

# ANNUAL REPORT 2018

*EXCELLENCE IN CORPORATE GOVERNANCE*



# MISSION

To foster good governance and ethics in corporate leadership.

# VISION

To be the national association advancing the highest level of ethical values, governance and professional development of directors.

---

# CORPORATE INFORMATION

Registration	Singapore Institute of Directors (SID), a public company limited by guarantee, is incorporated under the Companies Act, Cap. 50 (Registration No. 199803504W).
Legal Counsel	Wee Swee Teow & Co Advocates & Solicitors
Auditors	BDO LLP
Bankers	DBS Bank Limited United Overseas Bank Limited Standard Chartered Bank
Registered Office	168 Robinson Road #09-06/07 Capital Tower Singapore 068912
	168 Robinson Road #11-03 Capital Tower Singapore 068912 (w.e.f. 1 November 2018)
Telephone	+65 6422 1188
Fax	+65 6422 1199
Website	<a href="http://www.sid.org.sg">www.sid.org.sg</a>

# CONTENT

<b>Report of the Chairman and Executive Director</b>	2
--	---

## **Programmes & Activities**

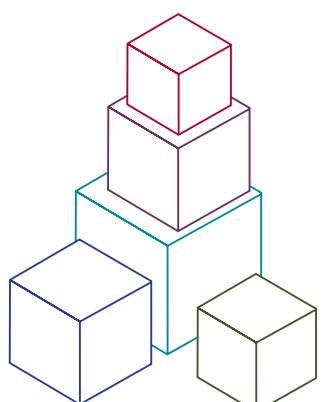
Professional Development	6
Forums, Seminars & Conferences	10
Advocacy & Research	17
Communications	20
Corporate Governance Benchmarks	22
Awards	24
Member Engagement	28

## **Stakeholders**

Members	32
Partners	33
Governing Council	34
Executive Staff	39
Committees	40

<b>Corporate Governance Report</b>	42
------------------------------------	----

<b>Financial Report</b>	50
-------------------------	----



# REPORT OF THE CHAIRMAN AND EXECUTIVE DIRECTOR

Dear Members,

We are pleased to present this review of the Singapore Institute of Directors for the period 1 October 2017 to 30 September 2018.

In many respects, this has been our busiest year, even as we focus on our mainstay of corporate governance and the professional development of directors, and serving our members.

## Corporate governance

The marquee development this year was the work that led to the recommendations of the Corporate Governance Council (CG Council) and the subsequent issuance of the fourth edition of the Code of Corporate Governance and related Listing Rule amendments. SID spent much time and resources on this – from participation in the CG Council and related initiatives such as a series of Corporate Governance Briefing sessions on the changes, to a new edition of the *Corporate Governance Guides for Boards in Singapore* series and the development of a Listed Entity Director programme, all of which incorporate the latest corporate governance changes.

This work was carried out alongside finetuning the various existing programmes that support and improve corporate governance in Singapore (see box). And in keeping up with the times, we also launched a new book, *Women on Board: Making a Real Difference*.

## CG Programmes

- Singapore Corporate Awards 2018
- Singapore Governance and Transparency Index 2018
- ASEAN Corporate Governance Scorecard 2018
- 2018 Edition of the *Corporate Governance Guides for Boards in Singapore*
- *Singapore Directorship Report 2018*
- *Singapore Board of Directors Survey 2017*
- *SID Directors Bulletin*
- *Boardroom Matters* articles
- *Women on Board: Making a Real Difference*
- Roundtables and feedback sessions on regulatory matters
- Briefing sessions on changes to Code and SGX Listing Rules

## Director professional development

During the year, SID conducted more than 100 training sessions for directors. These were attended by over 5,000 participants.

Our highlight of the year was, of course, the annual SID Directors Conference which saw much debate on the event's theme, "Rebooting Globalisation".

We continue to review and revamp our curriculum to help members keep pace with



changes in the regulatory environment. New courses have been added, including the Startup Director Fundamentals, Family Business Director Fundamentals, and an AC Pit-Stop series.

