency alone.

The panellists were supportive of the need to improve wages of Singaporeans so as to raise their standard of living in the long run. They, however, cautioned that to sustain such wage improvements, increases in productivity must follow suit. Increasing productivity is also

...
needed for a company to grow, since growth will help spread the cost impact on businesses operating in our high-cost environment.

The panellists noted that productivity was not only about being efficient, especially since there was a limit in raising efficiency, and agreed that efficiency, for example in processes, is unlikely to provide a long-term solution for even higher productivity. Thus, businesses would have to go beyond just being efficient or raising efficiency to sustain improvement in productivity.

Panellists agreed that there was a need to also focus on innovation to further improve productivity. Innovation is important as it enables businesses to better value add. Further, innovation, together with entrepreneurship, is crucial to sustain long-term competitiveness, especially in the global arena.

It was raised that while adopting technology, or using more advanced technology, was a useful enabler to raise productivity, the benefits, for example, in increasing value add in services or product offerings, were sometimes outweighed by the cost of doing so. There is therefore a need to help companies address this. Panellists highlighted that this reinforced the importance of innovation, as well as the need for more people with both technical skills and innovative mindset, in doing so.

Overall, to improve productivity, there is a need to focus not only on managing cost but also on raising revenue though innovation. Innovation, through improved or new product and service offerings, can help drive demand for the products and services of our businesses. This will help our businesses to position themselves higher up the value chain and raise their revenue.

Against this backdrop, panellists agreed that ways should be found to further incentivise and encourage innovation by our companies, for example, by reviewing assistance schemes along the entire innovation chain and improving tax incentives for research and development and the creation of intellectual property.

"For the past few years, the productivity drive was centred about processes and cost efficient improvements. In the longer term, you need innovation to drive the demand for your services and products. Research and development tax incentives are one good way to drive innovation."

- Mr Tay Hong Beng
Partner, Head of Tax, KPMG Advisory LLP

"We are increasingly operating in a higher cost environment. And, there is only so much we can do to manage cost. Risk is that Singapore businesses may be priced out versus global competition over time. To stay in the game, it is not just about managing cost, it is about finding ways to enhance value and achieve quantum leap in capabilities."

- Mr Jimmy Koh
Head, Managing Director, Investor Relations and Research, UOB
INNOVATION AND CAPABILITY TRANSFORMATION

To drive innovation and capability transformation, the importance of building a talent pipeline of trained engineers and information technology specialists was highlighted during the Roundtable. This will help ensure that there is a sufficient pool of such talent to leverage on the opportunities brought about by technology. In addition, to further encourage research and development (R&D), it will be useful to review the present incentive structure for such activities.

To nurture innovation, there is a need to adopt a holistic approach by starting early in the education system. This will better help produce enough people with an innovative mindset and develop them with the requisite R&D skillsets.

To encourage R&D, the incentive regime could be further fine-tuned, for example, by reviewing the definition or scope of R&D activities which qualify for such incentives. It was raised by a panellist that the existing R&D tax incentives appear to neglect the lower-end developmental aspects such as improvements in construction methods or processes, with too much focus on high-end research activities such as stem cell research that may be more blue sky in nature. It was further shared that Singapore’s definition of R&D appeared more restrictive than other countries.

For example, the Productivity and Innovation Credit (PIC) benefits related to R&D are capped at $400,000 and, beyond that limit, only a 100% tax deduction is allowed for R&D carried out overseas. For certain R&D activities, it is not an uncommon business practice to have a R&D project managed in a main location but to partially offshore certain activities to lower-cost centres elsewhere. However, the current incentives do not encourage such R & D projects to be conducted in Singapore, as such projects do not really benefit from the existing incentives. To help drive innovation and capability transformation, it was suggested that a broader definition of qualifying R&D activities be provided so as to allow businesses to claim incentives for R&D activities conducted elsewhere as long as the intellectual property is owned and exploited in Singapore.

To help Singapore small and mid-sized enterprises (SMEs) increase and enhance their capabilities, there may also be a need to help them expand their market breadth. A panellist raised his observation of an increasing trend of foreign SMEs acquiring local ones. Their ability to do so was attributed to the lower costs and bigger markets that these foreign SMEs enjoy in their host country. Singapore SMEs similarly need to be given support to expand and grow aggressively, especially overseas, so as to overcome the limitations of size and scalability in increasing and enhancing their capabilities.

A specific area where greater support could be provided is financing for business expansion or R&D activities that aid local SMEs transform their capabilities. As financing remains an important component for businesses, particularly SMEs, several panellists suggested more liberal equity financing rules for SMEs to help them gain access to funding more easily.

“Productivity must follow when costs go up. Thus innovation is needed. Innovation can help to expand new products and services. We need to encourage innovation. We may need to start early to achieve that, for example through the education system. We need a holistic approach to nurture innovation.”

- Mr Chaly Mah
Chief Executive Officer, Deloitte Asia Pacific

“Many SMEs who are profitable outfits face difficulty in getting equity financing. More liberal equity financing should be made available to SMEs. Such profitable SMEs should be supported to expand and grow.”

