



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



SOCIETIES 2.0

LET'S MEASURE UP™
ANNUAL REPORT 2018

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VISION & STRATEGIC PLAN


VISION

Inspiring the investment community to be trusted professionals valued by society.

MISSION

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

STRATEGIC OBJECTIVES

- Identify and meet member's life-long career development needs
 - Position CFA Society Singapore as the recognised provider for value-added professional development content
 - Position the CFA charter as the premier investment designation to employers
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- A series of overlapping geometric shapes, including triangles and quadrilaterals, in light blue and lime green, located in the bottom left corner of the page.

BOARD MESSAGE



**Tan Lay Hoon, CFA
Society President**

Dear Members,

2018 has been a year of active transformation for CFA Society Singapore in professionalising our programmes and services for members. The process began in early 2018, as part of the Societies 2.0 initiative created by CFA Institute in partnership with and endorsed by 153 societies around the world. Under Societies 2.0, societies will receive additional support and funding to build up professional capabilities to deliver better value to members, to develop future professionals in their respective markets, and to build market integrity to benefit investors and members that serve them.

Professional Society Staffing

A key aspect of the new Societies 2.0 framework involved a new operational funding formula and a joint-planning cycle with local societies. The aim was to improve governance, professional society staffing, society technology, society operational support, and the continuing professional development ("PD") platform of the local societies. This included increased funding from CFA Institute which has enabled the Society to expand its headcount of 4 staff members to 6 in 1Q2019.

A key staffing decision was to employ a dedicated resource for advocacy outreach. In 2018, the Society held close to 20 advocacy events. While our advocacy efforts have always been led by volunteers, in recent years, our programs and activities have expanded significantly in numbers and sophistication such that volunteer capacity is no longer sufficient. To elevate our advocacy outreach to the next level, we thus decided – with significant resource support from CFA Institute – to appoint Chan Fook Leong, CFA, as our Executive Director for Advocacy in March 2019.

Fook Leong's new role involves promoting greater recognition of CFA charterholders as thought leaders in the investment management industry and raising ethical and professional standards in Singapore. He will also deepen regulatory engagement and drive ethics programming for the Society. Fook Leong has been a volunteer with the advocacy committee and the Asia-Pacific Research Exchange (ARX) efforts in the past few years.

INSPIRING THE INVESTMENT COMMUNITY TO BE TRUSTED PROFESSIONALS VALUED BY SOCIETY.

RAISING PROFESSIONAL STANDARDS

Professional Development - Singapore Investment Conference 2019

PD activities continue to be very important to members because they bolster members' careers by helping members to stay relevant to the industry and ahead of the competition. We conducted over 20 PD events in 2018.

One recent highlight was our 2nd Investment Conference on 15 February 2019. We were delighted to secure as our keynote speaker Professor Edward I. Altman, the New York University Emeritus Professor of Finance who is best known for the development of the Altman Z-score for predicting bankruptcy. The conference also featured a panel discussion on Lower Returns for Longer Longevity moderated by Joseph Cherian, who was on the Ministry of Manpower's advisory panel to the Central Provident Fund. More than 200 members attended our investment conference at the SGX Auditorium.

4th Mentoring Program

We held 15 career development events in 2018. One of the major highlights was our immensely popular mentoring program. Now in its fourth edition, our mentoring program covers a comprehensive array of resources and activities including a handbook to match mentor with mentee. We also provide toolkits and FAQ, a "speed-dating" process for mentors and mentees, and fireside chats. We now have about 50 pairs of mentor-mentees benefiting from this career development platform which provides participants with training in coaching, leadership skills and soft-skills.



BOARD MESSAGE

BRAND CAMPAIGN & VALUE OF CFA CHARTER

Let's Measure Up™

Members who work in the downtown area would have seen large posters and banners of CFA Society Singapore emblazoned across the walls and pillars around Raffles Place MRT Station. The "Let's Measure Up™" series is part of a new global brand campaign launched and funded by CFA Institute in January 2018. The campaign reached every major financial market across the globe – including Singapore – and implored industry professionals to "measure up" for their clients. In Singapore, the campaign also focused on emphasizing to employers the value of the CFA charter.

In addition to media advertising and public relations initiatives such as CFA Insights, we will be beefing up our social media presence and digital content.



Impact and Innovation Award – CFA Singapore Insights

CFA Singapore Insights is an award winning column series published in The Business Times Weekend that we started on 13 January 2018. The weekly column managed by the advocacy committee helped CFA Society Singapore to be among the three societies that clinched the inaugural Impact and Innovation Award from CFA Institute during the Society Awards Ceremony at the Global Society Leadership Conference in London, 9-11 May.

Written by CFA charterholders, the column discusses issues pertinent to the sophisticated Singapore investor with an eye on global developments. Our articles reflect the quality of thought leadership and professionalism that the CFA mark stands for. There is no better way to gain exposure and build recognition than having a dedicated, "CFAS" branded column running week after week in the national business daily.

We approach subject experts for their written opinion analysing a "hot topic" in their area of expertise. For instance, even before Hyflux defaulted on the distribution due for its perpetual securities the CFA Society Singapore Advocacy Committee felt that the risks involved in corporate perpetuals were not well understood by Singapore investors and thus produced an article in 2018 on this topic. The article warned about the difference between these instruments and regular bonds, as well as potential risks and factors to consider before investing in them. It also noted a few red flags in the case of Hyflux, months ahead of the actual default. In a separate column, when SGX approved the dual-listing structure, Mary Leung, CFA (Head of Advocacy for Asia-Pacific, CFA Institute) contributed a piece analysing the effectiveness of dual class shares as a competitive strategy.



The column's thought leadership articles have been used by CFA members as materials for training or workshops that they conducted. The Monetary Authority of Singapore also endorses our column and has approached us for permission to republish CFA Singapore Insight articles on the MoneySense investor education web portal.



Report of ESG Integration in Asia-Pacific

CFA Institute is partnering with Principles for Responsible Investment (PRI) in a study on ESG integration that is to be released later this year. On 27 February 2018, CFA Society Singapore hosted the Singapore venue of this series of workshops conducted globally for members to share information on existing levels of ESG integration in the Asia-Pacific region. The Asia-Pacific report builds on the work of 3 earlier reports:

- ESG Integration in the Americas: Markets, Practices, and Data, and Guidance
- Case Studies for ESG Integration: Equities and Fixed Income.
- ESG Integration in Europe, the Middle East, and Africa: Markets, Practices, and Data

PRI is a network of leading institutional investors supported by the United Nations and the main proponent for a global ESG framework applicable to the finance industry.

Joint Study with CRISIL on Market Manipulation

Market manipulation can have a significant impact on investor sentiment and trading volumes. This was clearly evidenced in the Singapore stock market when shares in Blumont, LionGold, and Asiasons lost more than S\$8 billion in combined market value within a few trading sessions in October 2013 after huge run-ups earlier that year had turned them briefly into billion dollar market cap companies. To address investor concerns over market manipulation, CFA Society Singapore conducted a study of SGX company announcements made between 2011 and 2016. The comprehensive study, which was developed in partnership with 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 Fook Leong for spearheading the study.

Managing Charities' Financial Resources

The CFA Society Singapore recently sponsored the NUS Department of Social Work's Centre for Social Development Asia's free resource project to strengthen the operational and financial governance of local charities. Known as Doing Good Better in Singapore, the project roped in academics, regulators, finance industry veterans and leaders from non-profit organizations to contribute their insights through a series of handbooks and workbooks for charities on capacity and capability building, as well as accounting and financial best practices.

The Society's Deputy President, Simon Ng, CFA, contributed to the chapter on Managing Charities' Financial Resources in the handbook, Resourcing for the Future. The publications were launched on 15 April 2019.



GOING FORWARD

At recent focus group meetings comprising Millennials, Generation X and Baby Boomers among CFA members in Singapore, the feedback we received included requests for our continuing education programmes to address the evolving professional roles in the investment industry, as well as greater association of the CFA brand with ethics. The feedback affirms that our initiatives in recent years have been closely aligned to member needs. Not only have we planned a significant number of PD events over the year, many of them in emerging topic areas such as fintech and cryptocurrencies, we also began looking into re-structuring PD events with a view to aligning them with the Institute of Banking and Finance's competency framework to better support members' professional requirements. On the ethics front, our new advocacy resource will spearhead efforts in this area.

