



# BUILDING RELATIONS

ANNUAL REPORT 2017



# VISION & STRATEGIC PLAN

## MISSION

To lead the investment profession by promoting the highest standards of ethics, education, and professional excellence for the ultimate benefit of society.

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## VISION

To inspire the Asian investment community to pursue life-long learning and align with the CFA Institute code of conduct for the ultimate benefit of society.

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## STRATEGIC OBJECTIVES

- Identify and meet member's life-long career development needs
- Position CFA Singapore as the recognised provider for value-added professional development content
- Position the CFA charter as the premier investment designation to employers
- Establish CFA Singapore as the regional centre for professional practice and standards



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## BOARD MESSAGE



Jan M. Richards, CFA  
President  
CFA Singapore

“As we enter our next 30 years, CFA Singapore members will benefit from CFA Institute’s new initiative to empower local societies.”

Dear Members,

### 30 Years of Building Professional Excellence

CFA Singapore was formed in 1987 with encouragement and support provided by GIC and MAS. It started as a group of volunteers with a common vision that operated with no secretariat staff or an office. Over the past 30 years, the Society has experienced tremendous growth and now has a full Board of 12 volunteers, 3 senior advisors, and our own office space. We have the same executive director who joined us more than 10 years ago and 3 full-time staff managing over 100 events annually.

In November, our Charter Awards ceremony welcomed 115 new CFA charterholders to our fraternity. A total of 273 new charterholders joined CFA Singapore in 2017, bringing our membership to approximately 3,650 charterholders and candidates. The increase in membership moved CFA Singapore up to the 7th largest society in the world out of 151 societies in 75 countries...and we are still growing!

In October, we commemorated the 30th Anniversary of CFA Singapore’s founding with a gala dinner at Four Seasons Hotel. **Dr. Aaron Low, CFA**, former Chair of the CFA Institute Board of Governors, was Guest-of-Honour. **Robert C. Merton**, Distinguished Professor of Finance at MIT Sloan School and Nobel Laureate in Economics (1997), was keynote speaker. That evening, we acknowledged the following industry pioneers with the CFA Singapore Luminary Award for their contributions to the finance industry in Singapore:

- **Ng Kok Song**, Founding Partner and Chairman, Avanda Investment Management and former Chief Investment Officer of GIC.
- **George Teo**, SSFA President, 1987-2001
- **Dr. Aaron Low, CFA**, Past Chair, Board of Governors, CFA Institute

We also proudly recognized our top 7 employers including: Credit Suisse AG, DBS Bank Ltd, GIC, OCBC Bank, Standard Chartered Bank, UBS AG, and United Overseas Bank Limited. Many pioneers graced the event, some of whom were instrumental to our genesis.

### Seamless Integration with CFA Institute

As we enter our next 30 years, CFA Singapore members will benefit from CFA Institute's new initiative, **"Societies 2.0"** that will empower local societies to play a greater role in providing services directly to our members. Societies 2.0 which will be launched later in 2018, is a multi-year project built upon the notion of a single interface with members through societies, with CFA Institute providing technology, resources, educational programs and staff funding – largely behind the scene.

### CFA Singapore Insights in Business Times

CFA Singapore was fortunate to be a beneficiary of CFA Institute's global media campaign (**Let's Measure Up™**) that is now covering walls and pillars at Raffles Place MRT station. The campaign aims to remind both CFA charterholders and the general public of the importance of delivering value and maintaining investor trust.



In conjunction with this branding initiative, CFA Singapore started its own Business Times column on 13 January 2018. Written by CFA charterholders and published every Saturday, the **CFA Singapore Insights** column discusses issues pertinent to the sophisticated Singapore investor with an eye on global developments. In addition to showcasing invaluable insight from senior CFA charterholders, the column will promote public awareness about the activities and functions of the CFA fraternity.



### Management of Society Funds

I'm proud to report that 2017 marked the first complete year of investment of CFA Singapore's reserves. Our Investment Committee (led by **Mark Tan, CFA** and comprising of CFA charterholders who are experienced portfolio managers) was formed in mid-2016. We invested our surplus using a conservative investment mandate in diversified global funds with no exposure to foreign currency. So far, investment returns have been consistent with portfolio benchmarks. Our investment performance and annual retained earnings lifted our surplus to more than S\$2.8 million as of 31 December 2017. This successful strategy has helped us better serve our membership by providing funding for a wider range of subsidised programs, member events and advocacy initiatives.

### IBF Accredited Programmes and CFA Preparatory Courses

Last year was also the first full year of our collaboration with Kaplan Learning Institute ("Kaplan") where the global education provider is the exclusive training provider for our IBF accredited programmes and CFA preparatory courses. Changing the training partner to Kaplan relieved us of the burden of managing operational expenses related to venues and instructors. With AB Maximus, we reported all prep





## BOARD MESSAGE

revenue and all associated operating expenses on our profit and loss statement. However starting in 2017, we receive an agreed percentage of Kaplan revenues which goes straight to our bottom line. As such, you will notice a significant reduction in revenues and expenses on our profit and loss statement in this Annual Report, and going forward.

### Winning the Society Excellence Award with Financial Literacy Campaign

Last year, CFA Singapore won a Society Excellence Award intended to recognise societies that have made an outstanding global impact in delivering member value and furthering the mission of CFA Institute in their communities. CFA Singapore was recognized as the "Build Market Integrity" winner on the merits of our 2016/2017 Save and Invest Portfolio Series program.

The Save and Invest Portfolio Series was a campaign that our Advocacy Committee organized in collaboration with MoneySENSE, SGX, and The Sunday Times. We started a two-year financial literacy campaign that commenced in January 2016. What set the campaign apart was its simulation of personal investment portfolios of 3 individuals representative of average retail investors in Singapore. The portfolios were tracked weekly and rebalanced monthly by an investment panel made up of CFA charterholders. Full-page media spreads analysing the simulated portfolios were published in 22 editions of The Sunday Times. Free public seminars were held quarterly where retail investors were given the opportunity to address questions to SGX Academy trainers and our investment panel.

The campaign's practical guidance, extensive media coverage, and public seminars were met with overwhelming enthusiasm from our targeted audience. As a follow-up, we launched a one-year Chinese language equivalent. The Chinese language Save and Invest Portfolio Series ("步步为盈") has been featured in Chinese daily, *Lianhe Zaobao's* weekly financial planning column on the second Sunday of every month since 8 October 2017. Mandarin seminars have been conducted since January 2018.

On behalf of the Society, I wish to extend our thanks to following volunteers for their invaluable contribution through this initiative:

1. **Tan Lay Hoon, CFA** and **Daryl Liew, CFA** who jointly chair the Advocacy Committee





## 2. Campaign investment panelists:

- **Simon Ng, CFA**, CEO, CCB International (Singapore)
- **Phoon Chiong Tuck, CFA**, Head of Fixed Income, Lion Global Investors
- **Praveen Jagwani, CFA**, CEO, UTI International, Singapore
- **Jack Wang, CFA, CA**, Partner, Lexico Advisory

## 3. All the volunteers who helped with detailed calculations, reviewing reports, and coordinating with media, SGX and MAS.

### Joint Study on Market Manipulation

Following a penny stock debacle in 2013, CFA Singapore initiated a study of SGX company announcements made between 2011 and 2016 for evidence of stock market manipulation. The comprehensive study, which was outsourced to CRISIL (a global analytics services provider) was released in February 2018 and found no evidence of broad-based manipulation in SGX listed companies. A special thanks to the study's co-author **Chan Fook Leong, CFA** as well as to **Alan Lok, CFA** for spearheading the study.

### Impacting Careers

The global CFA membership survey results show that charterholders want greater priority on initiatives to help them advance their careers. **CFA Career Centre**, a members-only platform that features employment openings and executive recruiter listings, is in response to this feedback. CFA Singapore is one of only a few societies selected globally to do beta-testing on the platform. The online platform is currently under development and expected to be officially launched later this year.

On 2 April 2018, we launched our third run of the CFA Singapore Mentorship Programme, a six month long programme that pairs experienced charterholders with junior and mid-level professionals in the investment industry. On behalf of the programme participants, we express our thanks to the committee members and mentors who have contributed to this initiative.

The Society is committed to helping our members build productive and successful careers in an investment profession that is respected for working in its clients' best interests. We believe you will find the content of our membership services more impactful and delivered more seamlessly in the year ahead. We look forward to your participation in our exciting member activities. Do reach out to us at [info@cfasingapore.org](mailto:info@cfasingapore.org) and volunteer as a committee member!