- Mr Kurt Wee
President, Association of Small and Medium Enterprises
As traditional bank financing may become more constrained, as well as more expensive, due to the need to meet Basel III requirements, there has been some clamour for alternative financing mechanisms in Singapore. A panellist recommended that Singapore consider new developments in the market of financing such as crowd funding, which is popular right now in the US but with no such platform available locally. The panellist also highlighted the possibility of having an exchange that deals with trade receivables, similar to some jurisdictions, for example, in the US. Another panellist suggested that the government could consider re-introducing the risk-sharing scheme in which the government shared the risk of bank financing to the SMEs in the immediate wake of the 2008 financial crisis.

A panellist also highlighted that, for local SMEs to develop, government procurement can play an important role by awarding contracts and providing recognition to local SMEs. This will help them build and acquire a track record which is often a requisite in bids for much larger projects.

Government procurement can contribute towards developing SMEs by giving them recognition and assisting SMEs in their first steps. So government procurement can be used as a strategy for SME development. There are examples of other countries, for example UK, which uses government procurement and transparency of these awards to SMEs, to contribute to the growth of their small businesses.

» GROWING THE SINGAPORE BRAND AND SINGAPORE BRANDS OVERSEAS

Increased competition and globalisation have intensified the need for Singapore to further develop the Singapore brand. The upcoming ASEAN Economic Community (AEC) which will be formally established in 2015 can provide Singapore with a valuable opportunity to reinforce its status as a gateway to South East Asia. However, there appears to be a low level of awareness of the AEC among Singapore companies, especially the SMEs. More can be done to increase their awareness of the AEC and the opportunities that it may bring. Such regional opportunities can benefit businesses and help them nurture more Singapore brands.

Given that the local market is small, branding is important to help our companies open up new markets outside of Singapore. However, panellists noted the current tax incentives reward businesses that acquire brands instead of building brands. It was suggested that the government consider establishing incentives that encourage businesses to develop and grow their own brands, such as allowing them to enjoy incentives based on independent valuations of their internally developed brands. This could encourage more local SMEs to innovate and create Singapore brands that can be exported overseas.

Panellists noted that a significant number of our SMEs continued to be hindered, if not deterred, by a knowledge gap in their efforts to

"The Singapore brand had been good in attracting businesses. But with the rising cost and tightening of foreign labour, the government should perhaps think about making Singapore even more attractive for MNCs to anchor their high end operations here."

"Mr Phillip Overmyer
Chief Executive, Singapore International Chamber of Commerce"
expand overseas, and hence the importance of bridging this gap to help our SMEs grow. It was suggested that the government could consider setting up a centralised resource database to help SMEs better know and understand where and how to get funding, tax and regulatory matters as well as access to overseas markets.

From the tax perspective, a panellist shared that local SMEs are often concerned over double taxation on the same income it earned from providing services to corporate clients when they venture overseas. While the current foreign-sourced income exemption (FSIE) scheme provides for exemption on certain income when a taxpayer satisfies certain conditions, determining whether the income is sourced locally or overseas in itself is often controversial. For simplification, the Government could consider treating the service income to be foreign sourced as long as the taxpayer suffers foreign withholding tax.

Given that SMEs tend to have less resources than larger ones, a review of the Mergers and Acquisitions (M&A) Allowance could also be useful to encourage and benefit more SMEs aiming to grow via mergers and acquisitions. Currently the allowance only benefit acquisitions made for majority stake in a target company, that is, more than 50%. To help our SMEs, the allowance could be reviewed to benefit acquisitions that are of minority stakes, that is, below 50%.

**FINE-TUNING GOVERNMENT POLICIES**

SMEs now have a better understanding of Government schemes, as evidenced by their higher take up rates. Nevertheless, most panellists agreed there is still scope to further refine some of these schemes.

To further encourage companies to innovate and transform their capabilities, panellists raised the possibility of a “through-train application process” between SPRING’s Innovation & Credit Voucher (ICV) and Capability Development Grant (CDG). This would allow companies to embark on small scale projects using the ICV, before seamlessly progressing into more holistic projects supported under CDG without the need to go through a separate application process.

The shortage of manpower has been a central theme for the SME community since the introduction of stricter foreign labour rules. One panellist familiar with the services sector highlighted that it was not logical to apply the same labour quota across the entire services sector, as some services sub-sectors have greater manpower requirements. To take account of the differing requirements, it was suggested that the Government look into the manpower and quota requirements of individual services sub-sectors. It was also raised that there are also certain sectors where locals do not or are less keen to seek employment. It was suggested that the Government consider support, such as incentives, for companies to engage locals to work in these sectors.

Agencies can consider setting aside a budget to see how we can help SMEs link together to fly the Singapore flag better overseas, so that we fly in an organised geese formation and do it better together. This allows us to speak in a louder voice, not only in Singapore but also in the region.

- Mr Adrian Chan
  First Vice-Chairman, Singapore Institute of Directors

To relieve taxpayers from suffering double taxation on the same source of income in more than one country due to disagreement on the ‘source’ of income as interpreted by different tax jurisdictions, the FSIE rules could be simplified by deeming the service income to be foreign sourced as long as the taxpayer suffers foreign withholding tax.

- Mr Simon Poh
  Board Member, SIATP
  Tax Director, Nexia TS Tax Services Pte Ltd
To facilitate the efforts of our companies venturing overseas, it will be useful to review how we can better support the need to second Singaporean staff overseas and, conversely, foreign staff to the head offices or plants in Singapore. One panellist shared that it would be beneficial to second high potential Singaporeans to overseas offices to gain overseas experience and suggested that the PIC be expanded to cover such training activities. At present, although employee training is currently a qualifying activity under the PIC scheme, it does not cover the cost of overseas attachments. Conversely, with our companies establishing overseas ventures, it is not uncommon, and often times necessary, to second foreign staff for attachment in the head office in Singapore to gain the necessary exposure before returning to help run the overseas operations.