At the same time, in tandem with a global move to digital programmes, we are developing two online courses ("Excuse me, are you a director?", and "Decoding the Code of Corporate Governance"). A pilot of the first webinar on crisis communications was launched in September.

### **Membership**

Beyond professional development, we continued to stage popular member events, including several networking evenings, golf, and a Fellows evening. An increasing number of corporates are reaching out to our members with directorship opportunities via our Board Appointment Services.

In the last year, our membership grew by six per cent to reach over 2,700. Our members now come from a diverse community of governance leaders from the private, public and nonprofit sectors. More female directors have also joined in response to our outreach efforts through strategic partnerships with associations.

### **Moving forward**

By December 2018, SID will have relocated to the 11th floor of Capital Tower following the

landlord's notice of intention to redevelop the 9th floor where we are currently located. We have signed a five-year lease for the new premise, which is the same size as our current one.

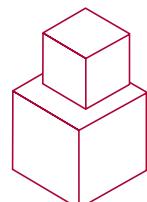
Due, in part, to investments in new programmes and technology, and the write-off of existing furniture and fittings resulting from the office move, we recorded a deficit of S\$31,599 in this financial year.

At the annual general meeting in November 2018, the chairmanship of SID will change as the incumbent reaches the six-year term limit. Be assured that the Council will continue to be progressively renewed to bring in fresh perspectives and energy. Meanwhile, worthy initiatives will continue, and others will make way for new initiatives that are designed to bring us to the next level.

Finally, we acknowledge, with immense gratitude, the contributions of our Council, Committee members and partners who have contributed with such commitment to the SID journey, and who have allowed us to chart our own course towards being relevant and accessible to all directors. Your unwavering support and professional expertise put us in good stead to move forward effectively.

**Willie Cheng**  
Chairman

**Joyce Koh**  
Executive Director





# PROGRAMMES & ACTIVITIES

SID programmes and activities are designed to support its role of promoting the professional development of directors and corporate leaders, being a voice for directors, and encouraging the highest standards of corporate governance and ethical conduct.

# PROFESSIONAL DEVELOPMENT

The professional development of directors is at the heart of SID's mission.

During the year, we organised and conducted more than 100 professional development sessions that were attended by more than 5,000 participants. A list of these sessions is on pages 8 and 9.