**Jan M. Richards, CFA**

President  
CFA Singapore



# SECRETARIAT'S REPORT

## CFA Singapore Access Scholarship 2017

Recipients of the award will have their CFA® Program enrolment fee waived and exam registration fee reduced to US\$250. The recipient can apply the scholarship to the June exam (Level I, II, and III) or December exam (Level I) in 2018

In 2017, we awarded all of the 59 access scholarships CFA Institute allocated to CFA Singapore based on the following criteria:

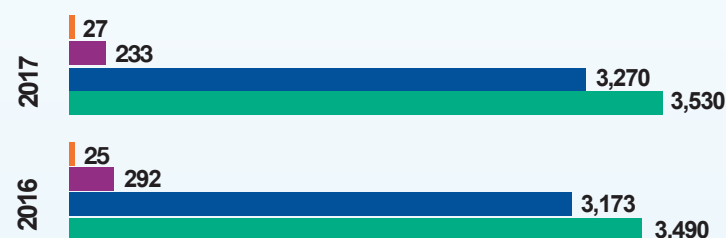
- Scholastic ability
- Financial need
- Writing the 2018 CFA Examination

## CFA Singapore Gold Medal

Our Society awarded Gold Medals for Academic Year 2016/2017 to top finance/business students in each of the local universities. The current recipients are:

- **Nanyang Technological University**
  - Lydia Yeo Jie Ling
- **National University of Singapore**
  - Daniel Wong Sing Dong
  - Ma Bole
- **Singapore University Management**
  - Foo Chi Hua Augustine

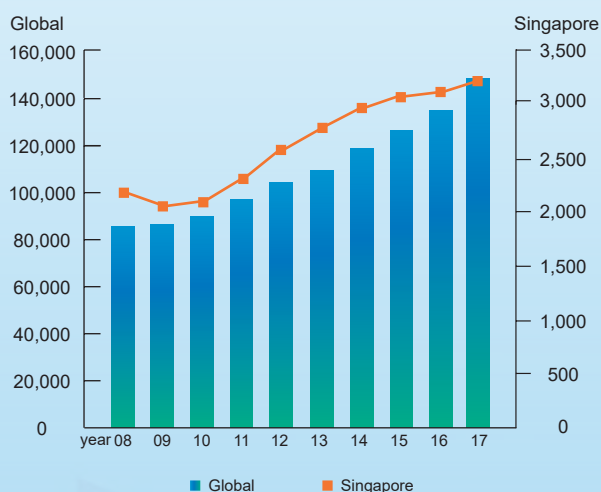
## CFA Singapore Members: 2016-2017



Number of Members as of 31 December 2017

■ Affiliate: 27 ■ Associate: 233 ■ Regular: 3,270 ■ Total: 3,530

## CFA Charterholders



The number of charterholders who are CFA Singapore members are 3239 and globally 152,919 as of 31 December 2017 (3,135 and 138,495 respectively in 2016).

## CFA Candidates



CFA candidates in Singapore are 5,690 and globally 281,776 respectively for the year ended 31 December 2017 (5,654 and 244,486 respectively for 2016).





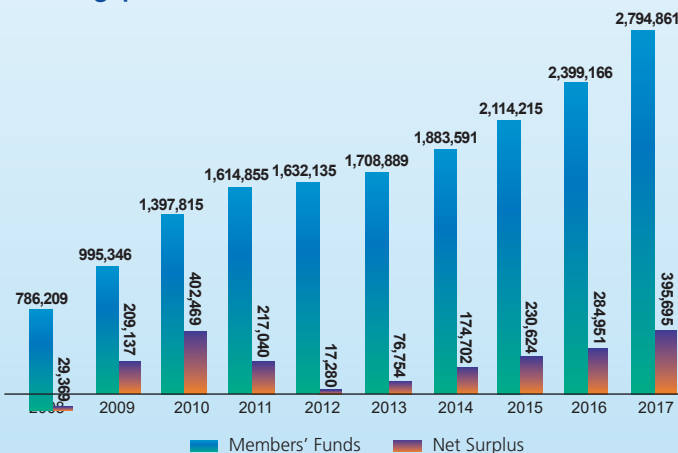
### CFA Singapore Members Volunteering at CFA Institute

Display Name	Committee
Jonathan Chitthawi Blaine	Research Challenge Graders March/April 2017
Chan Fook Leong, CFA	Asia-Pacific Research Exchange (Singapore Country Representative)
Darren Chua Chee How, CFA	Asia-Pacific Research Exchange (Singapore Country Representative)
Fan Yu-Chi, CFA	Capital Markets Policy
Peter Foo Moo Tan, CFA	Capital Markets Policy
Anubhuti Gupta, CFA, CIPM	Disciplinary Review Committee (DRC) and Education Advisory Committee (EAC)
Gerard H. C. Lee, CFA	Annual Conference Advisory
Lee Kher Sheng, CFA	Disciplinary Review Committee (DRC)
Lim Li-Ying, CFA	Asset Manager Code Advisory Committee
Ng Peck Wah, CFA	Asia-Pacific Research Exchange (Singapore Country Representative)
Simon Ng Chee Wei, CFA	Research Challenge Regional Judges April 2017
Kanol Pal, CFA	Asia-Pacific Research Exchange (Singapore Country Representative)
Jan M. Richards, CFA	Disciplinary Review Committee (DRC)
Wee Tian Sing, CFA	Global Investment Performance Standards (GIPS) Technical Committee
Joshua Wu Yong An	Asia-Pacific Research Exchange (Singapore Country Representative)

### The Society's Financial Performance

The financial year 2017 saw an increase in members' funds to S\$2,794,861 with a higher surplus of S\$395,695. The Board continues to budget for additional activities and members were able to attend many Professional Development and Networking activities free of charge or at a nominal fee – an approach adopted since 2004.

### CFA Singapore Financial Performance (SGD)



### CFA Institute's Top 10 Societies



Total Members as of 31 December 2017

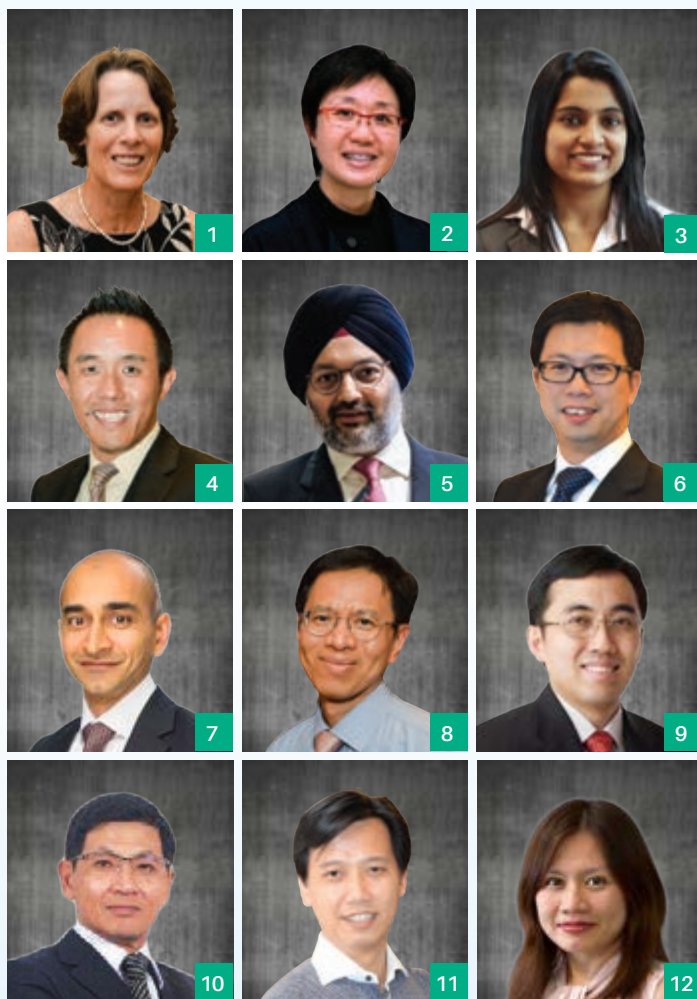
### Appreciation

We would like to extend our appreciation to the following sponsors:

- CFA Institute; HKUST-NYU Stern MS in Global Finance Program; Inflection Point Intelligence Limited; Loncar Investments, LLC; Nordea Investment Funds S.A.; Saxo Capital Markets Pte Ltd; Standard & Poor's International LLC; Valens Research for their generous support for the various Professional Development talks and Networking events.
- Bloomberg LP and Kaplan Schweser for their invaluable support in the University Research Challenge 2016 – 2017.
- Kaplan Schweser for their generous membership sponsorship of the 30th Anniversary Celebrations and grant for the IBF Accreditation and Continuous Improvement Review (CIR) fees
- Credit Suisse AG, DBS Bank Ltd, GIC, OCBC Bank, Standard Chartered Bank, UBS AG and United Overseas Bank Limited for their generous sponsorship for the 30th Anniversary Gala Dinner.