In addition, on the Land Intensification Allowance, it was suggested that the government could consider extending this incentive to other deserving sectors such as the education and telecommunication industries, as long as the relevant gross plot ratio requirements are met.

Cashflow is critical to SMEs, in situations where SMEs qualify for grants, they will usually still have to pay out lump sums first before getting rebates. These processes also tend to increase administrative workload. For government bodies giving the grants, once a SME qualifies for a grant, perhaps the grant may be structured such that payout can be made immediately or in stages, as and when activities are performed.

In my own organisation we are trying to arrange more overseas secondments for our aspiring young Singaporean staff, sometimes also in swap type scenarios i.e. an overseas person comes to Singapore in exchange. I think secondments all help to build the overseas experience and encourage our staff to think about overseas markets and cultures. I can see that might also be attractive to SMEs especially if the training aspects of the Productivity and Innovation Credits could be extended to the incremental cost of sending Singaporeans out on overseas secondment.
Social inclusiveness is another key pillar which several panellists highlighted that the Government should continue to focus on in its coming Budget. The panellists urged the government continue with further measures to address issues related to the ageing workforce, improving employability of the matured and disadvantaged groups, and enhancing reliefs to deal with the increasing cost of living, particularly in healthcare cost.

With the ageing population and tightening of foreign manpower, the panellists recommended that the Government to continue with its progressive measures to better attract mature employees into the workforce and better develop them. The panellists noted the value of the older workforce, particularly in the service industry, with their knowledge and experience, as well as levelling up quality of service, with appropriate support.

To further support the Government’s population procreation agenda, one panellist noted that the qualifying child relief had remained unchanged for many years, and suggested that the amount for the relief be reviewed, especially in the light of the marked increase in the cost of living over the same period of time. Further, it was also noted that if the parent / handicapped parent relief is meant to promote filial piety, there should be consideration to allow the relief for multiple taxpayers to claim this relief, especially if the taxpayer has contributed to the maintenance of the parents.

Concerns were also raised that medical costs had gone up markedly over the years. The panellists raised the need for the Government to review tax deductions allowed for medical and health insurance expenses incurred by businesses for their employees, as currently there is a cap to the deductible expenses for corporate tax. Enhancing such incentives will directly help businesses with intention to employ greater number of older workers.

On addressing healthcare cost concerns, more can still be done to help with the cost of medication and treatment. Although the bulk of medical cost can be covered by Medishield and/or Medisave, some patients will still have to come up with out-of-pocket expenses and this could be taxing for the retirees with no sources of income. In terms of deductions from Medisave for prescribed medicine, for instance, the Government can consider relaxing some restrictions such as the Medisave withdrawal cap for chronic diseases.

Having more policies for the older workforce are good initiatives as Singapore faces issues with aging population and inadequate manpower. Hence, it is always good to encourage the older workers to work and retain them in the workforce. I will encourage the government to continue to do that and provide support for their re-training so that they stay relevant.

To encourage businesses to partner social enterprises or organisations and be involved in corporate social responsibility or hiring of the disadvantaged, panellists raised the suggestion that the Government could consider providing matching grants to businesses with goals of achieving social inclusiveness and also consider expanding any existing matching grants beyond those already given to healthcare and education purposes.

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According to the International Monetary Fund (IMF), global economic growth is estimated to be 2.9 percent in 2013 and projected to increase to 3.6 percent in 2014. The improvement in global growth is expected to be driven more by developed economies, for example the euro zone is expected to gradually pull out of recession in 2014, together with further momentum in the US economic recovery. The Ministry of Trade and Industry (MTI) expects Singapore’s economy to grow modestly by 2% to 4% in 2014, as growth is likely to remain moderate in regional economies like China and the ASEAN economies. In addition, rising business costs, for example due to a tight labour market, will continue to weigh on Singapore businesses, particularly small and medium-sized enterprises (SMEs).

Against such a backdrop, our annual survey Pre-Budget was conducted to gather the views of the CA Singapore community with regard to their business outlook and wish list for Singapore Budget 2014. As businesses become more keenly aware of the need to raise productivity in light of the labour crunch, this year’s survey also seeks to understand important areas which can help businesses to restructure in order to further innovate, value-add and stay competitive.

The survey was well-received with more than 400 responses from the accounting and business community. The findings will help the Institute of Singapore Chartered Accountants (ISCA) provide important insights and feedback to the Government for Budget 2014. Beyond this, the findings will help ISCA in formulating and refining our relevant initiatives, targeted at benefitting our members.

Singapore businesses are in the midst of restructuring and the drive towards higher value-added activities and staying competitive poses challenges. Our findings highlight how our businesses and accounting firms are responding to these challenges.

For respondents’ outlook on Singapore economy, there is improved optimism for the outlook into 2014. 36% of respondents this year cited being optimistic about the economic outlook compared to 19% in the previous survey, while 20% of respondents this year cited being pessimistic compared to 40% previous year. Both the respondents working in the accounting firms and other businesses held similar views.