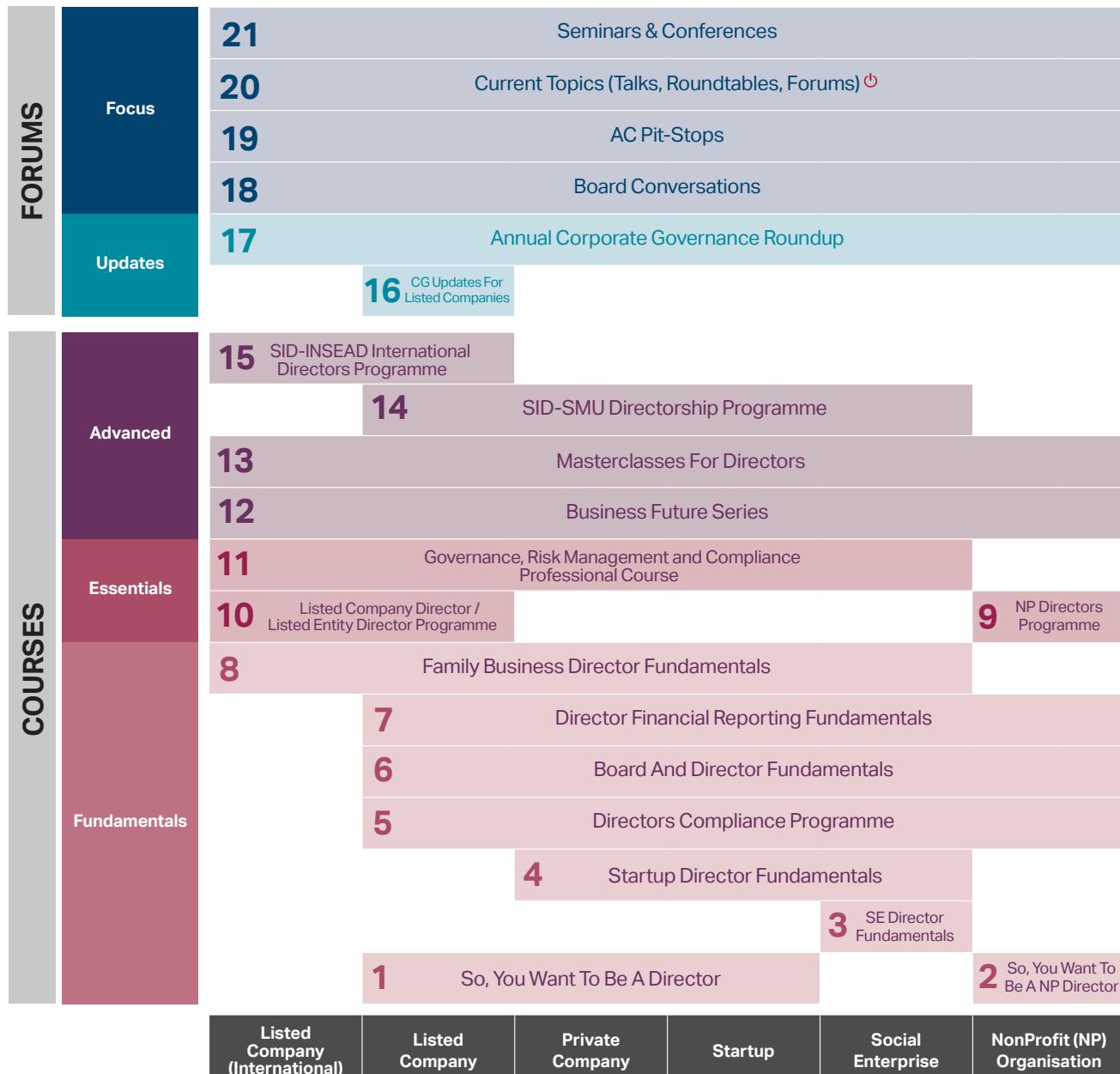


## Curriculum

### *INSEAD International Directors Programme*

SID's educational programmes are delivered in accordance with a framework that maps out the needs of different types of directors at various stages of their directorship journeys. In the last year, we added new courses for directors of commercial companies, family firms and startups.

The current curriculum map is as follows:



⌚ Online modules related to these courses are available.

## New Programmes and Modules for Company Directors

New programmes were developed and rolled out in the year, offering a wide range of courses on different themes for directors of listed companies, private businesses and startups.

- **Startup Director Fundamentals (SDF):** The course provides directors, startup founders and new business owners a broad overview of the best practices in establishing and growing startup businesses, the essentials of corporate governance and fundraising, and their impact on business strategies.
- **Family Business Director Fundamentals (FBF):** The course examines the specific challenges of operating family businesses, addressing issues of corporate governance, board composition, recruitment and development of professional managers, and executive incentives for the management team to act in the best interests of the company and its shareholders, including the family.
- **AC Pit-Stops:** The Pit-Stop series by the SID AC Chapter is specially designed to help AC members focus on relevant areas of interest in their board work.



**AC Pit-Stops**

- **Listed Entity Director Programme (LED):** The LED Programme is a comprehensive in-depth professional programme on the roles and duties of directors of listed entities. Supported by SGX, the LED Programme replaces SID's Listed Company Director (LCD) Programme, and covers the fundamentals of directorship and the specific responsibilities of the Board Committees. It incorporates the corporate governance changes announced in August 2018 and was rolled out in September 2018.
- **Masterclasses for Directors (MCD):** The advanced series for directors focuses on the development of soft skills and toolsets, with two new modules:
  - Leading from the Chair.
  - Anticipating Risk and Precaution at the Board Level.

### Online Learning

SID launched its online learning platform to provide more learning opportunities for members in a fast-paced business world.

Its first webinar titled "The Role of the Board in a Crisis" was held in September 2018. In the pipeline are two e-learning modules to provide an introduction on directorship and the revised Code of Corporate Governance.