The operating framework for Societies 2.0 is rooted in collaboration and consultation. We look forward to delivering value for a broader member base and strengthening market integrity for your clients. Finally, we are confident that our efforts will help us move closer to achieving the vision of CFA Society Singapore:

Inspiring the investment community to be trusted professionals valued by society.

Tan Lay Hoon, CFA
Society President

SECRETARIAT'S REPORT

CFA Society Singapore Access Scholarship 2018

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 2019

In 2018, we awarded all of the 59 access scholarships CFA Institute allocated to CFA Society Singapore based on the following criteria:

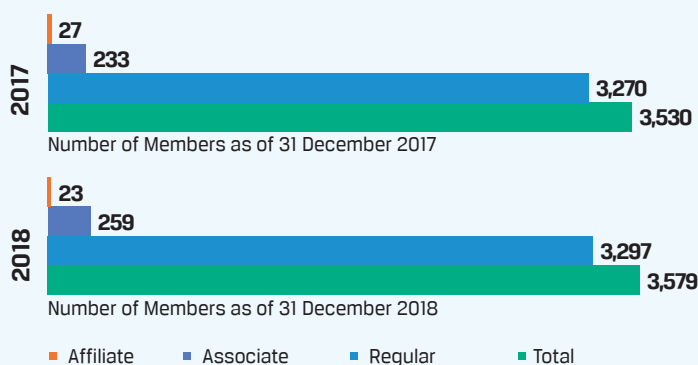
- Scholastic ability
- Financial need
- Writing the 2019 CFA Examination

CFA Society Singapore Gold Medal

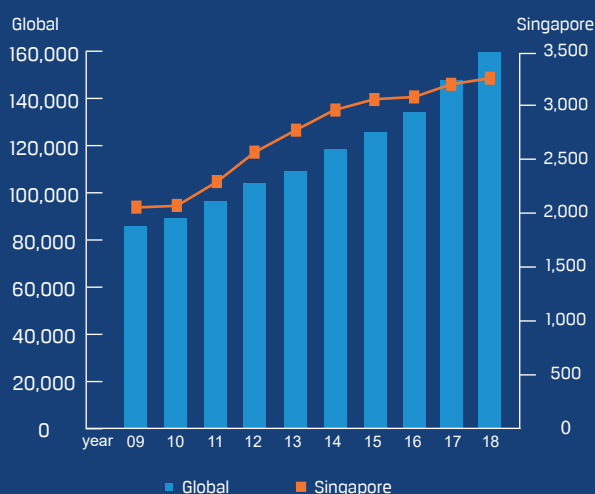
Our Society awarded Gold Medals for Academic Year 2017/2018 to top finance/business students in each of the local universities. The current recipients are:

- **Singapore Management University (SMU)**
Yeo Jing Wen
Medric Chan
- **Nanyang Technological University (NTU)**
Loo Yee shuen Lewis

CFA Society Singapore Members: 2017-2018



CFA Charterholders



The number of CFA Charterholders who are CFA Society Singapore members are **3263** and globally **159,205** as of 31 December 2018 (3,239 and 152,919 respectively in 2017).

CFA Candidates



CFA candidates in Singapore are **5,916** and globally **319,191** respectively for the year ended 31 December 2018 (5,690 and 288,776 respectively for 2017).

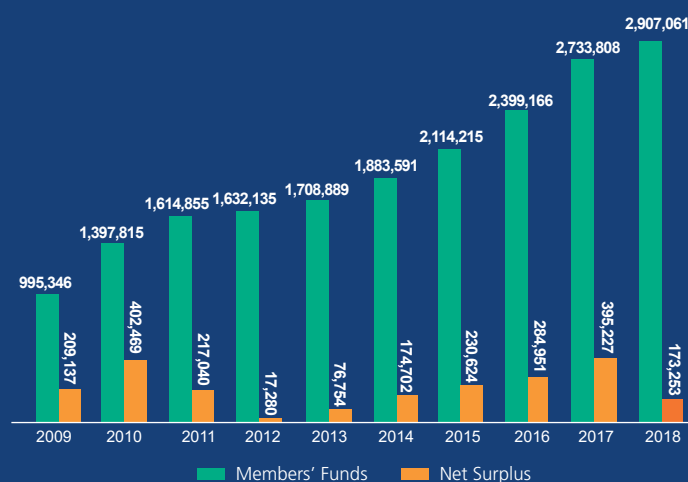
CFA Society Singapore member Volunteering at CFA Institute

Display Name	Committee
Amanda Fan Yu-Chi, CFA	Capital Markets Policy Council
Anubhuti Gupta CFA, CIPM	Education Advisory Committee
Chan Fook Leong, CFA	Asia-Pacific Research Exchange (Singapore Country Representative)
Darren Chua Chee How, CFA	Asia-Pacific Research Exchange - Presentative (Singapore)
Gerard H. C. Lee, CFA	Annual Conference Advisory
Jan M. Richards, CFA	Disciplinary Review Committee (DRC Executive Team)
Joshua Wu Yong An	Asia-Pacific Research Exchange - Presentative (Singapore)
Kanol Pal, CFA	Asia-Pacific Research Exchange (APAC Representative)
Lee Kher Sheng, CFA	Disciplinary Review Committee (DRC Executive Team)
Ng Peck Wah, CFA	Asia-Pacific Research Exchange - Presentative (Singapore)
Pearlyn Chiang Mei Yin	Asia-Pacific Research Exchange - Presentative (Singapore)
Peter Foo Moo Tan CFA	Capital Markets Policy Council
Simon Ng Chee Wei, CFA	Research Challenge Regional Judges April 2018
Wee Tian Sin, CFA	Asia Pacific Regional Technical Subcommittee Chair

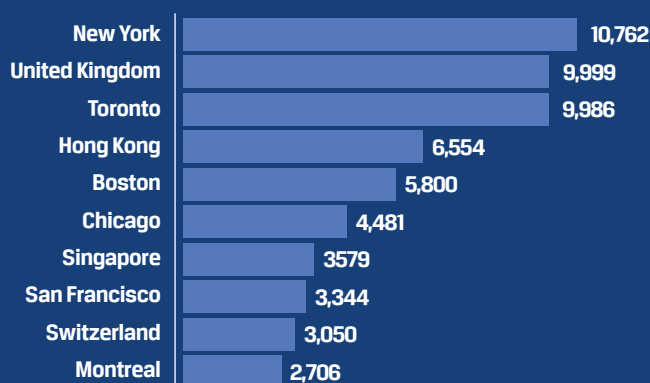
The Society's Financial Performance

The financial year 2018 saw an increase in members' funds to \$2,907,061 with a surplus of \$173,253. 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 Society Singapore Financial Performance (SGD)



CFA Institute's Top 10 Societies



Total Members as of 31 December 2018

Appreciation

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

- CFA Institute; HKUST-NYU Stern Master of Science in Global Finance Program; Charles Schwab Singapore Pte. Ltd; Nordea Investment Funds S.A.; RiskMetrics (Singapore) Private Limited; Informa Business Intelligence, Inc. for their generous support for the various Professional Development talks and Networking events.
- Bloomberg LP, Kaplan Schweser and Government of Singapore Investment Corporation Pte Ltd (GIC) for their invaluable support in the University Research Challenge 2017-2018

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 seminars, lecturers and activities.