Respondents (66%) cited rising business costs as their top concern this year, similar to the survey last year. In terms of rising business costs, rental and staff costs are more often cited. Of note, improving productivity has now become a greater concern this year (50%), compared to last year. It has moved up 2 notches, while uncertain global demand, which was the second top concern last year, has moved down 2 notches. Accompanying the increased concern of improving productivity is that of hiring difficulty. This has moved up a notch this year.

A key finding is businesses are feeling the impact of the tightening of foreign labour, especially measures that increased cost. Manpower measures that increased costs, such as raised levies or qualifying salaries, are cited as having greater negative impact compared to measures, such as reduction in dependency ratio, that are non-cost in nature. Our analysis by firm size and industry sector shows that respondents from smaller firms, in particular, with turnover of less than $100 million, and sectors that are more labour intensive, such as Construction and Food Service, cited the manpower measures as having greater negative impact.

More businesses appear to be using government assistance schemes for conventional activities to defray costs, compared to activities for innovation and capability transformation. More respondents cited the PIC and PIC Bonus as useful compared to other schemes. Respondents more often cited schemes related to innovation or capability transformation, such as ICV, Capability Development Grant and iSPRINT, to be only slightly or not useful. For PIC qualifying activities that better enable value added growth, such as research & development, intellectual property and design, there were significantly more respondents cited.
not using these options compared to the conventional purposes of leasing equipment (only 6%) or employee training (only 7%). Small and medium-sized firms more often cited the government schemes as useful, compared to large firms (turnover more than S$1 billion), which are likely to be better resourced. In terms of industry sector, respondents from the Construction and Education sectors more often cited government schemes as being only slightly or not useful compared to those from the other sectors. There is a greater number of respondents who agree that PIC sunset clauses should be removed or extended, compared to those who disagree.

There appears to be limited impact of Wage Credit Scheme (WCS) in businesses’ decision on wage increments or bonuses. Our analysis shows that there were more respondents who agreed that the WCS did not change their organisations’ decision on wage increments (47%) or bonuses (49%) compared to those who disagree. Only 12% and 13% of respondents cited that the WCS did change their organisations’ decision on wage increments or bonuses respectively. Further, there was fewer number of respondents who agreed that the WCS resulted in larger wage increment or bonuses than those who disagreed. Only 21% of respondents agreed that the WCS had an impact on their firms’ productivity effort.

The top three areas which most respondents agreed that will help their organisations become more competitive and add value were human capital development (75%), enhancing quality and standards (73%), and productivity improvement (71%). These three areas are in line with SPRING’s Capability Development Grant (CDG). Findings show respondents appeared to focus more on conventional areas, such as improving quality, to stay competitive compared to activities related to innovation or capability transformation, such as Brand development (58%), business innovation and design (53%) and intellectual property (36%).

Majority of respondents cited that Budget 2014 should provide greater support to reduce rental costs (79%), training costs (78%) and other operating costs (77%). It appears that respondents are more preoccupied with cost issues rather than activities that may better enable growth or enhance their value-add, such as venturing overseas or branding. Respondents also seek more support and information regarding regulatory and tax matters in other countries (75%), greater facilitation in market access (72%), enhancing readiness and competency for international expansion (71%) and financial support, in that order, to better help them venture overseas.
Similar to last year, for households, healthcare benefits remain the most-wished benefit for Budget 2014. From our analysis, almost half of the respondents hope employers can provide more advancement opportunities to local employees. The percentage of respondents stating this had increased to 42%, compared to previous year’s 37%. Respondents also expressed concerns over the affordability of the Continuing Education and Training (CET) programmes. They view such programmes as important in maintaining their professional knowledge and competence.

The outlook, as cited by respondents, appeared to be generally positive for many businesses as they continue to restructure. Although the global economy looks set for continued growth, many businesses, especially SMEs, continue to face challenges with their restructuring and productivity efforts.

The Budget 2013 has provided impetus and support for Singapore businesses to restructure and stay competitive. However, the survey findings showed that many businesses faced significant challenges as the Government continues to tighten the supply of our foreign workforce. Beyond manpower, they are also very concerned about the increasing business costs, in particular, rental costs. Many of them indicated that they need more support to become more productive.

Based on the survey findings, ISCA had suggested items that could be considered in Budget 2014 as follow:

1. Fine-tune measures on foreign labour and business costs, in particular, to review need for manpower measures that increase costs as opposed to measures that are non-cost in nature.

2. Encourage companies to focus on activities that promote innovation and capability transformation which have the potential to increase value add and competitiveness significantly

3. Fine-tune schemes for innovation and capability transformation to facilitate take-up.

4. Increase support and enhance measures to help companies venture overseas.

5. Provide more healthcare and tax savings to help households cope with increasing costs

As the national accountancy body, ISCA will also work closely alongside businesses and stakeholders, particularly our members, to help them in their efforts to restructure, raise productivity and stay competitive in the year ahead.
Dr Ernest Kan

With over 30 years of professional experience, Dr Kan has vast expertise in financial audit and consultancy, particularly in Initial Public Offerings, in diverse sectors such as finance, energy & resource, healthcare & life science, manufacturing, technology and telecommunications, consumer business, public sector, travel and leisure. Currently, Dr Kan is also South East Asia head of the Global IFRS & Offerings Services group and is a member of the firm’s Management Committee. He has vast knowledge of the role of the CFO and chairs the CFO Judging Panel of the Singapore Corporate Awards organised by the Singapore Exchange & Business Times. He is also the Chairman of the Singapore Institute of Accredited Tax Professionals.