Much appreciation also goes to all volunteers and industry professionals who have taken their time and effort to speak to our members and guest at various luncheon talks, seminars, conferences and events.

# OFFICE BEARERS & BOARD MEMBERS



1. **President**  
Jan M. Richards, CFA
2. **Deputy President**  
Tan Lay Hoon, CFA
3. **Treasurer**  
Saumya Umesh Rao, CFA
4. **Secretary**  
Simon Ng Chee Wei, CFA
5. **Board Member**  
Rasik S. Ahuja, CFA
6. **Board Member**  
Alex Ho Wah Fong, CFA
7. **Board Member**  
Arun R. Kelshiker, CFA
8. **Board Member**  
Kanol Pal, CFA
9. **Board Member**  
Mark Tan Keng Yew, CFA
10. **Board Member**  
Joachim Toh Wen Keong, CFA
11. **Board Member**  
Jack Wang Ying Yang, CFA
12. **Co-opted Board Member (effective as at 28 August 2017)**  
Laurel Teo Huei Huei, CFA



**Executive Director**  
Francis Er

12 Regular Members served on the Board of the Society.

2 Regular Members on the Board, having been elected at the 30th AGM in April 2016, will retire at the 32nd AGM in May 2018: Arun R. Kelshiker, CFA; Joachim Toh Wen Keong, CFA. Another 2 Regular Members on the Board, having been elected at the 31st AGM in June 2017 will resign after the 32nd AGM in May 2018: Jan M. Richards, CFA; Saumya Umesh Rao, CFA.

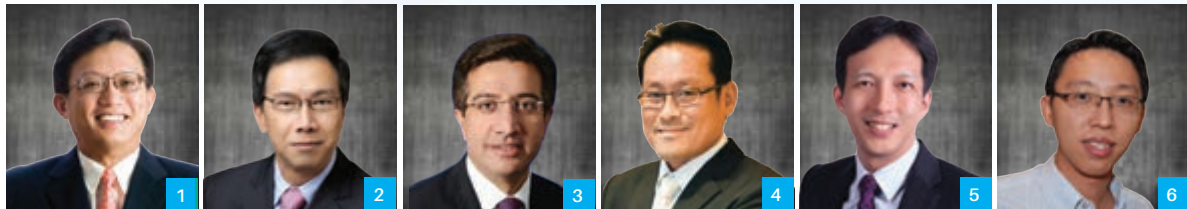
The remaining 7 Regular Members on the Board, having been elected at the 31st AGM in June 2017 will serve until the 33rd AGM in 2019: Alex Ho Wah Fong, CFA; Jack Wang Ying Yang, CFA; Kanol Pal, CFA; Mark Tan Keng Yew, CFA; Rasik S. Ahuja, CFA; Simon Ng Chee Wei, CFA; Tan Lay Hoon, CFA. In addition, 1 Regular Member was co-opted into the Board in August 2017: Laurel Teo Huei Huei, CFA.

Office Bearers and Board Members are volunteers. Office Bearers are elected by the Board, who in turn, are elected by members at the General Meeting.

## Secretariat

Managing the secretariat office is Francis Er (Executive Director)

# ADVISORS & COMMITTEE CHAIRS



## Advisors

Advisor	George L. W. Lee, CFA <sup>1</sup>
Advisor	Dr. Aaron H.W. Low, CFA <sup>2</sup>
Advisor	Manraj S. Sekhon, CFA, ASIP <sup>3</sup>

## Committee Chairs

Advocacy	Tan Lay Hoon, CFA; Daryl Liew, CFA <sup>4</sup>
Audit	Joachim Toh Wen Keong, CFA
Candidate Programmes	Rasik S. Ahuja, CFA
Career Development	Kanol Pal, CFA; Simon Ng Chee Wei, CFA; Saumya Umesh Rao, CFA
Investment	Mark Tan Keng Yew, CFA
Networking	Koh Boon Pin, CFA <sup>5</sup>
Nominating	Joachim Toh Wen Keong, CFA
Professional Development	Arun R. Kelshiker, CFA; Alex Ho Wah Fong, CFA; Victor Ong, CFA <sup>6</sup>
University Outreach	Simon Ng Chee Wei, CFA

Advisors and committee members are volunteers appointed by the Board.

## Auditors

From 2017, the society appointed RSM Choi Lim LLP as external auditors.





# EVENT HIGHLIGHTS

## 1



### 1. 30th Anniversary Gala Dinner

At this momentous occasion, over 280 members and industry leaders joined us to celebrate with an evening of networking, presentation of Luminary Awards and recognition of our Top Employers. The highlight of the programme was a presentation by Nobel Laureate Professor Robert C. Merton







## 2. CFA Singapore Annual Forecast Dinner

At the Annual Forecast Dinner in July, panelists included the following investment experts: (L-R) Vivek Ahuja, Portfolio Manager and Research Analyst for Templeton Global Macro, Templeton Asset Management Ltd Singapore; Freddy Lim, Co-founder and CIO, StashAway; Steen Jakobsen, Chief Economist, Saxo Bank Group; Jean Chia, Managing Director, Head, Equities Advisory & Sales, Bank of Singapore.

Event moderator was Arun Kelshiker, CFA, Co-Chair, CFA Singapore Professional Development Committee (Extreme Left).



## EVENT HIGHLIGHTS

### 3. Save and Invest Portfolio Series

CFA Singapore, Singapore Exchange and MAS MoneySense extended the collaboration to encourage investors to save and invest for the future. Public seminars held in 2017 includes Portfolio Construction Conference for Retail Investors.

### 4. An Evening with Professor Aswath Damodaran (Narratives & Numbers: The Value of Stories In Business)

More than 280 members attended the event and were treated to a thrilling presentation by Professor Damodaran on his latest book 'Narratives & Numbers: The Value of Stories In Business' which culminated with a book signing ceremony.



### 5. Is Green Finance a Fad? Or Does It Possess Alpha Potential?

CFA Institute Asia-Pacific Research Exchange (ARX) was launched in Singapore with a seminar on Green Finance. Speakers included Esther An, Chief Sustainability Officer, City Development Limited; Tianyin Cheng, Director, Strategy and ESG Indices, S&P Dow Jones Indices; Darren Chua, CAIA, CFA, VP for Development and Investment, Infra Capital Myanmar.

Event moderator was Sun Xi, Founder & CEO of ESGuru.



## 6. CFA Singapore Mentorship Programme

35 CFA Singapore Members were matched with senior members in the financial services. The 6-month programme aimed to help the younger mentees navigate the intricacies of financial services industry to advance their career and personal success.



## 7. CFA Singapore Charter Award Ceremony

Out of a total of 300 plus CFA Charterholders that were inducted into the CFA® fraternity, over 110 attended the Charter Award Ceremony held at Hilton Singapore on 10 November 2017. The guest of honour was Colin McLean MA (Hons), MBA, FSIP, FCSI, FIA, a member of the CFA Institute Board of Governors.



## 8. CFA Institute Research Challenge (Season 2016 - 2017)

The local finals for the 2017 CFA Institute Research Challenge was held on 11 February 2017 at Bloomberg Auditorium. The SMU team emerged as the winning team amongst competition with 6 other university teams and proceeded to represent Singapore at the Asia-Pacific Regional Competition. They emerged as champion at the Asia-Pacific Regional Finals and advanced to the Global Finals.



## EVENTS IN 2017

### ADVOCACY

The Sunday Times MoneySense Save and Invest Portfolio Series which was launched in January 2016 and originally planned for a 1 year duration. However, as the series attracted strong readership, it was extended for another year and ended in 1Q 2018. In partnership with MAS, SGX and SPH, the goal was to encourage retail investors to save and invest for the future. The campaign comprised of monthly write-ups on The Sunday Times, featuring simulated savings and investment portfolios of three Singaporean individuals and families at different life stages, incorporating portfolio building techniques, in accordance with specific investment goals and risk tolerance. To enhance the educational experience, CFA Singapore, under the auspices of SGX Academy held quarterly public seminars with topics aligned with the themes featured in the series.

Due to the success of the Sunday Times Save & Invest Portfolio Series, Lian He Zao Bao approached us to run a similar series for their readers. We launched this new year-long Portfolio Series with the same partners MAS, SGX & SPH on 29 September 2017.

On the regulatory engagement front, we continue to be actively reaching out to members to consolidate our position for a number of consultation papers including dual class structures, venture capital funds, competency requirements for representatives of fund managers and liquidity risk management framework for fund management companies. To promote Putting Investors First, CFA Singapore hosted prominent academic and FT columnist John Kay to speak about the future of equity markets. CFA Singapore continues to be an active member of the SSP whose mission is to promote the Singapore Stewardship Principles to asset owners and managers.