OFFICE BEARERS & BOARD MEMBERS



President
Tan Lay Hoon, CFA



Deputy President
Simon Ng Chee Wei, CFA



Secretary
Rasik S. Ahuja, CFA



Treasurer
Alex Ho Wah Fong, CFA



Board Member
Arun R. Kelshiker, CFA



Board Member
Jack Wang Ying Yang, CFA



**Co-opted Board Member
effective as at 25 June 2018**
Joachim Toh Wen Keong, CFA



Board Member
Kanol Pal, CFA



Board Member
Koh Boon Pin, CFA



Board Member
Laurel Teo Huei Huei, CFA



Board Member
Mark Tan Keng Yew, CFA



Board Member
Maurice Teo Sek Liew, CFA

12 Regular Members served on the Board of the Society.

7 Regular Members on the Board, having been elected at the 31st AGM in June 2017, will retire at the 33rd AGM in May 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,

Another 1 Regular Member on the Board, having been elected at the 32nd AGM in May 2018 resigned on 1st April 2019 :

- Arun R. Kelshiker, CFA

The remaining 3 Regular Members on the Board, having been elected at the 32nd AGM in May 2018 will serve until the 34th AGM in 2020:

- Koh Boon Pin, CFA
- Laurel Teo Huei Huei, CFA
- Maurice Teo Sek Liew, CFA

In addition, 1 Regular Member was co-opted into the Board on 25th June 2018:

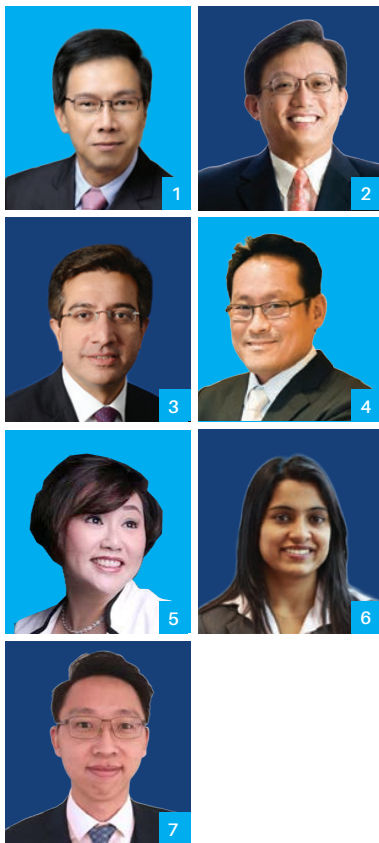
- Joachim Toh Wen Keong, CFA

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

Committee Chairs

Advocacy	Daryl Liew Hsien, CFA ⁴ ; Laurel Teo Huei Huei, CFA; Maurice Teo Sek Liew, CFA
Audit Committee	Joachim Toh Wen Keong, CFA
Candidate Programmes	Esther Thng, CFA ⁵ ; Rasik S. Ahuja, CFA
Career Development	Kanol Pal, CFA; Saumya Umesh Rao, CFA ⁶ ; Simon Ng Chee Wei, CFA
Investment	Mark Tan Keng Yew, CFA
Networking	Koh Boon Pin, CFA; Sri Indah Jani Prihadi, CFA
Nominating	Laurel Teo Huei Huei, CFA
Professional Development	Alex Ho Wah Fong, CFA; Arun Kelshiker, CFA; Victor Ong, CFA ⁷
University Outreach	Jack Wang Ying Yang, CFA; Simon Ng Chee Wei, CFA

Advisors and committee members are volunteers appointed by the Board.

Auditors

From 2018, the Society appointed RSM Choi Lim LLP as external auditors.

EVENT HIGHLIGHTS

2



1



1. Annual Forecast Dinner 2018 on 30 July
2. 2018 Charter Award Ceremony on 2 November 2018
3. Singapore University Ethics Challenge 2018
- Local Finals on 27 October 2018
4. 2018 Mentorship Programme Info Session on 6 March 2018

3



4



EVENT HIGHLIGHTS

6



5



- 5. Future State of REIT Investment on 12 September 2018
- 6. 32nd Annual General Meeting on 24 May 2018
- 7. An Evening with Nick Pollard, CFA Institute Managing Director, Asia Pacific on 11 September 2018
- 8. CFA Institute Research Challenge (2017 - 2018)
- Singapore Finals on 10 February 2018



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ACTIVITIES IN 2018

ADVOCACY

CFA SOCIETY SINGAPORE UNIVERSITY ETHICS CHALLENGE 2018

The inaugural University Ethics Challenge was designed to increase students' awareness and the ability to analyse ethical dilemmas through case studies. This new approach to ethics pedagogy utilising experiential learning will result in undergraduates becoming more invested in the topic and more committed to successfully resolving ethical issues in the fund management industry that they may enter in the near future. The 2018 event was the first ethics challenge to be organized in Singapore, and in Asia.

AMPLIFYING OUR VOICE: CFA SINGAPORE INSIGHTS

As of January 2018, CFA Society Singapore helmed a dedicated weekly column in Business Times's Investing and Wealth segment. The print edition featured the column every Saturday on a full-page spread, and the content was replicated in BT's digital edition. The column, branded "CFA Singapore Insights", is part of Business Times's editorial line-up. The 52 articles featured in 2018 were a chosen mix of: 1) Original commentaries by CFA Charterholders on the latest investment trend and issues, 2) Sector analysis of a particular industry, 3) Localised case studies adapted from the "Ethics in Practice" series produced by CFA Institute, and 4) Topical posts from the Enterprising Investor or Market Integrity blogs of CFA Institute.

CATERING TO THE CHINESE-SPEAKING RETAIL INVESTORS - SAVE AND INVEST PORTFOLIO SERIES (步步为盈)

CFA Society Singapore partnered Singapore Exchange and MoneySENSE to launch the year-long "Save and Invest Portfolio Series" with Chinese daily Lianhe Zaobao following the success of a similar initiative with The Sunday Times. Featured in the dailies' weekly financial planning column, the series featured simulated investment portfolios of three individuals at different stage of their life. The individuals were guided by CFA Charterholders and the performance of their portfolios published every month over 2018. Mandarin seminars were also held every quarter to give retail investors the opportunity to further their learning on investment objectives and risk tolerance.

ENVIRONMENT SOCIAL GOVERNANCE (ESG) ISSUES CONTINUE TO GAIN TRACTION

Participants from across the investment industry came together in a CFA Society Singapore organised event to share on existing levels of ESG integration in the market. The sharing also extended to the ESG investment process, barriers faced in relation to ESG integration, and possible solutions to overcome those barriers. Those invited to the workshop – policymakers, regulators, investment associations and asset owners – have been carefully selected to ensure that there was a good representation of different players in the financial market.

A FULL-HOUSE ATTENDANCE ON HOT TOPICAL ISSUES: CRYPTOCURRENCY AND BLOCKCHAIN TECHNOLOGY

CFA Society Singapore in keeping with hot topical issues have organised in-demand events such as cryptocurrency and blockchain technology. The rise of digital socialization and e-commerce is not new, with some observers lamenting that traditional intermediaries such as banks and brokerage firms would become less relevant with time. And given the recent global hype surrounding cryptocurrency and blockchain technology on both mainstream and online media; these hot topic events were well attended.

ADVOCACY COMMITTEE

CO-CHAIRPERSON(S):

Daryl Liew, CFA
Laurel Teo, CFA
Maurice Teo, CFA

COMMITTEE MEMBERS:

Chan Fook Leong, CFA
David Smith, CFA
Hon Shin Ming, CFA
Olaf Rudolf Stier, CFA
Noel Neo, CFA
Praveen Jagwani, CFA
Sean Yeo Swee Quan
Seow Shin Horng, CFA
Shinya Tsujimoto, CFA
Tan Lay Hoon, CFA
Wong Chin Loon, CFA