Dr Kan is a member of the Singapore Accountancy Commission (SAC) set up under the Ministry of Finance. The SAC is to oversee the development of the accountancy sector and help transform Singapore into a leading global accountancy hub in the future. He also serves on the Development Panel of the Singapore post-university professional accountancy qualification programme. Dr Kan is a member of the Appeal Advisory Panel set up by the Monetary Authority of Singapore. He sits on the Government Parliamentary Committee Resource Panel (Ministry of Finance and Ministry of Trade & Industry).

Dr Kan contributes to the accountancy profession on the international front. He is a Council member of the ASEAN Federation of Accountants, and was a Board member of the International Federation of Accountants (IFAC). He has spoken at many regional and international conferences. Further, he spoke at the IFAC Forum in Berlin and Seoul in November 2011 and 2013, respectively. He was a speaker at the 18th World Congress of Accountants held in November 2010, and speaker at the United Nation Conference in Geneva in November 2013.

Ms Jessica Tan Soon Neo

After taking on a role as General Manager for the Enterprise and Partner Group, Asia Pacific Region, Jessica Tan returned to Microsoft Singapore as Managing Director in July 2013, having previously served in the same capacity from 2008 to 2012.

As Managing Director of Microsoft Singapore, she is responsible for developing and driving growth strategies for the Microsoft’s business in Singapore, as well as deepening relationships with partners, customers and employees. She also focuses on leading Microsoft’s ongoing corporate citizenship efforts in the country, which includes Microsoft’s efforts to be the trusted industry partner that works with businesses, communities and the government to help advance social and economic progress.

In her second tour of duty with Microsoft Singapore, Jessica also takes on new leadership responsibilities in the areas for Education and Citizenship for Microsoft Asia Pacific, providing counsel and support to the new President of Asia-Pacific, Cesar Cernuda.

Jessica joined Microsoft in 2003 and over the years, has taken on regional leadership positions in the Enterprise Group where she doubled growth and led the organisation’s Customer & Partner Satisfaction efforts where she took a 360 degree view of Microsoft’s interaction with customers and partners, as well as successfully re-invigorated Microsoft’s Customer and Partner Relationships in the Asia Pacific Region, and drove regional initiatives to develop and attract the best talents for Microsoft.

In 2008, she assumed the role of Managing Director for Microsoft Singapore. During her four-year tenure, she doubled revenue for the company in Singapore, and made headway in driving Microsoft’s effort to
MR ADRIAN CHAN

Adrian is Head of Corporate and a Senior Partner at Lee & Lee. He serves as First Vice-Chairman of the Singapore Institute of Directors and on the Corporate Governance and Regulations Committee of the Singapore International Chamber of Commerce.

He is the Non-Executive Chairman of Nobel Design Holdings Ltd and is an independent director of AEM Holdings Ltd, Isetan (Singapore) Limited, Yoma Strategic Holdings Ltd, Global Investments Limited and Biosensors International Group Ltd, all of which are listed on the SGX. He is Honorary Secretary of the Association of Small and Medium Enterprises and serves on the Corporate Practice Committee and Finance Committee of the Law Society of Singapore.

He has been appointed to the Corporate Governance and Directors’ Duties Working Group of the Steering Committee that has been established by the Ministry of Finance to rewrite the Companies Act. He has also co-authored Singapore’s first “Annotated Code of Corporate Governance” that is published in Woon’s Corporations Law. He is a member of the Pro-Enterprise Panel, which is a public-private partnership chaired by the Head of Civil Service that helps businesses overcome unnecessary rules and regulations, and has been appointed by the SGX onto its Catalist Advisory Panel.

He was appointed to the Audit Committee Guidance Committee, established by the MAS, ACRA and the SGX to develop guidance for audit committees of SGX-listed companies and has served on the Taxpayer’s Feedback Panel at IRAS and the Lemon Law Taskforce set up by the Ministry of Trade and Industry.

For the Singapore Institute of Legal Education, he lectures on “Corporate Governance”, is an Examiner for the Corporate and Commercial Practice paper for the Bar Admissions Examinations, teaches at the Singapore Management University-SID Executive Certificate in Directorship and conducts training for ACRA’s Director Proficiency Program.

Jessica has over 24 years in the IT Industry, serving in various leadership positions in sales, services and strategic business development roles in Singapore and the Asia Pacific Region, including a 14 year stint with IBM, in various roles including Director of Network Services (NS) division in Asia Pacific, General Manager of, Integrated Technology Services (ITS) ASEAN/South Asia, and in several sales leadership roles.

In 2011, Jessica was re-elected the Member of Parliament for the East Coast Group Representation Constituency (GRC) in Singapore, having served since May 2006. In addition, she is Chairman for the East Coast Town Council. Jessica is also Chairman for the Finance and Trade & Industry Government Parliamentary Committee (GPC) as well as Member of the Manpower GPC. Jessica is a board member of ISS, NUS Alumni, Temasek Polytechnic, Nanyang Polytechnic, SJI International, Netball Singapore, Singapore Island Country Club, Singapore Tourism Board, Singapore Sports Council and Singapore Business Federation.