#### ADVOCACY COMMITTEE

<b>Tan Lay Hoon, CFA (Co-Chairperson)</b>	<b>Daryl Liew, CFA (Co-Chairperson)</b>	Chan Fook Leong, CFA	Hon Shin Ming, CFA
Praveen Jagwani, CFA	Noel Neo, CFA	Seow Shin Horng, CFA	David Smith, CFA
Olaf Stier, CFA	Maurice Teo, CFA	Laurel Teo, CFA	Shinya Tsujimoto, CFA
Wong Chin Loon, CFA	Sean Yeo, CFA		

#### ADVOCACY EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
6 Jan 17	Cultural Integrity Framework	Sue Morey
6 Jan 17	Consultation Paper on "Review of Competency Requirements for Representatives Conducting Regulated Activities under the Securities and Futures Act and Financial Advisers Act" (Led by Maurice Teo, CFA)	-
21 Jan 17	SGX-CFA Portfolio Construction Conference for Retail Investors	Phoon Chiong Tuck, CFA / Simon Ng, CFA / Daryl Liew, CFA (Moderator)
15 Feb 17	Consultation Paper on "Proposed Regulatory Regime for Managers of Venture Capital Funds" (Led by Laurel Teo, CFA)	Simon Ng, CFA
20 Feb 17	SGX-CFA Society Dialogue on Dual Class Shares Structures	Ang Hao Yao, CFA / Dr. David Smith, CFA / Dr. Mak Yuen Teen / Mary Leung, CFA / Stefanie Yuen Thio / Tan Boon Gin / Maurice Teo, CFA (Moderator)
24 Feb 17	SGX-CFA Save and Invest Portfolio Series Luncheon	-
24 Mar 17	Members Dialogue Luncheon to discuss on "Possible Listing Framework for Dual Class Share Structures" (Led by Maurice Teo, CFA)	-
1-Apr-17	Response to Consultation Paper on "Proposed Regulatory Regime for Managers of Venture Capital Funds" (Led by Laurel Teo, CFA)	-
17 Apr 17	SGX Consultation Paper on "Possible Listing Framework for Dual Class Share Structures" (Led by Maurice Teo, CFA)	-
17 Apr 17	The Future of Equity Markets?	Professor John Kay / Ashish Goyal, CFA (Moderator)
21 Apr 17	Response to Consultation Paper on "SGX Public Consultation on Possible Listing Framework for Dual Class Share Structures" (Led by Maurice Teo, CFA)	-



22 Apr 17	SGX-CFA Portfolio Construction Conference for Retail Investors	Jack Wang, CFA / Phoon Chiong Tuck, CFA / Simon Ng, CFA / Daryl Liew, CFA (Moderator)
9 May 17	The ASEAN Regulatory Summit 2017	Phoon Chiong Tuck, CFA
11 May 17	Is Green Finance a Fad? Or Does It Possess Alpha Potential? (Organised by Kanol Pal, CFA)	Darren Chua, CAIA, CFA / Esther An / Cheng Tianyin / Sun Xi (Moderator)
7 Jul 17	Good Management of Your Charity's Reserves (Organised by Simon Ng, CFA)	Chuin Ting Weber / Dr. Tony Tan, DBA, CFA / Woo E-Sah / Victor Lye / Melvin Tan, CFA (Moderator)
2 Sep 17	SGX-CFA Portfolio Construction Conference for Retail Investors	Jack Wang, CFA / Praveen Jagwani, CFA / Daryl Liew, CFA (Moderator)
29 Sep 17	Launch of the Lian He Zao Bao Portfolio Series	Jessica Soon / Simon Ng, CFA / Tan Teck Leng / Wong Chin Loon, CFA
22 Nov 17	Addressing Asia Infrastructure Funding Needs - Complementing Government Related Finance with Private Investment (Organised by Kanol Pal, CFA)	Dr. Naoyuki Yoshino
27 Nov 17	MAS Consultation Paper on "Liquidity Risk Management Framework for Fund Management Companies" (Led by Maurice Teo, CFA)	-



Addressing the Asia Infrastructure Funding Needs by Dr. Naoyuki Yoshino



SGX-CFA Society Dialogue on Dual Class Shares Structures



The Future of Equity Markets? by Professor John Kay



Good Management of Your Charity's Reserves



## EVENTS IN 2017

### CANDIDATE PROGRAMMES

The Society supports candidates preparing for the CFA® Exam in the following ways, depending on their learning preferences:

- Live classes leveraging on professional full-time instructors.
- Discounted Kaplan online resources and self-study materials for candidates whose schedules do not permit in-person training.
- Intensive 3 days revision course culminating with a mock exam a few weeks for time-scarce candidates.

In anticipation of the revamped IBF standards, CFA Singapore partnered with the Kaplan-Schweser team to ramp up resources and expertise to have all the 3 levels of CFA programmes accredited under the new fund management industry segment. In this way, candidates who are Singaporeans or PRs are able to enjoy 70% subsidy for their course fees. In addition, as the ethics modules were incorporated into the training, candidates who passed through the programmes were exempted from Capital Markets and Financial Advisory Services (CMFAS) Module 3 – Rules and Regulations for Fund Management

As an added service to our candidate members taking the CFA® Program, we provide free lunches on exam day at Singapore Expo.

#### CANDIDATE PROGRAMMES COMMITTEE

Rasik S. Ahuja, CFA (Chairperson)



Kaplan's Networking Evening and Certification Presentation Night



Mock Exam



Info session



# LET'S BUILD A BETTER WORLD FOR INVESTING. LET'S MEASURE UP.

Let's make the financial world as diverse as the one we live in.  
Let's put ethics at the heart of everything we do.  
Let's always put investors' needs above our own.  
Let's deliver real value for the investment fees we charge.  
Let's create jobs, build bridges, ensure prosperity.

Let's do our part. Let's start today. Let's measure up.

Get started at [letsmeasureup.org](https://letsmeasureup.org)



**CFA Society  
Singapore**  
LET'S MEASURE UP™



## EVENTS IN 2017

### CAREER DEVELOPMENT

In view of the overwhelming response to the inaugural Mentorship Programme launched in 2016, the Career Development Committee decided to follow up in 2017 with another six-month long programme that pairs experienced members of the society with mid-level professionals who are CFA Singapore members working in the investment industry. The objective of the programme is to provide an opportunity to mid-level members to engage with senior members of the society for the purpose of enhancing their professional and personal development. The programme was led by a professional HR consultant and career coach.

The Career Development Committee continues to organise soft-skill workshop such as the ones led by Andrew Jones. Another highlight for the Committee around managing careers in the new and disruptive landscape panel session featuring speakers from diverse backgrounds.

#### CAREER DEVELOPMENT COMMITTEE

Kanol Pal, CFA (Co-Chairperson)	Simon Ng, CFA (Co-Chairperson)	Saumya Rao, CFA (Co-Chairperson)	Bennett Lee, CFA
George Lee, CFA	Jessie Yim, CFA	Lee Yue Jer, CFA	Melvin Tan, CFA;
Ngiam Chaoliang, CFA	Sam Phoen, CFA	Svitlana Nazarenko	Vishal Dang, CFA

#### CAREER DEVELOPMENT EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
19 Jan 17	CFA Singapore Mentorship Programme 2017 - 'Speed Dating' Mentee/ Mentor Matching	Louise J. Tagliante
23 Feb 17	CFA Singapore Mentorship Programme 2017 Kick-Off	Louise J. Tagliante; Joerg Khuen
8 Mar 17	CFA Singapore Mentorship Programme 2017 - Mentor Skills Development	Louise J. Tagliante
29 Mar 17	CFA Singapore Mentorship Programme 2017 - Mentee Skills Development - MBTI® debrief	Louise J. Tagliante
8 May 17	Coaching Skills for Leaders in Financial Services	Andrew Jones
22 May 17	CFA Singapore Mentorship Programme 2017 - Mid-point Check-In	Louise J. Tagliante
25 Jul 17	CFA Singapore Mentorship Programme 2017 Closing and Celebration	Louise J. Tagliante
9 Sep 17	How to Manage your Career in this New and Disruptive Financial Industry Landscape?	Gary Ng, CFA / Joey Chan, CFA / Nigel Teo / Pan Zaixian / Rachel Liu / S K Selvan, CFA / Sinyee Koh / Soek Ching Kum, CFA / Tahnoon S. Pasha / Will Tan



## CAREER DEVELOPMENT



Coaching Skills for Leaders in Financial Services by Andrew Jones



CFA Singapore Mentorship Programme 2017 Closing and Celebration



CFA Singapore Mentorship Programme 2017 Kick-off (keynote speaker - Joerg Khuen)



How to Manage your Career in this New and Disruptive Financial Industry Landscape ?