ADVOCACY EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
27 Jan 18	Save and Invest Portfolio Series Seminar "步步为盈"投资策略讲座	Jessica Soon, CFA; Simon Ng, CFA; Tan Teck Leng, CFA; Wong Chin Loon, CFA
5 Feb 18	Market Manipulation Report	Chan Fook Leong, CFA; Guruprasad Jambunathan, FRM
24 Feb 18	SGX-CFA Portfolio Construction Conference for Retail Investors	Daryl Liew, CFA; Simon Ng, CFA; Praveen Jagwani, CFA
27 Feb 18	A CFA Institute & PRI Global Study on ESG Integration Workshop	Justin Sloggett, CFA
12 Mar 18	Cryptocurrency and Blockchain Technology - The Road Ahead	Alan Lok, CFA; Professor David Lee Kuo Chuen; Peter Sin Guili; Victor Chua, CFA
12 Mar 18	CFA Society Singapore Ethics Programme - Train the Trainer	Michael G. McMillan, Ph.D., CFA, CPA
23 Mar 18	Other Industry Event - Singapore Stewardship Principles Networking Series	-
11 Apr 18	Financing Infrastructure in Asia and the Pacific: Capturing Impacts and New Sources	Dr. Naoyuki Yoshino; Lee Seng Chee
21 Apr 18	Save and Invest Portfolio Series Seminar "步步为盈"投资策略讲座	Jessica Soon, CFA; Simon Ng, CFA; Tan Teck Leng, CFA; Wong Chin Loon, CFA
12 Sep 18	Future State of REIT Investment	Chua Born Jern; Lennon Lee; Lim Shyong Piau; Matthew Song; Yeow Kit Peng
25 Aug 18	Save and Invest Portfolio Series Seminar "步步为盈"投资策略讲座	Jessica Soon, CFA; Simon Ng, CFA; Tan Teck Leng, CFA; Wong Chin Loon, CFA
22 Sep 18	CFA Society Singapore University Ethics Challenge 2018 Kick-Off	Dr. Tony Tan, DBA, CFA; Simon Ng, CFA; Sonia Gandhi, CFA
4 Oct 18	World Investor Week 2018: Investing with Confidence	Chua I-Min, CFA; Goh Eng Yeow; Ho Seng Foo; Richard Dyason; Wong Chin Loon, CFA
6 Oct 18	World Investor Week 2018: Digital Financial Services and You	Freddy Lim; Goh Eng Yeow; Richard Dyason; Stanley Yong; Subhajit Mandal, CFA
12 Oct 18	World Investor Week 2018: Leveraged Investing	David Kuo; Margaret Yang Yan, CFA; Wong Chin Loon, CFA; Wong Kon How
17 Oct 18	Ethics Film Festival - Banking on Bitcoin (By ACCA)	Caroline Lee; David Leow, CFA; Michael G. McMillan, Ph.D., CFA, CPA; Peter Sin Guili; Yvonne Chan; Zann Kwan, CFA
25 Oct 18	How to Do the Right Thing Even if No One is Watching (Ethics workshop by ACCA)	Michael G. McMillan, Ph.D., CFA, CPA
27 Oct 18	CFA Society Singapore University Ethics Challenge 2018 -Local Finals	Chan Fook Leong, CFA; Laurel Teo, CFA; Maurice Teo, CFA; Michael G. McMillan, Ph.D., CFA, CPA; Simon Ng, CFA; Dr. Tony Tan, DBA, CFA; Winnie Lim
13 Nov 18	What, beyond economics, draws investors to your company	Barbara G. Novick; Chaly Mah; Neo Gim Huay; Yiong Yim Ming
20 Nov 18	Are Sell-side Analysts' Recommendation Useful?	Chan Fook Leong, CFA; Frank Weikai Li; John Tsai; Mark Tan, CFA; Teh Hooi Ling CFA



Financing Infrastructure in Asia and the Pacific: Capturing Impacts and New Sources by Dr. Naoyuki Yoshino; Lee Seng Chee on 11 April 2018

ACTIVITIES IN 2018



Cryptocurrency and Blockchain Technology - The Road Ahead by Alan Lok, CFA; Professor David Lee Kuo Chuen; Peter Sin Guili; Victor Chua, CFA on 12 March 2018



A CFA Institute & PRI Global Study on ESG Integration Workshop by Justin Sloggett, CFA on 27 February 2018



Market Manipulation Report by Chan Fook Leong, CFA and Guruprasad Jambunathan, FRM on 5 February 2018

ACTIVITIES IN 2018

CANDIDATE PROGRAMME

The CFA® Program continues to be a highly sought after pathway for individuals seeking to enter the investment management industry. Given that many candidates preparing for the CFA exams have neither worked in the financial services industry nor have had formal finance training, the Society partnered Kaplan Singapore to support them in the following ways:

- Live classes leveraging on our senior CFA members as instructors
- Discounted Kaplan online resources and self-study materials for candidates whose schedules do not permit in-person training.
- Intensive 3-day revision course culminating in a mock exam a few weeks before exam day for time-scarce candidates.

For candidates who are Singapore or Permanent Residents, there is funding of up to 90% when they take up the CFA preparatory courses -- the training programmes are accredited with IBF Singapore under the Fund Management Industry Segment. In the year ahead, the Society will work with Kaplan Singapore to have our online training modules similarly accredited with IBF Singapore. The accreditation of study-on-demand courses means that candidates who are unable to attend live classes can be extended the same funding privileges.

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

CANDIDATE PROGRAM COMMITTEE

CO-CHAIRPERSON(S)

Esther Thng, CFA

Rasik S. Ahuja, CFA

CANDIDATE PROGRAMME EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
24 May 18	CFA Society Singapore 32nd Annual General Meeting	-
6 Jun 18	CFA® Program Info Session	Patrick Yu; Francis Er
23 Jun 18	CFA June Exam Day Lunch	-
3 Jul 18	CFA® Program Info Session	Patrick Yu; Francis Er
11 Sep 18	Lunch Session with Nick Pollard and CFA Society Singapore Top Employers	-
2 Nov 18	2018 Charter Award Ceremony	-
20 Nov 18	CFA® Program Info Session	Patrick Yu; Francis Er
1 Dec 18	CFA December Exam Day Lunch	-
20 Dec 18	CFA® Program Info Session	Patrick Yu; Francis Er

ACTIVITIES IN 2018

CAREER DEVELOPMENT

Launched in 2016, the Mentorship Programme, has grown from strength to strength. The six-month long programme pairs experienced members of the society with mid-level professionals 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 inaugural batch started with 20 plus pairings of mentor-mentee. In 2018, with the 3rd run, the registrations has grown to about 50 mentor-mentee pairings. The Mentorship programme has received a positive feedback from both mentors and mentees and has become the marquee event under the Candidates Development Committee.

In addition to the Mentoring Programme, the Career Development Committee continues to organise soft-skill workshops such as the ones led by Andrew Jones, Malik S. Sarwar and Dr. Jane Horan. Another highlight for the Committee around managing careers is the new and disruptive landscape panel session featuring speakers from diverse backgrounds.

CAREER DEVELOPMENT COMMITTEE CO-CHAIRPERSON(S)

Kanol Pal, CFA
Saumya Umesh Rao, CFA
Simon Ng, CFA

MENTORING COMMITTEE MEMBERS

Bennett Lee, CFA
Chan Choong Tho, CFA
George Lee, CFA
Jessie Yim, CFA
Lee Yue Jer
Mah Ching Cheng, CFA
Melody Jiang
Timothy Wang, CFA
Yeap Mei Ling

INSTITUTIONAL OUTREACH COMMITTEE MEMBERS

Melvin Tan Boon Pin, CFA
Bao Tran Tran, CFA

CAREER DEVELOPMENT EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
30 Jan 18	How to Manage Your Boss	Andrew Jones
6 Mar 18	2018 Mentorship Programme Info Session	Bennett Lee, CFA; George Lee, CFA; Kanol Pal, CFA; Lee Yue Jer, CFA; Sam Phoen, CFA
14 Mar 18	Coaching Skills for Leaders in Financial Services	Andrew Jones
2 Apr 18	CFA Society Singapore 2018 Mentorship Programme Launch (Keynote Speaker: Wong Yu Han, Dale Carnegie Motivational Speaker)	Wong Yu Han
2 Jul 18	2018 Mentorship Programme Speed Dating Session	-
4 Jul 18	Conversation with a Headhunter: How to Manage your Career in the New Transforming World? (Keynote Speaker: Tahnoon S. Pasha, CFA, Consultant of Spencer Stuart Singapore)	Kanol Pal, CFA; Tahnoon S. Pasha, CFA
23 Aug 18	Leaders' Lab: Internal Controls for Financial Matters	Fang Eu-Lin; Koh Chaik Ming; Sovann Giang
28 Aug 18	Political Savvy	Dr. Jane Horan
29 Aug 18	Making the Most Out of Conflict at Work	Andrew Jones
11 Sep 18	Empowering Staff	Malik S. Sarwar
25 Sep 18	Preparing for the Critical Year-End Conversations	Andrew Jones
3 Oct 18	Getting to Managing Director in Banking and Finance	Eric Sim, CFA
8 Oct 18	2018 Mentorship Programme Review Session	-
14 Nov 18	2018 Mentorship Programme Closing & Celebration	Dr. Jane Horan



Leaders' Lab: Internal Controls for Financial Matters by Fang Eu-Lin; Koh Chaik Ming ; Sovann Giang on 23 August 2018



Getting to Managing Director in Banking and Finance by Eric Sim, CFA on 3 October 2018



Preparing for the Critical Year-End Conversations by Andrew Jones on 25 September 2018



Empowering Staff by Malik S. Sarwar on 11 September 2018



Political Savvy by Dr. Jane Horan on 28 August 2018

ACTIVITIES IN 2018

NETWORKING

The Networking Committee organised a total of 14 events in 2018. The committee plans and organises a wide array of social events to foster friendships and esprit de corp amongst existing members and to celebrate and integrate new members joining the CFA community in casual settings.