Jessica graduated from the National University of Singapore in 1989 with a Bachelors of Social Sciences (Honours). She majored in Sociology and Economics. During her personal time, Jessica enjoys reading, cooking, jogging and spending time with her family. Jessica is married with 3 children.
Mr Frankie Chia

Frankie is the Managing Partner of BDO LLP. Frankie has over 30 years of professional accounting and management experience and is a practising member of ISCA and a Chartered Accountant (FCA) of the Institute of Chartered Accountants in England & Wales. Frankie is a Council Member of ISCA and serves as Chairman of the Public Accountants Practising Committee of ISCA. His commitments outside the firm include serving as a Board Member of The Building and Construction Authority (BCA) and a panel member of the Strata Title Board.

Mr Richard Chua

- BComm with Honours NTU, Minor in Education from NIE
- BSc in Management from University of London
- Managing Director of Adrenalin Events and Education Pte Ltd
- Professional Emcee
- Adjunct lecturer at Temasek Polytechnic
- School Advisory Committee Greenview Secondary School

Richardo has worked in the events industry for the last 10 years, first as a freelance emcee and now as the Group Managing Director of the social enterprise events agency - Adrenalin Group Pte Ltd.

30% of Team Adrenalin is made up of people who are deaf, use a wheelchair or are disadvantaged youths. Adrenalin has managed over 300 events with many of them at national and international level events such as the launch of the Presidents Challenge and International Volunteer Day. Adrenalin is the recipient of the Presidents Challenge Social Enterprise of the Year Award (Youth Category)

Richardo is active in the social enterprise industry and speaks regularly at forums and platforms about the subject. He also coaches youths at risks in creative skills such as event management, emceeing and videography.

Mr R. Dhinakaran

R. Dhinakaran, Managing Director of Jay Gee Group of Companies, Singapore is a CA (Singapore), is also a holder of a Masters Degree in Business Administration (MBA). The Jay Gee Group retails several leading international fashion and lifestyle brands (including Levi’s, Denizen, Dockers, TM Lewin, New Look, Holland & Barrett, Aigner, Aldo, Aeropostale, Giuseppe Zanotti, Adidas Kids, Carters, Levis Kids, Osh Kosh B’Gosh, Celio & Watches of Switzerland, etc) in many countries.

Dhinakaran also known as Dhina is the:
- Vice President of the Singapore Retailers Association (SRA)
- Vice President of Institute of Singapore Chartered Accountants (ISCA) and Chairman of Corporate Governance Committee.
- Board Member and Chairman of Audit & Risk Committee of the Workforce Development Agency (WDA), a Statutory Board under the Ministry of Manpower.
- Vice Chairman of the Hindu Advisory Board, a Statutory Board under the Ministry of Community Development, Youth and Sports (MCYS)
BIOGRAPHIES

Mr Ho, Chief Executive Officer of Singapore Business Federation (SBF), the country’s apex Business Chamber which assists more than 19,000 members with business facilitation, voice representation and capacity building initiatives and services.

Prior to joining Singapore Business Federation, Mr Ho was Deputy Secretary of the Ministry of Foreign Affairs. He has held a variety of senior policy and executive positions including four years as Principal Private Secretary to then Senior Minister Lee Kuan Yew. He was Chief Executive of the Singapore Broadcasting Authority and Land Transport Authority where he worked collaboratively with Singapore’s media, transport and construction industries. As Managing Director of the Economic Development Board, he has extensive exposure to corporations, their business challenges and the opportunities they seek. As Deputy Secretary in Ministry of Trade & Industry and later in Ministry of Foreign Affairs, Mr Ho has an excellent understanding of government policies particularly those relating to support for business.

He graduated in 1978 from Cambridge University, United Kingdom with a degree in Engineering. He completed the Advanced Management Programme, Harvard University in 2003.

Mr Ho holds several additional appointments on company boards and advisory committees.

MR JIMMY KOH

Mr Koh has more than 10 years of experience in treasury and economics research. He pioneers and anchors a team of economists and strategists in macro-economic research for both the G7 & Asian Emerging Markets, as well as maintains close dialogues with various Asian Central Banks and multi-lateral agencies such as the World Bank and International Monetary Fund.

Conversant in both English and Mandarin, Mr Koh has distinguished himself at regular speaking engagements both locally & overseas, at in-house forums as well as client conferences. His forte is in key economic issues, financial market developments and their impacts on the different asset classes.

A regular personality on financial media interviews with Channel News Asia (CNA), CNBC, Bloomberg TV, News Radio 93.8, Capital 95.8 (Chinese) and various Chinese Media, his views have also been regularly quoted on newswires, including Reuters, Dow Jones, Bloomberg, The Straits Times, The Business Times and various Chinese-medium Press.

Mr Koh also leads the UOB Investor Relations team. Under his leadership, the team was awarded “Grand Prix for Best Overall Investor Relations - Large Cap”, “Best Investment Meetings/One-On-Ones” and “Best Corporate Governance” by the IR Magazine.
MS SELENA LING

Selena is Head of Treasury Research & Strategy in OCBC Bank. She is responsible for Treasury market research, forecasts, and trading recommendations for the bank, covering fixed income, interest rates, corporate credit, foreign exchange, and macroeconomic commentary.