Kanol Pal, CFA (Mentor) and Jason Lim, CFA (Mentee)

## EVENTS IN 2017

### EXECUTIVE EDUCATION PROGRAMME

The mandate of the CFA Singapore Executive Education Programmes is to organise workshops that contribute to the continuing development of CFA members. To further encourage commitment to professional development among our members, attendance at the workshops qualifies for CFA Institute Continuing Education ("CE") credits.

Besides the staple suite of programmes such as financial modelling, private equity, real estate, valuations and fixed income, we also brought in a few new topics such as behavioural performance and multi-asset investment strategies.

The committee will continue to source for new and interesting topics to be included in the coming year.

#### EXECUTIVE EDUCATION PROGRAMME EVENTS SUMMARY

DATE	EVENT TITLE	TRAINER(S)
1 to 3 Mar 17	Multi-Asset Workshop for Practitioners	Professor Bernard Lee, PhD, CFA
22 & 23 Mar 17	Advanced Financial Analysis Series	Hamilton Lin, CFA
3 & 4 Apr 17	Asia Real Estate Investment and Finance Workshop	Prof. Roy Ling
4 & 5 May 17	Investment & Risk Analytics with R (Intermediate)	Mark C. Hoogendijk, CFA
16 to 19 May 17	Equity Investing Workshop * Top-Down, Quantitative Equity Investing * Bottom-up, Fundamental Equity Investing	Tariq Dennison and Anand Batepati
25 & 26 May 17	Masterclass on Business Valuation With Aswath Damodaran	Professor Aswath Damodaran
3 & 4 Aug 17	Masterclass : Excellence in Private Equity & Deal Structuring	Arvind P. Mathur, CFA
14 & 15 Aug 17	Psychology Behaviour and Performance	Lim How
14 & 15 Sept 17	Behavioural Finance Workshop	Frank Ashe
20 to 22 Sep 17	Bonds and Fixed Income Series Workshop	Tariq Dennison
11 to 13 Oct 17	Advanced Financial Analysis Series	Hamilton Lin, CFA
30 & 31 Oct 17	Masterclass : Excellence in Mergers & Acquisitions	Arvind P. Mathur, CFA



## EXECUTIVE EDUCATION PROGRAMME



Masterclass: Excellence in Mergers & Acquisitions workshop by Arvind P. Mathur, CFA



Masterclass on Business Valuation Workshop with Aswath Damodaran



Advanced Financial Analysis Series Workshop by Hamilton Lin, CFA

## EVENTS IN 2017

### MEMBERSHIP

- The CFA Singapore 30th Anniversary celebrations culminated with a Gala Dinner at the Four Seasons Ballroom on 25 Oct 2017 featuring Nobel Laureate Professor Robert C. Merton as the keynote speaker. At the same event, 7 Financial Institutions (Credit Suisse AG, DBS Bank Ltd, GIC, OCBC Bank, Standard Chartered Bank, UBS AG and United Overseas Bank Limited) were recognised with a Top Employer Award for employing the most number of CFA charterholders. We also presented CFA Singapore Luminary Awards to 3 individuals who made outstanding contributions over the course of the society existence; namely George Teo, Ng Kok Song and Aaron H.W. Low, CFA.
- Town-hall meeting with President and CEO of CFA Institute, Paul Smith, CFA where he shared about the challenges facing the investment industry and how CFA Institute itself is evolving to help members in light of such changes. He also articulated on the technology based membership services platform that CFA Institute that will be rolled out progressively from 2018 onwards.
- CFA Singapore Charter Award Ceremony where more than 100 newly minted CFA charterholders and their guests were hosted by the board of CFA Singapore. Guest-of-Honour was CFA Institute Board of Governors, Colin McLean MA (Hons), MBA, FSIP, FCSI, FIA and keynote speaker was Wong Yu Han who spoke on the topic of personal branding and image.
- The 31st CFA Singapore Annual General Meeting was held on 19 June at SGX Auditorium.

#### MEMBERSHIP EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
19 Jun 17	CFA Singapore 31st Annual General Meeting	-
25 Oct 17	30th Anniversary Gala Dinner	Professor Robert C. Merton / Dr. Aaron H.W. Low, CFA (Moderator)
10 Nov 17	Charter Award Ceremony 2017	Colin McLean MA (Hons), MBA, FSIP, FCSI, FIA / Wong Yu Han
15 Nov 17	The Future of the Investment Profession by Paul Smith, CFA	Paul Smith, CFA
15 Nov 17	Roundtable Luncheon with CFA Singapore Top Employers and Paul Smith, CFA	Paul Smith, CFA



## MEMBERSHIP



31st CFA Singapore Annual General Meeting



The Future of the Investment Profession by Paul Smith, CFA



New CFA Charterholders at CFA Singapore Charter Award Ceremony 2017



Colin McLean MA (Hons) speaking at the CFA Singapore Charter Award Ceremony 2017

# EVENTS IN 2017

## NETWORKING

The **Networking Committee** organised a total of 15 events in 2017. The committee plans and organises a wide array of social events to forge friendships with existing members and integrate new members in casual settings.

In 2017, the Committee organised more activity-based events such as yoga, soft skill and educational talks.

Going forward, the Committee aims to continue to create more unique and exciting networking opportunities to engage members and serve as an effective platform to broaden the networking opportunities for our members within the Financial Services Industry. The committee would like to thank all those who made our events a success – our participants, our sponsors and our volunteers.

### NETWORKING COMMITTEE

<b>Seow Hock Hin, CFA (Retired as Chairperson from May 2017)</b>	<b>Koh Boon Pin, CFA (Chairperson from June 2017 onwards)</b>	Adrian Chan, CFA	Alex Ho, CFA
Darren Chu, CFA	Phuah Keng Keat, CFA	Rahul Koshal Dubey	Sri Indah Jani Prihadi, CFA

### NETWORKING EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
20 Jan 17	January Networking Drinks	-
27 Feb 17	February Networking Drinks	-
27 Mar 17	March Networking Drinks	-
15 Apr 17	Movie Screening: Fast & Furious 8	-
27 Apr 17	CFA Society Singapore – J.P. Morgan Corporate Challenge (2017)	-
27 Apr 17	April Networking Drinks	-
29 May 17	May Networking Drinks	-
11 Jul 17	Thinking Beyond The Box - The Henley Executive Hedge Fund Program - A Primer for Finance Specialists	Vanessa Hemavathi / Imran Khan
24 Jul 17	July Networking Drinks with Deepak Natarajan	Deepak Natarajan / Pearlyn Chiang (Moderator)
30 Aug 17	August Networking Drinks	-
17 Sep 17	2017 F1 Singapore Grand Prix Networking Night	-
2 Oct 17	October Networking Drinks - Urbanisation, E-commerce and Real Estate Market in China	Flora He
7 Nov 17	November Networking Drinks - The Happiness Advantage	Roshini Ganesan
13 Dec 17	CFA Singapore Yoga session	Enicia Tio Huay Lin
20 Dec 17	CFA Singapore Year-End Party 2017	-



## NETWORKING



J.P. Morgan Corporate Challenge - Team CFA Singapore



July Networking Drinks with Deepak Natarajan



The Happiness Advantage by Roshini Ganesan



February Networking Lucky Draw Winner



February Networking Drinks - Chinese New Year Lo Hei session

# EVENTS IN 2017

## PROFESSIONAL DEVELOPMENT

The mandate of the Professional Development (PD) Committee is to organise professional development ("PD") events that contribute to the continuing development of CFA® members and help members keep abreast of developments that impacts the Investment Management Industry. To further encourage commitment to professional development among our members, attendance at PD events qualifies for CFA® Institute Continuing Education ("CE") credits.

The PD committee organised 25 continuing education events for 2017. With a diverse range of topics such as FinTech, Cybersecurity, Women in Finance, Alternative Investments, ESG and China-centric themes, the PD continues to be the workhorse committee attracting more than 1,750 membership registrations. One of the highlights of the year was the evening talk by Professor Aswath Damodaran which attracted an audience of more than 280 members.

Our key source of expert speakers continue to be from CFA Institute and our senior members. In this regard, we would like to thank them for their continued support which contributed significantly to the success of our events. The PD committee will continue to organise interesting and educational PD events for our members in the coming year and would like to invite interested CFA members to join our committee and senior members to volunteer their time as speakers.