In 2018, the Committee organised more activity-based events such as cross-fit, J.P. Morgan Run, soft skill and educational talks. We also hosted Mr. Nick Pollard, the Asia-Pacific Managing Director of CFA Institute for a fireside chat with members.

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. In this regard, the Committee plans to co-organise more events with other like-minded professionals bodies such as CAIA, ACCA, FWAS, etc. The committee would like to take this opportunity to thank all those who made our events a success – our participants, our sponsors and our volunteers.

NETWORKING COMMITTEE CO-CHAIRPERSON(S)

Koh Boon Pin, CFA
Sri Indah Jani Prihadi, CFA

COMMITTEE MEMBERS

Alex Ho, CFA
Darren Chu, CFA
Janice Choy
Patricia Low
Phuah Keng Keat, CFA
Rahul Koshal Dubey
Sarah Song

NETWORKING EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
28 Feb 18	February Networking Drinks - Superbrand Me™	Eugene Seah
19 Mar 18	CFA Society Singapore CrossFit	Darren Chu, CFA
3 Apr 18	CFA Society Singapore CrossFit	Darren Chu, CFA
28 Apr 18	CFA Society Singapore - J.P. Morgan Corporate Challenge 2018	-
28 Apr 18	April Networking Drinks	
8 May 18	May Networking Drinks: 'Make the Room Work For You' - How to Network with Confidence	Andy Lopata
27 Jun 18	2018 FIFA World Cup™ Networking Night	-
21 Jul 18	CFA Society Singapore - YMCA Proms @ the Park 2018	-
15 Aug 18	CFA society Singapore Whisky Appreciation Networking Night	-
4 Sep 18	How to Choose and Invest in Diamonds and Precious Gemstones?	Sylvie Khau
11 Sep 18	An Evening with Nick Pollard, CFA Institute Managing Director, Asia Pacific	Nick Pollard
16 Sep 18	2018 F1 Singapore Grand Prix Networking Night	-
30 Oct 18	Halloween Networking Drinks	-
10 Dec 18	CFA Society Singapore Year-End Party 2018!	-



CFA Society Singapore Year-End Party 2018! on 10 December 2018



CFA Society Singapore - YMCA Proms @ the Park 2018 on 21 July 2018



CFA Society Singapore - J.P. Morgan Corporate Challenge 2018 on 28 April 2018



February Networking Drinks - Superbrand Me™ on 28 February 2018

ACTIVITIES IN 2018

PROFESSIONAL DEVELOPMENT

The mandate of the Professional Development Committee is to organise professional development events that contribute to the continuing development of members. Our events help members keep abreast of developments that impact the investment management industry. To further encourage commitment to professional development, attendance at these events qualifies one for CFA Institute Continuing Education credits.

The Professional Development Committee organised 15 luncheon events for 2018 covering a broad range of topics including FinTech, cybersecurity, the increasing role of women in finance, alternative investments, ESG and China-centric themes.

In addition to the luncheon talks, there were 9 multi-day intensive workshops on various topics such as financial modelling, multi-asset investing, real estate investments, M&A and private equity.

Our key source of expert speakers continue to be 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. We will continue to organize interesting and educational professional development events for our members in the year ahead.

We invite interested CFA members to join our committee and senior members to volunteer their time as speakers.

PROFESSIONAL DEVELOPMENT COMMITTEE

CO-CHAIRPERSON(S)

Alex Ho, CFA
Arun Kelshiker, CFA
Victor Ong, CFA

COMMITTEE MEMBERS

Deepak khanna, CFA
Koh Boon Pin, CFA
Pearlyn Mei Yin Chiang
Sarah Song

PROFESSIONAL DEVELOPMENT / EXECUTIVE PROGRAMME EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
15 Jan 18	Fintech 101: A Snapshot into the World of Fintech	Aditya Haripurkar, CFA; Cindy Nguyen; Ginnie Chin; Kai Chen; Jeremy Tan; Srivatsan Iyengar; Wanyi Wong
1 Feb 18	Conversation about Artificial Intelligence and Innovation	Fabiano Siufi; Neal Cross; Simon Ng, CFA
12 Mar 18	China After the 19th Party Congress-Economic & Geopolitical Implications For Asia	Xu Sitao
21 & 22 Mar 2018	Advanced Financial Analysis Series	Hamilton Lin, CFA
10 Apr 18	Smart Women and Risk-taking	Barbara Stewart, CFA
3 May 18	Multi-Asset Strategies	Larry Cao, CFA; Tham Chiew Kit
4 May 18	Multi-Asset Strategy Workshop	Darius Liu, CFA; Larry Cao, CFA
9 May 18	Stock Selection Through a Multi Factor Model Based on a Weight-of-the-Evidence Approach	Mido Shammaa, CFA, FRM
17 May 18	Liquid Alternative Investment	Dr. Keith Black, Ph.D., CAIA, CFA

23 May 18	Valuation of Disrupted and Emerging Industries	Professor Kasper Meisner Nielsen
30 Jul 18	CFA Society Singapore Annual Forecast Dinner 2018	Alvin Lee; Arun R. Kelshiker, CFA; Bryan Goh; Freddy Lim; Simon Ng, CFA
1 Aug 18	Quantitative Tightening	Jeffrey J. Sherman, CFA
16 & 17 Aug 2018	Business Finance Mandarin Workshop (Basic)	Henry Wang Xin Bin, CFA
17 to 19 Sep 2018	Bonds and Fixed Income Workshop Series	Tariq Dennison
26 Sep 18	The Dark Side of Financial Statement Analysis	Professor Joel Litman
27 Sep 18	Utilizing Flows & allocation in the Quantitative Research Process	Steven Shen
8 Oct 18	Advance Financial Modeling: Core Model	Hamilton Lin, CFA
16 Oct 18	China's X Factor: Managing Change. How Traditional Philosophy Can Aid Research Analysis	Hugh Peyman
18 to 19 Oct 2018	Masterclass on Venture Capital and Start-ups	Arvind P. Mathur, CFA
25 & 26 Oct 2018	Investing in Asia Real Estate	Professor Roy Ling
29 Oct 18	IBM: Artificial Intelligence and Applied Deep Learning	Dileep S. Rangan
30 & 31 Oct 2018	Masterclass: Excellence in Mergers & Acquisition	Arvind P. Mathur, CFA
14 Nov 18	The Innovation Is the Blockchain	Professor David L. Yermack
4 Dec 18	The Venture Capital State: how did we get there, and what's the future?	Dr. Robyn Klingler-Vidra



Advance Financial Modeling: Core Model by Hamilton Lin, CFA on 8 October 2018

ACTIVITIES IN 2018



Multi-Asset Strategies by Larry Cao, CFA; Tham Chiew Kit on 3 May 2018



Conversation about Artificial Intelligence and Innovation by Fabiano Siufi; Neal Cross; Simon Ng, CFA on 1 February 2018



Fintech 101: A Snapshot into the World of Fintech by Aditya Haripurkar, CFA; Cindy Nguyen; Ginnie Chin; Kai Chen; Jeremy Tan; Srivatsan Iyengar; Wanyi Wong on 15 January 2018

UNIVERSITY OUTREACH

The key mandate of the University Outreach Committee is to engage Singapore-based university partners (both local and foreign), 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 universities, especially those under the University Affiliation Program. 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.