Her research writings has been extensively quoted and published by prominent media such as Business Times, Straits Times, Today newspaper, Asia Money Magazine, The Edge magazine, Bloomberg, Dow Jones, Reuters and Agence France-Presse newswires, MAS SGS website, as well as televised media including CNBC, Bloomberg, Channel News Asia etc.

Under her leadership, OCBC’s research capabilities have been greatly valued by customers and highly ranked in surveys such as Best for interest rate research in Singapore, Best for FX Research & Market Coverage in Singapore, and 2nd best in regional best team for Asian macroeconomic research in the 2013 AsiaMoney Fixed Income and FX polls, amongst others.

Prior to joining OCBC in August 2000, Selena was with the Fiscal Policy Unit under the Ministry of Finance (MOF), and the Economics Department in the Ministry of Trade and Industry (MTI).

MR MAX LOH

Max Loh graduated from the National University of Singapore with Honors and is a Fellow member of the Institute of Singapore Chartered Accountants.

Max has 25 years of experience in providing assurance and business advisory services to a broad range of clients including technology, food and beverage, construction, manufacturing and trading companies, as well as hotels, financial institutions and government concerns.

Max has been involved as an audit partner with various Singapore Exchange (SGX) listed companies, responsible for their financial statement audits and internal control reviews. He is also experienced in leading assignments where his teams acted as reporting accountants for companies in their listings on the SGX, Hong Kong Stock Exchange and Shenzhen Stock Exchange. He has also taken on the reporting auditor role in reverse takeover exercises.

Max has also been involved in operations and profit improvement reviews of hotels and properties.

In addition, Max has assisted Singapore companies in performing due diligence reviews in connection with their acquisition of companies in the People’s Republic of China, Singapore, Thailand and Malaysia. He is also experienced in strategic planning, re-organisation and operations improvement projects for various local companies as part of their globalization and listing efforts.

Max has also handled the finance modules of the privatization of statutory boards, and performed a special internal control review for a listed company, including their financial reporting functions and corporate governance practices.
Mr Chaly Mah Chee Kheong is the CEO and Regional Managing Director of Deloitte Asia Pacific. He is also the Chairman of Deloitte Singapore and CEO of Deloitte Southeast Asia. He has been with the firm for over 35 years, including five years with its Melbourne office.

Chaly is both a member of Deloitte’s Board of Directors, which represents the interests of its member firms and their partners, and its Executive, which leads and manages the global organisation’s affairs, and is responsible for determining the global vision and setting its strategic course.

He has extensive experience serving both multinational and local companies across a wide spectrum of industries from financial services to construction, electronics, retail and manufacturing.

Chaly also has substantial regional experience having served and advised companies with operations in Singapore, China, Hong Kong, India, Indonesia, Malaysia, Philippines, South Korea and Taiwan in the areas of mergers and acquisitions and corporate finance.

In his role as CEO of the Asia Pacific region, Chaly is responsible for ensuring the region delivers on its vision and strategy to be the standard of excellence by providing oversight on: the development of regional and country business plans; client service execution and targeting priorities; brand building activities; quality assurance and risk management; and ensuring the nine Asia Pacific member firms meet their measures of success.

Deloitte member firms in Asia Pacific have approximately 40,000 people providing audit, tax, consulting and financial advisory services in over 20 Asia Pacific nations.

Chaly graduated with a Bachelor of Commerce degree from the University of Melbourne. He is an associate member of the Institute of Chartered Accountants in Australia and a fellow member of CPA Australia. He is also a fellow member of the Institute of Singapore Chartered Accountants.

Mr Phillip Overmyer
Phillip I. Overmyer is the Chief Executive of the Singapore International Chamber of Commerce (SICC) and took on this position in June 2003. He is responsible for the overall management of the Chamber, which serves approximately 700 member companies engaged in international businesses. The SICC provides a wide range of trade services, business information, networking opportunities, and government advocacy programs for its members.

Mr. Overmyer was previously Vice President of Samuels International, a Washington D.C. based diversified international consulting firm specializing in business, trade and investment matters.

Before joining Samuels International, Mr. Overmyer enjoyed nearly 30 years in the telecommunications industry, including 12 years based in Singapore. As Vice President of Global Services for AT&T in Asia, Mr. Overmyer managed a successful, $300 million business unit across 35+ Asian, South Asian and Pacific Island markets. He has a broad background in sales, marketing and operations, and extensive experience in regulatory, industry and government relations.

Mr. Overmyer has a Bachelor’s Degree in Electrical Engineering from the University of Illinois and Master’s Degrees in Management from both Pace University and Stanford University.
MR SIMON POH

Mr Simon Poh is a Board Member of the Singapore Institute of Accredited Tax Professionals and is an Accredited Tax Advisor in both Income Tax and GST. He also chairs both the Examinations Committee and SME Tax Sub-Committee.

In his professional career, he is a Tax Director at Nexia TS Tax Services Pte Ltd and an Adjunct Associate Professor at the National University of Singapore’s Business School where he has been teaching taxation and advanced taxation courses since 2006.

With more than 27 years of experience in tax compliance and tax advisory work in the areas of corporate tax, individual income tax and goods and services tax, Simon’s extensive experience includes GST risk management, international tax planning, transfer pricing, corporate restructuring, business acquisitions and mergers, expatriate tax planning, and advising clients on the tax implications of both inbound and outbound investments.