### PROFESSIONAL DEVELOPMENT COMMITTEE

<b>Arun Kelshiker, CFA (Co-Chairperson)</b>	<b>Alex Ho, CFA (Co-Chairperson)</b>	<b>Victor Ong, CFA (Co-Chairperson)</b>	Allan Leo Santosh Jeyan, CFA
Annie Lin, CFA	Carrie Heyi Hou, CFA	Chong Li Min, CFA	Koh Boon Pin, CFA
Sarah Song	Sri Indah Jani Prihadi, CFA	Vijayarengan Rajendran	Wang Xinbin, CFA

### PROFESSIONAL DEVELOPMENT EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
9 Feb 17	Time, Space, and Network Economy - One Foundation Principle	Dr. Chen Shaoxiang
23 Feb 17	Indexing in Volatile Times: What Indexing Can Teach Us about Active Management	Craig Lazzara, CFA
3 Mar 17	Liquid Alternative Investments	Dr. Nelson Lacey, CFA
7 Mar 17	Commercial Due Diligence - Harnessing Business Intelligence for Decision Making and Risk Management	Richard Ang
8 Mar 17	The Age Of Disruption	S K Selvan, CFA
13 Mar 17	Global Trends in Wealth Management - A White Paper	Vineet K. Vohra, CFA
15 Mar 17	Biotech and Investing in the Future of Cancer Care	Brad Loncar
29 Mar 17	Chinese Outbound Investment in the Resources Sector - Evolution of the Deal	Brett Shadbolt
31 Mar 17	How Smart Women are Managing their Money in 2017	Barbara Stewart, CFA
24 Apr 17	Private Equity Investment in China	Yong Kwek Ping
4 May 17	Quantamental Investing Across The World	Dr. Andrew Stotz, CFA
12 May 17	Moving Uncertainties to Opportunities in Commodities	Jodie Gunzberg, CFA
16 May 17 817 May 17	The Accounting Disasters Known as GAAP and IFRS	Professor Joel Litman
23 May 17	An Evening With Professor Aswath Damodaran (Narratives & Numbers: The Value of Stories in Business)	Professor Aswath Damodaran / Pearlyn Chiang (Moderator)
20 Jun 17	Money and Asset Prices: Theory And Practice	Diana Choyleva
29 Jun 17	ESG: Walking the Talk	Jeroen Bos, CFA, CAIA
13 Jul 17	CFA Singapore Annual Forecast Dinner 2017	Feddy Lim / Jean Chia / Steen Jakobsen / Vivek Ahuja / Arun Kelshiker, CFA (Moderator)
19 Jul 17	China and Asia Economic Outlook	Xu Sitao
29 Aug 17	Have You Ever Considered that Climate Change could Represent an Attractive Investment Opportunity?	Bjørn Falk Burmeister
25 Sep 17	Discovering Phi	Robert Stammers, CFA



## PROFESSIONAL DEVELOPMENT

28 Sep 17	Behavioural Factors and their Performance In Emerging Markets: An Illustration Using China A-Shares Data	Jason Hsu, Ph.D.
29 Sep 17	The Untold Story of China's Banks	James Stent
13 Oct 17	Alpha Wounds: How the Industry is Failing End Clients	Jason A. Voss, CFA
9 Nov 17	Cybersecurity and What it Means to the Financial Services Sector	Sunny Toh / Alina Tan
14 Nov 17	Global Market Inefficiencies	Professor Söhnke M. Bartram



Private Equity Investment in China by Yong Kwek Ping



An Evening With Professor Aswath Damodaran



How Smart Women are Managing their Money in 2017 by Barbara Stewart, CFA



Cybersecurity and What it Means to the Financial Services Sector.



Alpha Wounds: How the Industry is Failing End Clients by Jason A. Voss, CFA



## PROFESSIONAL DEVELOPMENT



Liquid Alternative Investment by Dr. Nelson Lacey, CFA



Book signing by James Stent



The Age of Disruption by S K Selvan, CFA

Biotech and Investing in the Future of Cancer Care  
by Brad Loncar

CFA Singapore Annual Forecast Dinner 2017



## EVENTS IN 2017

### UNIVERSITY OUTREACH DEVELOPMENT

The key mandate of the **University Outreach Committee** is to engage Singapore-based university partners (both local and foreign), especially those universities under the CFA® Program Partners or University Affiliation Programme (UAP) to create awareness for the CFA® Program as well as to facilitate and groom the next generation of investment professionals in the financial industry. In this regard, the Committee organised CFA® Program information sessions held at the premises of the universities. Such information sessions usually incorporate career talks where senior CFA charterholders are invited to share their experiences in their various job roles and career progression.

A key highlight of the Committee work-year is organising the CFA Institute Research Challenge which is an annual global research competition sponsored by CFA Institute. The 2017-2018 season attracted the most number of participating universities represented by ESSEC, National Technological University (NTU), National University Singapore (NUS), SIM Global Education (SIM-GE), Singapore Institute of Technology (SIT), Singapore Management University (SMU), Singapore University of Social Sciences (SUSS), Singapore University of Technology and Design (SUTD), Yale-NUS College (Yale-NUS). The team from SIM-GE emerged as the overall champion in this highly competitive Singapore leg. The team comprised of Arushi Saxena, Kenneth Chong, Paul Garrote, Rivik Paul and Darren Teo went on to represent Singapore in the Asia Pacific Regional Competition.

CFA Singapore would also like to recognize the sponsorship of Bloomberg and Kaplan Schweser and thank them for their support towards the CFA Institute Research Challenge. For this year, we would especially thank GIC for contributing to the cash prizes and trophies for the Best Team Presentation, Best Individual Presenter, Best Written Report and as well as the Overall Champion and Runner Up.

We would also like to thank the mentors, research report graders and presentation judges for contributing invaluable guidance to the teams and in judging the competition respectively.

#### UNIVERSITY OUTREACH COMMITTEE

<b>Simon Ng, CFA (Chairperson)</b>	Andy Yeo, CFA	Benjamin Goh, CFA	David Leow, CFA
Jack Wang, CFA	Kam Yoke Meng, CFA	Kevin Gin, CFA	Lee Yue Jer, CFA
Melvin Tan Teck Jin, CFA	Mitchell Van der Zahn, CFA	Tan Chee How, CFA	Teoh Kek Yee, CFA
Terence Lim, CFA			

#### UNIVERSITY OUTREACH EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
11 Feb 17	CFA Institute Research Challenge (Season 2016 - 2017) - Local Finals	-
21 Feb 17	Singapore Asset Management Conference by Yale-NUS	-
14 Mar 17 to 15 Mar 17	CFA Institute Research Challenge (Season 2016 - 2017) - Asia Pacific Regional Finals represented by SMU Team	-
28 Apr 17	CFA Institute Research Challenge (Season 2016 - 2017) - Global Finals represented by SMU Team	-
30 Sep 17	CFA Institute Research Challenge (Season 2017 - 2018) - Kick-off Meeting	Dr. Mitchell Van der Zahn, CFA / Melvin Tan Teck Jin, CFA / Simon Ng, CFA / Francis Er
25 Nov 17	Economic Summit by SIM	-
19 Dec 17	CFA Institute Research Challenge (Season 2017 - 2018) - Technical Training	Gregg Tan / Simon Ng, CFA

## UNIVERSITY OUTREACH DEVELOPMENT



SMU team at CFA Institute Research Challenge (Season 2016-2017) Asia-Pacific Regional Finals



CFA Institute Research Challenge (Season 2017-2018) - Kick-off Meeting



# FINANCIAL CONTENTS

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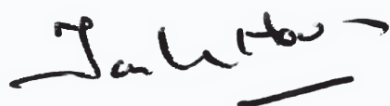
## STATEMENT BY BOARD MEMBERS

In the opinion of the board members,

- (a) the accompanying financial statements of CFA Singapore (the "Society") are drawn up so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017 and the results, changes in funds and cash flows of the Society for the reporting year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

The board members approved and authorised these financial statements for issue.

On behalf of the board members



Tan Lay Hoon, CFA  
Deputy President



Saumya Rao, CFA  
Treasurer

18 May 2018



## INDEPENDENT AUDITOR'S REPORT

(Registered under the Societies Act, Chapter 311)

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of CFA Singapore (the "Society"), which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss and other comprehensive income, statement of changes in funds and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Act) and the Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material aspects, the state of affairs of the Society as at 31 December 2017 and the statement of profit or loss and other comprehensive income, changes in funds and cash flows of the Society for the year ended on that date.

#### Basis for opinion

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

#### Other information

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

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

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

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

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

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

Those charged with governance responsibilities include overseeing the Society's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

(Registered under the Societies Act, Chapter 311)

### Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

### Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Sek Wai.



## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year Ended 31 December 2017

	Notes	2017 \$	2016 \$
<b>Revenue</b>	4	1,193,362	1,788,878
Other gains	5	40,379	21,695
Conference and workshop expenses		(169,835)	(161,875)
FICS/CFA review expenses		-	(628,021)
Members' activities and meeting expenses		(198,557)	(142,323)
Material expenses		-	(19,595)
General expenses		(91,277)	(98,211)
Employee benefits expense	6	(358,247)	(332,610)
Depreciation expenses	8	(10,326)	(9,713)
Other losses	5	(541)	-
Other expenses		(64,827)	(86,950)
<b>Surplus before tax from continuing operations</b>		340,131	331,275
Income tax expense	7	(47,792)	(14,892)
<b>Surplus from continuing operations for the year</b>		292,339	316,383
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Realised gains transferred to profit or loss		(2,779)	-
Gains on available-for-sale financial assets	13	106,135	17,273
<b>Other comprehensive income for the year, net of tax:</b>		103,356	17,273
<b>Total comprehensive income</b>		395,695	333,656

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

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2017

	Notes	2017 \$	2016 \$
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Plant and equipment	8	10,392	19,608
Other financial assets, non-current	9	<u>2,140,090</u>	<u>1,616,962</u>
<b>Total non-current assets</b>		<u>2,150,482</u>	<u>1,636,570</u>
<b><u>Current assets</u></b>			
Trade and other receivables	10	63,557	34,069
Other assets	11	14,475	27,537
Cash and cash equivalents	12	<u>748,823</u>	<u>921,220</u>
<b>Total current assets</b>		<u>826,855</u>	<u>982,826</u>
<b>Total assets</b>		<u><u>2,977,337</u></u>	<u><u>2,619,396</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b><u>FUNDS</u></b>			
Accumulated fund		2,674,232	2,381,893
Other reserve	13	<u>120,629</u>	<u>17,273</u>
<b>Total equity</b>		<u>2,794,861</u>	<u>2,399,166</u>
<b><u>Current liabilities</u></b>			
Income tax payable		33,000	15,566
Trade and other payables	14	<u>149,476</u>	<u>204,664</u>
<b>Total current liabilities</b>		<u>182,476</u>	<u>220,230</u>
<b>Total liabilities</b>		<u>182,476</u>	<u>220,230</u>
<b>Total fund and liabilities</b>		<u><u>2,977,337</u></u>	<u><u>2,619,396</u></u>

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



**STATEMENT OF CHANGES IN FUNDS**

Year Ended 31 December 2017

	Total funds	Accumulated fund	Other reserve
	\$	\$	\$
<b>Current year:</b>			
Opening balance at 1 January 2017	2,399,166	2,381,893	17,273
<b>Changes in funds:</b>			
Total comprehensive income for the year	395,695	292,339	103,356
<b>Closing balance at 31 December 2017</b>	<u>2,794,861</u>	<u>2,674,232</u>	<u>120,629</u>
<b>Previous year:</b>			
Opening balance at 1 January 2016	2,065,510	2,065,510	-
<b>Changes in funds:</b>			
Total comprehensive income for the year	333,656	316,383	17,273
<b>Closing balance at 31 December 2016</b>	<u>2,399,166</u>	<u>2,381,893</u>	<u>17,273</u>

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

**STATEMENT OF CASH FLOWS**

Year Ended 31 December 2017

	2017	2016
	\$	\$
<b>Cash flows from operating activities</b>		
Surplus before tax	340,131	331,275
Adjustments for:		
Depreciation	10,326	9,713
Gain on disposal of available-for-sale financial assets	(2,779)	-
Interest income	(350)	(15,197)
Operating cash flows before changes in working capital	347,328	325,791
Trade and other receivables	(29,488)	(10,046)
Other assets	13,062	(8,681)
Trade and other payables	(55,188)	(372,067)
Net cash flows from (used in) operations	275,714	(65,003)
Income taxes paid	(30,358)	(10,826)
Net cash flows from (used in) operating activities	245,356	(75,829)
<b>Cash flows from investing activities</b>		
Purchases of plant and equipment	(1,110)	(3,713)
Addition in available-for-sale financial assets	(459,772)	(1,599,689)
Proceeds from disposal of available-for-sale financial assets	42,779	-
Interest received	350	19,356
Net cash flows used in investing activities	(417,753)	(1,584,046)
<b>Net decrease in cash and cash equivalents</b>	(172,397)	(1,659,875)
Cash and cash equivalents, statement of cash flows, beginning balance	921,220	2,581,095
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 12)</b>	748,823	921,220

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



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### 1. General

CFA Singapore (the "Society") is registered in Singapore under the Societies Act, Chapter 311. The financial statements are presented in Singapore dollars.

The board members approved and authorised these financial statements for issue on date of Statement by Board Members.

The principal activities of the Society are to encourage and promote professionalism among financial analysts and fund managers in Singapore by providing educational and informative programmes.

The registered office address of the Society is: 10 Anson Road, #25-09 International Plaza, Singapore 079903. The Society is situated in Singapore.

#### Accounting convention

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Societies Act, Chapter 311. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRSs require an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs may not be applied when the effect of applying them is not material. The disclosures required by FRSs need not be provided if the information resulting from that disclosure is not material. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss, as required or permitted by FRSs.

#### Basis of preparation of the financial statements

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

### 2. Significant accounting policies and other explanatory information

#### 2A. Significant accounting policies

##### Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes and rebates. Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue from rendering of services that are not significant transactions is recognised as the services are provided or when the significant acts have been completed. Interest income or expense is recognised using the effective interest method.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Revenue recognition(cont'd)

- (i) Members' fees  
Income is recognised in the financial statements on an accrual basis
- (ii) Joining fees  
Income is recognised on the date members joined.
- (iii) Conference, workshop and seminar  
Income is recognised when the event takes place.
- (iv) Interest income  
Interest income is recognised on the time-proportioned basis using the effective interest method.
- (v) Course fees  
Income is recognised over the period of instruction.

##### Government grants

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant.

##### Employee benefits

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

##### Foreign currency transactions

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



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

##### Plant and equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Renovation	-	33%
Plant, fixtures and equipment	-	33%

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

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

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

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Leases

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

##### Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

##### Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Financial assets(cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.
2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.
3. Held-to-maturity financial assets: As at end of the reporting year date there were no financial assets classified in this category.
4. Available-for-sale financial assets: These are non-derivative financial assets that are designated as available-for-sale on initial recognition or are not classified in one of the previous categories. These assets are carried at fair value. Changes in fair value of available-for-sale financial assets (other than those relating to foreign exchange translation differences on monetary investments) are recognised in other comprehensive income and accumulated in a separate component of equity under the heading revaluation reserves. Such reserves are reclassified to profit or loss when realised through disposal. When there is objective evidence that the asset is impaired, the cumulative loss is reclassified from equity to profit or loss as a reclassification adjustment. A significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment. If, in a subsequent period, the fair value of an equity instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss, it is reversed against revaluation reserves and is not subsequently reversed through profit or loss. However for debt instruments classified as available-for-sale impairment losses recognised in profit or loss are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. The financial assets are classified as non-current assets unless management intends to dispose of the investments within 12 months of the end of the reporting year. Usually non-current investments in equity shares and debt securities are classified in this category but it does not include subsidiaries, joint ventures, or associates. Unquoted investments are stated at cost less allowance for impairment in value where there are no market prices, and management is unable to establish fair value by using valuation techniques except that where management can establish fair value by using valuation techniques the relevant unquoted investments are stated at fair value. For unquoted equity instruments impairment losses are not reversed.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Cash and cash equivalents

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

##### Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: At the end of the reporting year date, there were no financial liabilities classified in this category.
2. Liabilities at amortised cost: These liabilities are carried at amortised cost using the effective interest method.

##### Fair value measurement

When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. It is a market-based measurement, not an entity-specific measurement. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 2A. Significant accounting policies(cont'd)

##### Fair value measurement(cont'd)

The fair value measurements categorise the inputs used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

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

#### 2B. Other explanatory information

##### Provisions

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

#### 2C. Critical judgements, assumptions and estimation uncertainties

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

### 3. Related party relationships and transactions

FRS 24 on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

#### 3A. Key management compensation:

Key management personnel are the board and council members and they did not receive any compensation during the reporting year.