Stepping into the 12th season of the CFA Institute Research Challenge in Singapore, this programme had attracted eight participating universities represented by Nanyang Technological University (NTU), National University of Singapore (NUS), SIM Global Education (SIM-GE), Singapore Management University (SMU), Singapore University of Social Sciences (SUSS), Singapore Institute of Technology (SIT), Singapore University of Technology and Design (SUTD), Yale-NUS College. The team from SMU emerged as the overall champion in this highly competitive Singapore leg. The winning team comprised of Han Yuding, Joash Lim Kai Perng, Lee Jia Lin, Tay Pu Qian and Timothy Lim Fang Zhi.

In collaboration with the Advocacy Committee, the committee had launched a new programme named "CFA Society Singapore University Ethics Challenge" in September 2018. The key intention is to introduce a new approach to ethics pedagogy by educating young professional on ethics through experiential learning. Participants are judged based on their recommended course of action and their ability to identify the violations to the CFA Institute Code of Ethics & Standards of Professional Conduct.

On this note, we would like to thank the mentors, research report graders and presentation judges for contributing invaluable guidance to the teams and for judging the above mentioned competitions.

UNIVERSITY OUTREACH COMMITTEE CO-CHAIRPERSON(S):

Jack Wang, CFA
Simon Ng, CFA

COMMITTEE MEMBERS

Andy Yeo, CFA
David Leow, CFA
Gerald Wong, CFA
Kam Yoke Meng, CFA
Kevin Gin, CFA
Lee Yue Jer
Melvin Tan Teck Jin, CFA
Roland Goh, CFA
Tan Chee How, CFA
Teoh Ker Yee, CFA
Terence Lim, CFA

UNIVERSITY OUTREACH EVENTS SUMMARY

DATE	EVENT TITLE	SPEAKER(S)
10 Feb 18	CFA Institute Research Challenge (2017 - 2018) - Singapore Finals	Ashish Goyal, CFA; Chong Yoon Chou, CFA; Ho Hin Wah, CFA; Kum Soek Ching, CFA
27 Feb 18	Other Industry Event - Singapore Asset Management Conference by Yale-NUS	-
7 Mar 18	CFA Institute Research Challenge (2017 - 2018) - Final Team Lunch Debrief	Ashish Goyal, CFA; Chong Yoon Chou, CFA; Ho Hin Wah, CFA; Kum Soek Ching, CFA; Simon Ng, CFA
13 Apr 18	CFA Institute Research Challenge Asia Pacific Preparation: Roshini Workshop with SIM-GE Students	Roshini Ganesan
29 Sep 18	CFA Institute Research Challenge (2018 - 2019) Kick-off Meeting	David Leow, CFA; Jack Wang, CFA; Melvin Tan, CFA



CFA Institute Research Challenge (2018 - 2019)



CFA Institute Research Challenge (2018 - 2019) Kick-off Meeting by David Leow, CFA; Jack Wang, CFA; Melvin Tan, CFA on 29 September 2018



CFA Institute Research Challenge Asia Pacific Preparation: Roshini Workshop with SIM-GE Students by Roshini Ganesan on 13 April 2018



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STATEMENT BY BOARD MEMBERS

In the opinion of the board members,

- (a) the accompanying financial statements of CFA Society 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 2018 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
President



Ho Wah Fong, CFA
Treasurer

17 May 2019



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 Society Singapore (the "Society"), which comprise the statement of financial position as at 31 December 2018, 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 Singapore Financial Reporting Standards (SFRS) so as to present fairly, in all material aspects, the state of affairs of the Society as at 31 December 2018 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 statement by board members but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT

(REGISTERED UNDER THE SOCIETIES ACT, CHAPTER 311)

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.

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.

INDEPENDENT AUDITOR'S REPORT

(REGISTERED UNDER THE SOCIETIES ACT, CHAPTER 311)

- 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.



RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

17 May 2019

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2018

	Notes	2018 \$	2017 (Restated) \$
Revenue	4	998,679	1,192,894
Other income and gains	5	66,516	143,735
Conference and workshop expenses		(76,179)	(169,835)
Members' activities and meeting expenses		(142,518)	(223,612)
General expenses		(86,584)	(91,277)
Employee benefits expense	6	(334,027)	(358,247)
Depreciation expense	8	(9,656)	(10,326)
Other losses	5	(147,704)	(541)
Other expenses		(76,974)	(39,772)
Surplus before tax from continuing operations		191,553	443,019
Income tax expense	7	(18,300)	(47,792)
Surplus from continuing operations for the year		173,253	395,227

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

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2018

	Notes	31.12.2018 \$	31.12.2017 (Restated)	1.1.2017 (Restated) \$
ASSETS				
<u>Non-current assets</u>				
Plant and equipment	8	736	10,392	19,608
Other financial assets, non-current	9	2,533,666	2,140,090	1,616,962
Total non-current assets		<u>2,534,402</u>	<u>2,150,482</u>	<u>1,636,570</u>
<u>Current assets</u>				
Trade and other receivables	10	120,851	125,932	97,512
Other non-financial assets	11	15,275	14,475	27,537
Cash and cash equivalents	12	691,830	748,823	921,220
Total current assets		<u>827,956</u>	<u>889,230</u>	<u>1,046,269</u>
Total assets		<u><u>3,362,358</u></u>	<u><u>3,039,712</u></u>	<u><u>2,682,839</u></u>
FUNDS AND LIABILITIES				
<u>FUND</u>				
Accumulated fund		2,907,061	2,733,808	2,338,581
Total fund		<u>2,907,061</u>	<u>2,733,808</u>	<u>2,338,581</u>
<u>Current liabilities</u>				
Income tax payable		22,800	33,000	15,566
Trade and other payables	13	118,660	149,476	204,664
Other non-financial liabilities	14	313,837	123,428	124,028
Total current liabilities		<u>455,297</u>	<u>305,904</u>	<u>344,258</u>
Total liabilities		<u>455,297</u>	<u>305,904</u>	<u>344,258</u>
Total fund and liabilities		<u><u>3,362,358</u></u>	<u><u>3,039,712</u></u>	<u><u>2,682,839</u></u>

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

STATEMENT OF CHANGES IN FUNDS

YEAR ENDED 31 DECEMBER 2018

	Total fund	Accumulated fund	Other reserve
	\$	\$	\$
Current year:			
Opening balance at 1 January 2018	2,794,861	2,674,232	120,629
Adjustments to beginning balance (Note 19)	(61,053)	59,576	(120,629)
Restated opening balance at 1 January 2018	2,733,808	2,733,808	-
Changes in funds:			
Total comprehensive income for the year	173,253	173,253	-
Closing balance at 31 December 2018	2,907,061	2,907,061	-
Previous year:			
Opening balance at 1 January 2017	2,399,166	2,381,893	17,273
Adjustments to beginning balance (Note 19)	(60,585)	(43,312)	(17,273)
Restated opening balance at 1 January 2017	2,338,581	2,338,581	-
Changes in funds:			
Total comprehensive income for the year (Restated)	395,227	395,227	-
Closing balance at 31 December 2017 (Restated)	2,733,808	2,733,808	-

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

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2018

	2018	2017 (Restated)
	\$	\$
<u>Cash flows from operating activities</u>		
Surplus before tax	191,553	443,019
Adjustments for:		
Depreciation	9,656	10,326
Interest income	(26)	(350)
Gains on disposal of other financial assets, non-current	(547)	(2,779)
Fair value losses / (gains) on other financial assets, non-current	140,047	(103,356)
Operating cash flows before changes in working capital	340,683	346,860
Trade and other receivables	5,081	(28,420)
Other non-financial assets	(800)	13,062
Trade and other payables	(30,816)	(55,188)
Other non-financial liabilities	190,409	(600)
Net cash flows from operations	504,557	275,714
Income taxes paid	(28,500)	(30,358)
Net cash flows from operating activities	476,057	245,356
<u>Cash flows from investing activities</u>		
Purchases of plant and equipment	-	(1,110)
Addition in other financial assets, non-current	(537,014)	(459,772)
Proceeds from disposal of other financial assets, non-current	3,938	42,779
Interest received	26	350
Net cash flows used in investing activities	(533,050)	(417,753)
<u>Net decrease in cash and cash equivalents</u>	(56,993)	(172,397)
Cash and cash equivalents, statement of cash flows, beginning balance	748,823	921,220
<u>Cash and cash equivalents, statement of cash flows, ending balance (Note 12)</u>	<u>691,830</u>	<u>748,823</u>

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

1. General

CFA Society 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.