Besides speaking at numerous external tax seminars and conducting regular tax workshops for professional bodies, Simon is also a regular contributor to various professional journals as well as both local and foreign media. He is the author of “Taxation in Singapore” which was first published in 2008 and subsequently in 2013.

MR ALAN ROSS

Alan, is a Tax Partner and Tax Leader at PwC Singapore. He is also PwC’s Asia Pacific Value Chain Transformation Tax Leader. Prior to his transfer to Singapore in January 2011, Alan was partner in charge of PwC Canada’s Global Structuring practice where he was responsible for the firm’s services across International Tax, Transfer Pricing, Mergers and Acquisitions and Indirect Tax. Before arriving in Canada in 1998, Alan was a partner for ten years in the Asia Pacific region including Hong Kong, Singapore and Australia. During his time in the region, Alan operated as a regional international tax advisory coordinator for a number of multinationals.

Alan has over 30 years experience in Tax and is a seasoned international tax advisor with extensive experience in transfer pricing. Alan has specialized in leading large, strategic projects designed to deliver sustainable operational and long-term tax efficiencies for multinationals engaged in realigning their global business structures, supply chains and intellectual property holdings. Alan has also spent time in industry where he led and managed a major global restructuring project over several years leading a global implementation team dealing with issues impacting approximately 90 countries including significant Transfer Pricing audits. Alan therefore has first-hand experience of the many transfer pricing, taxation and practical issues associated with a multinational group.

Alan is a member of the Institute of Chartered Accountants of Scotland where he articled and specialized in UK and international tax planning. He sits on the Boards of both the Singapore Tax Academy and the Singapore Institute of Accredited Tax Professionals.
MR TAY HONG BENG

Hong Beng is an executive director with KPMG Services Pte Ltd. He is currently the Head of Tax in Singapore.

Hong Beng has more than 20 years of extensive experience in the area of international and local corporate taxation.

Hong Beng is well-versed in cross-border transactions as well as complex local tax issues. His industry focus now is in the financial sector (i.e. banks, fund management activities, etc).

Apart from performing tax compliance review (including assistance in resolving complex tax disputes with the tax authorities) for his corporate clients, he is also actively involved in numerous structured finance deals, merger and acquisition projects, cross-border leasing deals, structuring projects involving private equity fund investments into the region, etc.

Hong Beng is also a regular speaker at tax seminars. He is also one of the contributors to the “Revenue and Taxation – Income Tax” Volume of the Halsbury’s Laws of Singapore 2004 and co-contributor of two chapters (Banking Operations and Financial Derivatives) to “The Law and Practice of Singapore Income Tax” published by Lexis Nexis in 2013. In addition, he has also contributed numerous thought leadership tax articles and commentaries on current and topical issues to both internal and external professional publications as well as the local media such as Euromoney, CPA Singapore, Asia Pacific Journal of Taxation, The Business Tax, The Straits Times and Lianhe Zaobao.

- Non-practising member of the Institute of Singapore Chartered Accountants
- Board Member of the Tax Academy of Singapore
- Accredited Tax Advisor (Income Tax) with the Singapore Institute of Accredited Tax Professionals Limited (SIATP)
- Awarded a Fellow membership of CPA Australia since 2012.

MR KURT WEE

Mr Kurt Wee co-funded Conrad and Ottess Private Asset Management in 1999. Over the years, being in invest and private equity circuit, Kurt has come across a wide spectrum of businesses.

Mr Wee was co-opted into the ASME Council in 2003 and was elected in the following term. Since then, he has served as the Vice President (Awards & Projects) overseeing the two major awards – The Entrepreneur of the Year Award (EYA) and Singapore Prestige Brand Award (SPBA). In 2009, he was elected to serve as the Vice President (Corporate Communications) overseeing all media related activities.

A happy father of two children, Mr Wee finds time to do social work over and above his professional work and ASME responsibilities. He is an elected Executive Council Member and chairs fundraising at the Singapore Children’s Society and also serves in various government-appointed committees.

His involvement in ASME over the last 10 years in various capabilities has also given him substantial insights into the local and regional SME businesses scene.

He hopes to continue his service to the Association and to be part of the team in taking ASME to greater heights. It is his firm belief that if SMEs band together, they can scale greater peaks.
Produced by: ISCA Research Team

Mr Chan Sze Yee – Head, Research
Ms Perrine Oh – Manager, Research
Mr James Shen – Executive, Research
Ms Kay Zin – Executive Assistant, Research

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ABOUT ISCA RESEARCH

ISCA Research identifies, explores and analyses the major issues driving today’s business dynamics and shaping tomorrow’s marketplace. We aim to closely monitor the accounting and auditing industry in order to provide an outlook for tomorrow.

ISCA Research is committed to participating in and supporting high quality research which is focused, timely, relevant and useful to the accountancy profession. We support the conduct of research with a global or local perspective.

ISCA Research focuses our attention on continuously connecting with our members. Practitioners have numerous concerns and issues on their day-to-day practice. These may range from technical understanding to practical applications or even operational issues. A part of our research is directed at engaging our members to examine these practice matters and exploring practical solutions with them. The various ways that ISCA shows its commitment to the research arena includes partnering with business partners or interested parties and involvement in thought leadership activities. There will also be conferences held to feature and showcase the results of our research with our members and the public.

We will continuously seek comments from ISCA members through surveys to gather views from the CA (Singapore) community. Do send your comments to isca.research@isca.org.sg

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