**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2017

**4. Revenue**

	2017	2016
	\$	\$
Members' fees	238,869	243,343
Joining fees	45,600	52,500
Conferences and workshops	315,018	282,372
FICS/CFA review	-	890,147
IBF-CFA preparatory courses	221,151	-
CFA Institute funding	240,218	196,937
Sponsorship income	30,229	41,823
Programming activities	9,252	15,761
Networking activities	12,068	16,493
Chartered award ceremony	2,556	-
CFA 30th anniversary sponsorship	30,718	-
Ethic classes for university	7,125	-
Sales of study materials	40,115	34,081
Interest income	350	15,197
Others	93	224
	<u>1,193,362</u>	<u>1,788,878</u>

**5. Other gains and (other losses)**

	2017	2016
	\$	\$
Allowance for impairment on trade receivables - reversal	-	9,245
Bad debts written off trade receivables	(541)	-
Dividend on investments	20,842	-
Gain on available-for-sale financial assets reclassified from equity to profit or loss as a reclassification adjustment	2,779	-
Government grants	11,958	12,450
Others	4,800	-
	<u>39,838</u>	<u>21,695</u>
Presented in profit or loss as:		
Other gains	40,379	21,695
Other losses	(541)	-
Net	<u>39,838</u>	<u>21,695</u>

**6. Employee benefits expense**

	2017	2016
	\$	\$
Short term employee benefits expense	319,872	297,394
Contribution to defined contribution plan	38,375	35,216
Total employee benefits expense	<u>358,247</u>	<u>332,610</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### 7. Income tax

#### 7A. Components of tax expense recognised in profit or loss include:

	2017	2016
	\$	\$
<u>Current tax expense:</u>		
Current tax expense	33,000	15,566
Under/(over) adjustments in respect of prior periods	14,792	(674)
Total income tax expense	<u>47,792</u>	<u>14,892</u>

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2016: 17%) to profit or loss before income tax as a result of the following differences:

	2017	2016
	\$	\$
Surplus before tax	<u>340,131</u>	<u>331,275</u>
Income tax expense at the above rate	57,822	56,316
Expenses not deductible for tax purposes	1,669	1,314
Income not subject to tax	(566)	(573)
Stepped income exemption	(25,925)	(41,491)
(Over)/under adjustments in respect of prior periods	14,792	(674)
Total income tax expense	<u>47,792</u>	<u>14,892</u>

### 8. Plant and equipment

	Renovations	Plant, fixtures and equipment	Total
	\$	\$	\$
<u>Cost:</u>			
At 1 January 2016	6,145	25,616	31,761
Additions	<u>-</u>	<u>3,713</u>	<u>3,713</u>
At 31 December 2016	6,145	29,329	35,474
Additions	<u>-</u>	<u>1,110</u>	<u>1,110</u>
At 31 December 2017	<u>6,145</u>	<u>30,439</u>	<u>36,584</u>
<u>Accumulated depreciation:</u>			
At 1 January 2016	171	5,982	6,153
Depreciation for the year	<u>2,048</u>	<u>7,665</u>	<u>9,713</u>
At 31 December 2016	2,219	13,647	15,866
Depreciation for the year	<u>2,048</u>	<u>8,278</u>	<u>10,326</u>
At 31 December 2017	<u>4,267</u>	<u>21,925</u>	<u>26,192</u>
<u>Carrying value:</u>			
At 1 January 2016	<u>5,974</u>	<u>19,634</u>	<u>25,608</u>
At 31 December 2016	<u>3,926</u>	<u>15,682</u>	<u>19,608</u>
At 31 December 2017	<u>1,878</u>	<u>8,514</u>	<u>10,392</u>



**NOTES TO THE FINANCIAL STATEMENTS**

31 December 2017

**9. Other financial assets, non-current**

	2017	2016
	\$	\$
Investments available-for-sale at fair value through other comprehensive income ("FVTOCI")	<u>2,140,090</u>	<u>1,616,962</u>

**9A. Movements in other financial assets, non-current**

	2017	2016
	\$	\$
<u>Investments available-for-sale at FVTOCI:-</u>		
Movements during the year:		
Fair value at beginning of the year	1,616,962	-
Additions	459,772	1,599,689
Disposals	(40,000)	-
Gain on available-for-sale financial assets, reclassified from equity to profit or loss as a reclassification adjustment	(2,779)	-
Increase in fair value through other comprehensive income	106,135	17,273
Fair value at end of the year	<u>2,140,090</u>	<u>1,616,962</u>

**9B. Disclosures relating to investments**

The information gives a summary of the significant sector concentrations within the investment portfolio including Level 1, 2 and 3 securities:

Investments available-for-sale at FVTOCI:-

	Level	2017	2016
		\$	\$
Balance is made up of:			
Unit trusts	1	2,139,251	1,457,273
Cash held by fund manager		839	159,689
Total investments available-for-sale at FVTOCI		<u>2,140,090</u>	<u>1,616,962</u>

**10. Trade and other receivables**

	2017	2016
	\$	\$
<u>Trade receivables:</u>		
Outside parties		
Net trade receivables - subtotal	<u>45,887</u>	<u>34,019</u>
	<u>45,887</u>	<u>34,019</u>
<u>Other receivables:</u>		
Interest income receivables	-	50
Outside parties	17,670	-
Net other receivables - subtotal	<u>17,670</u>	<u>50</u>
Total trade and other receivables	<u>63,557</u>	<u>34,069</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### 11. Other assets

	2017	2016
	\$	\$
Prepayments	3,705	15,567
Deposits to secure services	10,770	11,970
	<u>14,475</u>	<u>27,537</u>

### 12. Cash and cash equivalents

	2017	2016
	\$	\$
Not restricted in use	<u>748,823</u>	<u>921,220</u>

The interest earning balances are not significant.

### 13. Other reserve

	2017	2016
	\$	\$
Available-for-sale financial assets reserve (Note 13A)	<u>120,629</u>	<u>17,273</u>

### 13A. Available-for-sale financial assets reserve

	2017	2016
	\$	\$
At beginning of the year	17,273	-
Gain on available-for-sale financial assets, reclassified from equity to profit or loss	(2,779)	-
Gains on remeasuring available-for-sale financial assets	106,135	17,273
Balance at end of the year	<u>120,629</u>	<u>17,273</u>

The available-for-sale financial assets reserve arises from the annual remeasurement of the available-for-sale financial assets. It is not distributable until it is released to profit or loss on the disposal of the investments.

### 14. Trade and other payables

	2017	2016
	\$	\$
<u>Trade payables:</u>		
Outside parties and accrued liabilities	149,476	199,236
Net trade payables - subtotal	<u>149,476</u>	<u>199,236</u>
<u>Other payables:</u>		
Advanced course fees received	-	5,428
Total trade and other payables	<u>149,476</u>	<u>204,664</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### 15. Operating lease payment commitments – as lessee

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

	2017 \$	2016 \$
Not later than one year	37,200	35,000
Later than one year and not later than five years	<u>31,000</u>	<u>–</u>
Rental expenses for the year	<u>41,497</u>	<u>42,000</u>

Operating lease payments are for rentals payable for the office premises. The lease rental terms are negotiated for an average term of two years.

### 16. Financial instruments: information on financial risks

#### 16A. Categories of financial assets and liabilities

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

	2017 \$	2016 \$
<u>Financial assets:</u>		
Cash and cash equivalents	748,823	921,220
Loans and receivables	63,557	34,069
Available for sale financial assets	<u>2,140,090</u>	<u>1,616,962</u>
At end of the year	<u>2,952,470</u>	<u>2,572,251</u>
<u>Financial liabilities:</u>		
Trade and other payables measured at amortised cost	<u>149,476</u>	<u>199,236</u>
At end of the year	<u>149,476</u>	<u>199,236</u>

Further quantitative disclosures are included throughout these financial statements.

#### 16B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural offsetting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior staff.
4. All financial risk management activities are carried out following acceptable market practices.
5. When appropriate consideration is given to entering into derivatives or any other similar instruments solely for hedging purposes.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

### 16C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 16D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents, receivables and certain other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk with customers is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. There is no significant concentration of credit risk on receivables, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements below. There is significant concentration of credit risk on receivables, as the exposure is spread over a small number of counter-parties and customers.

Note 12 discloses the maturity of the cash and cash equivalents balances.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2016: 30 days). But some customers take a longer period to settle the amounts:

(a) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	2017	2016
	\$	\$
<u>Trade receivables:</u>		
1 to 60 days	8,124	14,275
61 to 90 days	5,074	5,828
Over 90 days	23,860	-
At end of year	<u>37,058</u>	<u>20,103</u>

(b) As at the end of reporting year there were no amounts that were impaired.

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

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

	2017	2016
	\$	\$
Top 1 customer	13,713	13,770
Top 2 customers	19,115	21,043
Top 3 customers	<u>23,690</u>	<u>24,468</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2017

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

#### 16E. Liquidity risk – financial liabilities maturity analysis

There are no non-current financial liabilities at the end of the reporting year. The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2016: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

#### 16F. Interest rate and foreign currency risk

There is exposure to foreign currency risk as part of its normal business. It is however not expected to be significant as most transactions are dealt in Singapore dollars. Hence the effect on pre-tax for profit is not significant.

### 17. Changes and adoption of financial reporting standards

For the current reporting year new or revised Financial Reporting Standards in Singapore and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

<u>FRS No.</u>	<u>Title</u>
FRS 7	Amendments to FRS 7: Disclosure Initiative

### 18. New or amended standards in issue but not yet effective

For the future reporting years new or revised Financial Reporting Standards and the related Interpretations to FRSs ("FRS INT") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 109	Financial Instruments	1 Jan 2018
FRS 115	Revenue from Contracts with Customers. Amendments to, Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 116	Leases and Leases - Illustrative Examples & Amendments to Guidance on Other Standards	1 Jan 2019

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## CFA Society Singapore

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