Before 28 August 2018 the company was known as CFA Singapore.

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.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("SFRS") and the related interpretations to SFRS ("INT SFRS") as issued by the Singapore Accounting Standards Council. They are also subject to the provisions of Societies Act, Chapter 311. The Society is in compliance with the provisions of the Societies Act, Chapter 311.

Accounting convention

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

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.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

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

Sale of goods. Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods.

Services – Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

Membership fees – Membership fees are payable annually in advance. Membership fees that are attributable to the current reporting year are recognised as revenue. Membership fees that relate to future reporting periods are shown in the statement of financial position as membership fees received in advanced under the heading of other non-financial liabilities.

Other income

Dividend from investment instruments is recognised in profit or loss only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it 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 a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

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).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

2A. Significant accounting policies (cont'd)

Plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method 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:

Renovations	-	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.

Leases

Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. 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.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

2A. Significant accounting policies (cont'd)

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 instruments

Recognition and derecognition of financial instruments:

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

Classification and measurement of financial assets:

Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

2A. Significant accounting policies (cont'd)

Financial instruments (cont'd)

Financial asset that is a debt asset instrument classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

Financial asset that is an equity investment classified as measured at fair value through other comprehensive income (FVTOCI): There were no financial assets classified in this category at reporting year end date.

Financial asset classified as measured at fair value through profit or loss (FVTPL): All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Classification and measurement of financial liabilities:

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

Cash and cash equivalents

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

Fair value measurement

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

2A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

3A. Key management compensation:

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

4. Revenue

Revenue from contracts with customers

A. Revenue classified by type of good or service:

	2018	2017 (Restated)
	\$	\$
Membership fees	234,429	239,469
Joining fees	43,400	45,600
Conferences and workshops	147,788	315,018
IBF-CFA preparatory courses	231,111	221,151
CFA Institute funding	226,119	239,150
Sponsorship income	26,486	30,229
Programming activities	7,939	9,252
Networking activities	8,654	12,068
CFA 30th anniversary sponsorship	-	30,718
Ethic classes for university	6,015	7,125
CFA Institute grants	28,972	-
Sales of study materials	33,928	40,115
Interest income	26	350
Others	3,812	2,649
	<u>998,679</u>	<u>1,192,894</u>

B. Revenue classified by duration of contract:

All contracts are less than 12 months.

C. Revenue classified by timing of revenue recognition:

	2018	2017
	\$	\$
Point in time	538,131	714,275
Over time	460,548	478,619
Total revenue	<u>998,679</u>	<u>1,192,894</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

5. Other income and gains and (other losses)

	2018	2017 (Restated)
	\$	\$
Bad debts written off trade receivables	(7,657)	(541)
Dividend on trust funds at FVTPL	35,545	20,842
Government grants	12,324	11,958
Gains on disposal of other financial assets	547	2,779
Fair value (losses) / gains on other financial assets	(140,047)	103,356
Others	18,100	4,800
	<u>(81,188)</u>	<u>143,194</u>
Presented in profit or loss as:		
Other income and gains	66,516	143,735
Other losses	(147,704)	(541)
Net	<u>(81,188)</u>	<u>143,194</u>

6. Employee benefits expense

	2018	2017
	\$	\$
Short term employee benefits expense	298,431	319,872
Contribution to defined contribution plan	35,597	38,375
Total employee benefits expense	<u>334,027</u>	<u>358,247</u>

7. Income tax

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

	2018	2017
	\$	\$
Current tax expense:		
Current tax expense	22,800	33,000
(Over) / under adjustments in respect of prior periods	(4,500)	14,792
Total income tax expense	<u>18,300</u>	<u>47,792</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

7. Income tax

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

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% (2017: 17%) to profit or loss before income tax as a result of the following differences:

	2018	2017
	\$	\$
Surplus before tax	191,553	443,014
Income tax expense at the above rate	32,564	75,312
Expenses not deductible for tax purposes	26,381	2,221
Income not subject to tax	(6,135)	(18,609)
Stepped income exemption and other credits	(30,010)	(25,925)
(Over) / under adjustments in respect of prior periods	(4,500)	14,792
Total income tax expense	18,300	47,792

8. Plant and equipment

	Renovations	Plant, fixtures and equipment	Total
	\$	\$	\$
<u>Cost:</u>			
At 1 January 2017	6,145	29,329	35,474
Additions	–	1,110	1,110
At 31 December 2017 and 31 December 2018	6,145	30,439	36,584
<u>Accumulated depreciation:</u>			
At 1 January 2017	2,219	13,647	15,866
Depreciation for the year	2,048	8,278	10,326
At 31 December 2017	4,267	21,925	26,192
Depreciation for the year	1,878	7,778	9,656
At 31 December 2018	6,145	29,703	35,848
<u>Carrying value:</u>			
At 1 January 2017	3,926	15,682	19,608
At 31 December 2017	1,878	8,514	10,392
At 31 December 2018	–	736	736

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

9. Other financial assets, non-current

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
Investments in trust funds at fair value through profit or loss ("FVTPL")	<u>2,533,666</u>	<u>2,140,090</u>	<u>1,616,962</u>

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

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
<u>Investments in trust funds at FVTPL:-</u>			
Movements during the year:			
Fair value at beginning of the year	2,140,090	1,616,962	-
Additions	537,014	459,772	1,599,689
Disposals	(3,938)	(42,779)	-
Gain on disposals through profit or loss under other gains	547	2,779	-
(Decrease) / increase in fair value through profit or loss under (other losses) / other gains	<u>(140,047)</u>	<u>103,356</u>	<u>17,273</u>
Fair value at end of the year	<u>2,533,666</u>	<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 in trust funds at FVTPL:-

	Level	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
		\$	\$	\$
Balance is made up of:				
Quoted trust funds	1	2,531,358	2,139,251	1,457,273
Cash held by fund manager	1	<u>2,308</u>	<u>839</u>	<u>159,689</u>
Total investments in trust funds at FVTPL		<u>2,533,666</u>	<u>2,140,090</u>	<u>1,616,962</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

9. Other financial assets, non-current (cont'd)

9C. Sensitivity analysis for price risk of quoted trust funds at FVTPL

There are investments in quoted trust funds or similar instruments. Such investments are exposed to market price risk arising from uncertainties about future values of the investment securities. Sensitivity analysis: The effect is as follows:

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
A hypothetical 10% increase in the market index of quoted trust funds would have an effect on fair value of	253,136	213,925	145,727

For similar price decreases in the fair value of the above financial assets, there would be comparable impacts in the opposite direction. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

10. Trade and other receivables

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
<u>Trade receivables:</u>			
Outside parties	117,771	45,887	34,019
Net trade receivables – subtotal	117,771	45,887	34,019
<u>Other receivables:</u>			
Outside parties	3,080	17,670	-
Interest income receivables	-	-	50
CFA Institute funding receivables	-	62,375	63,443
Net other receivables – subtotal	3,080	80,045	63,493
Total trade and other receivables	120,851	125,932	97,512

The trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit losses (ECL) which uses a lifetime expected loss allowance for all trade receivables and contract assets. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. As at the end of reporting year no allowance for ECL is required.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

10. Trade and other receivables (cont'd)

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 (2017: 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:

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
<u>Trade receivables:</u>			
1 to 60 days	-	8,124	14,275
61 to 90 days	5,142	5,074	5,825
Over 90 days	53,556	23,860	-
At end of year	<u>58,698</u>	<u>37,058</u>	<u>20,103</u>

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

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

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
	\$	\$	\$
Top 1 customer	101,474	13,713	13,770
Top 2 customers	108,757	19,115	21,043
Top 3 customers	<u>114,954</u>	<u>23,690</u>	<u>24,468</u>

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

11. Other non-financial assets

	31.12.2018	31.12.2017
	\$	\$
Prepayments	4,505	3,705
Deposits to secure services	<u>10,770</u>	<u>10,770</u>
	<u>15,275</u>	<u>14,475</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

12. Cash and cash equivalents

	31.12.2018	31.12.2017
	\$	\$
Not restricted in use	691,830	748,823
Interest earning balances	200,000	-

The rates of interest for the interest earning balances is at 1.80% (2017 : Nil) per annum.

13. Trade and other payables

	31.12.2018	31.12.2017
	\$	\$
Outside parties and accrued liabilities	118,660	149,476

14. Other non-financial liabilities

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
		\$	\$
<u>Current:</u>			
Membership fees received in advanced (Note 14A)	127,622	123,428	124,028
CFA Institute fundings received in advanced (Note 14B)	179,977	-	-
Event fees received in advanced	6,238	-	-
	313,837	123,428	124,028

14A. Membership fees received in advance

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
		\$	\$
<u>Revenue deferred relating to membership fees:</u>			
Balance at beginning of the year	123,428	124,028	103,397
Revenue deferred in respect of membership fees received	235,623	220,551	252,354
Revenue recognised upon performance obligation satisfied	(231,429)	(221,151)	(231,723)
Balance at end of the year	127,622	123,428	124,028

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

14. Other non-financial liabilities (cont'd)

14B. CFA Institute fundings received in advanced

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
		\$	\$
<u>Revenue deferred relating to CFA Institute fundings:</u>			
Balance at beginning of the year	-	-	-
Revenue deferred in respect of CFA Institute fundings received	269,965	-	-
Revenue recognised upon performance obligation satisfied	(89,988)	-	-
Balance at end of the year	<u>179,977</u>	<u>-</u>	<u>-</u>

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:

	31.12.2018	31.12.2017
	\$	\$
Not later than one year	31,000	37,200
Later than one year and not later than five years	-	31,000
Rental expenses for the year	<u>37,200</u>	<u>41,497</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 effective from 1 November 2017.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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:

	31.12.2018	31.12.2017 (Restated)	1.1.2017 (Restated)
		\$	\$
<u>Financial assets:</u>			
Financial assets at amortised cost	812,681	874,755	1,018,732
Financial assets at fair value through profit or loss (FVTPL)	2,533,666	2,140,090	1,616,962
Balance at end of the year	<u>3,346,347</u>	<u>3,014,845</u>	<u>2,635,694</u>
<u>Financial liabilities:</u>			
Financial liabilities at amortised cost	118,660	149,476	204,664
At end of the year	<u>118,660</u>	<u>149,476</u>	<u>204,664</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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

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

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

Note 12 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

16E. Liquidity risk – financial liabilities maturity analysis

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. There are no liabilities contracted to fall due after twelve months 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 (2017: 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 were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. Adoption of the applicable new or revised standards has resulted in some changes in the detailed application of the accounting policies and some modifications to financial statements presentation and measurement as disclosed in Note 19.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

17. Changes and adoption of financial reporting standards (cont'd)

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

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

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

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

Leases:

The financial reporting standard on leases is effective for annual periods beginning on or after 1 January 2019 and it supersedes the previous reporting standard and the related interpretations on leases. For the lessor, the accounting remains largely unchanged. As for the finance leases of a lessee, as the financial statements have already recognised an asset and a related finance lease liability for the lease arrangement, the application of the new reporting standard on leases is not expected to have a material impact on the amounts recognised in the financial statements. For the lessee almost all leases will be brought onto the statements of financial position under a single model (except leases of less than 12 months and leases of low-value assets), eliminating the distinction between operating and finance leases. For the entity's non-cancellable operating lease commitments as at 31 December 2018 shown in Note 15, a preliminary assessment indicates that these arrangements will continue to meet the definition of a lease under the new reporting standard on leases. Thus, the entity will have to recognise a right-of-use asset and a corresponding liability in respect of all these leases (unless they qualify for low value or short-term leases) which might have a material impact on the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

19. Changes in accounting policies, restatements and reclassifications of comparative figures

Changes in accounting policies

Effective from beginning of the current reporting year certain new or revised financial reporting standards were adopted as mentioned in Note 17. Adoption of those policies and any other changes have resulted in some changes in the application of the accounting policies and some modifications to financial statements presentation and these changes are summarised below.

- (1) Prior to 1 January 2018, the Society accounted for investments in quoted trust funds based on SFRS 39 and all investments in quoted trust funds were accounted as available-for-sale at fair value through other comprehensive income. With the adoption of SFRS 109, the investment in quoted trust funds were accounted based on fair value through profit or loss. Restatements have been made to the prior year's financial statements.

Restatements of comparative figures

- (2) SFRS 115 Revenue from Contracts with Customers establishes a single and comprehensive framework for revenue recognition to apply consistently across transactions, industries and capital markets, with a core principle (based on a five-step model to be applied to all contracts with customers), enhanced disclosures, and new or improved guidance (e.g., the point at which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract, etc.). It replaces the former revenue recognition standards and related interpretations.

The reporting entity applied the new standard fully retrospectively in accordance with SFRS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Therefore, the comparatives for the reporting year 2017 are restated. The opening equity was restated as at 1 January 2017. Where applicable, it also elected the permitted practical expedients for completed contracts and contract modifications as at 1 January 2017. The adoption of the new standard and any other changes have resulted in some changes in the application of the accounting policies and some modifications to financial statements presentation and these changes are summarised below:

	After restatements	Before restatements	Difference
	\$	\$	\$
<u>2017 Statement of financial position:</u>			
Trade and other receivables (2)	125,932	63,557	62,375
Accumulated fund (1 & 2)	(2,733,808)	(2,674,232)	(59,576)
Other reserve (1)	-	(120,629)	120,629
Other non-financial liabilities (2)	(123,428)	-	(123,428)
<u>2017 Statement of comprehensive income:</u>			
Revenue (2)	1,192,894	1,193,362	(468)
Other income and gains (1)	143,735	40,379	103,356
Realised gains transferred to profit or loss (1)	-	(2,779)	2,779
Gain on available-for-sale financial assets (1)	-	106,135	(106,135)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2018

19. Changes in accounting policies, restatements and reclassifications of comparative figures (cont'd)

	After restatements	Before restatements	Difference
	\$	\$	\$
<u>1 January 2017 Statement of financial position:</u>			
Trade and other receivables (2)	97,512	34,069	63,443
Accumulated fund (1 & 2)	(2,338,581)	(2,381,893)	43,312
Other reserve (1)	-	(17,273)	17,273
Other non-financial liabilities (2)	<u>(124,028)</u>	<u>-</u>	<u>(124,028)</u>

As is required by the financial reporting standard on the presentation of financial statements the statement of financial position at the end of the current reporting year and the beginning and end of the preceding reporting year is presented. However related notes relating to the above balances only that were restated in the statement of financial position are presented. Apart from these disclosures, other balances and notes are not impacted by the restatements.

Reclassifications of comparative figures

Certain reclassifications were made in the balances in the financial statements for last year. The material changes in the balances included the following:

	After restatements	Before restatements	Difference
	\$	\$	\$
<u>2017 Statement of profit or loss and other comprehensive income:</u>			
Members' activities and meeting expenses	(223,612)	(198,557)	(25,055)
Other expenses	<u>(39,772)</u>	<u>(64,827)</u>	<u>25,055</u>

The reclassifications were made to enhance comparability with current year's statement of income only. There are no changes to other components of the financial statements. The changes were for some reclassifications in the balances but they did not affect the profit / (loss) before tax. The reclassification was made so as to reclass the other expenses to members' activities and meeting expenses.

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**CFA Society
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10 Anson Road, #25-09
International Plaza,
Singapore 079903

Tel: (65) 6323-6679
Fax: (65) 6323-7657
info@cfasingapore.org