**Family Business Director Fundamentals**

# SCHEDULE OF SID'S CORE PROFESSIONAL DEVELOPMENT OFFERINGS FOR DIRECTORS (1 October 2017 to 30 September 2018)

## FUNDAMENTALS

### 1. So, You Want to be a Director? (SYD)

30 Jan 2018, 5 Jul 2018

### 2. So, You Want to be a NonProfit Director? (SYN)

1 Mar 2018, 13 Jun 2018

### 4. Startup Director Fundamentals (SDF)

3 Aug 2018

### 5. Directors Compliance Programme (DCP)

23 Oct 2017, 23 Jan 2018, 20 Mar 2018,  
9 May 2018, 12 Jul 2018, 18 Sep 2018

### 6. Board and Director Fundamentals (BDF)

4 Oct 2017, 7 Feb 2018, 27 Jun 2018, 19 Sep 2018

### 7. Director Financial Reporting Fundamentals (DFF)

5 Oct 2017, 6 Dec 2017, 23 Feb 2018, 29 Jun 2018,  
15 Aug 2018

### 8. Family Business Director Fundamentals (FBF)

18 Jul 2018

## ESSENTIALS

### 9. NonProfit Directors Programme (NDP)

- *NPD1: The NonProfit Environment*  
12 Oct 2017
- *NPD2: Board and Management Relationship*  
9 Nov 2017
- *NPD3: Board Dynamics and Evaluation*  
7 Dec 2017
- *NPD4: Strategic Decision-Making*  
11 Jan 2018
- *NPD5: Financial Management and Accountability*  
8 Feb 2018
- *NPD6: Fundraising and Stakeholder Management*  
8 Mar 2018
- *NPD7: Social Trends*  
12 Apr 2018

## 10. Listed Company Director Programme (LCD)

- *LCD1: Listed Company Director Essentials*  
11 Oct 2017, 24 Jan 2018, 13 Mar 2018,  
10 May 2018
- *LCD2: Audit Committee Essentials*  
13 Oct 2017, 14 Mar 2018
- *LCD3: Risk Management Essentials*  
13 Oct 2017, 14 Mar 2018
- *LCD4: Nominating Committee Essentials*  
25 Oct 2017, 15 Mar 2018
- *LCD5: Remuneration Committee Essentials*  
25 Oct 2017, 15 Mar 2018
- *LCD6: Investor and Media Relations Essentials*  
27 Oct 2017, 16 Mar 2018
- *LCD (Mandarin): Listed Company Director Essentials Programme*  
17 - 18 May 2018

## Listed Entity Director Programme (LED)

- *LED1: Listed Entity Director Essentials*  
25 Sep 2018
- *LED2: Board Dynamics*  
26 Sep 2018

## 11. Governance, Risk Management and Compliance (GRC) Professional Course

30 Oct - 1 Nov 2017, 21 - 23 May 2018,  
27 - 29 Aug 2018

## ADVANCED

### 12. Business Future Series (BFS)

- *BFS1: Disruptive Technologies for Directors*  
27 Apr 2018, 31 Jul 2018
- *BFS2: Cyber Security for Directors*  
20 Sep 2018
- *BFS3: Sustainability for Directors*  
21 Feb 2018

### 13. Masterclasses for Directors (MCD)

- *MCD1: The Director as an Innovation Driver*  
24 May 2018
- *MCD3: Strategy at the Board Level*  
25 May 2018
- *MCD4: Overcoming Cognitive Biases in Boardroom Decisions*  
10 Nov 2017
- *MCD4: Leading from the Chair: What it takes to be Effective*  
23 Jan 2018
- *MCD5: Anticipating Risk and Precaution at the Board Level*  
24 Apr 2018

- 14. SID-SMU Directorship Programme (Executive Certificate/Diploma)**
- *SDP1: The Role of Directors – Duties, Responsibilities & Legal Obligations*  
17 - 19 Apr 2018, 4 - 6 Jul 2018
  - *SDP2: Assessing Strategic Performance – The Board Level View*  
1 - 3 Nov 2017, 4 - 6 Apr 2018, 29 - 31 Aug 2018
  - *SDP3: Finance for Directors*  
22 - 24 Nov 2017, 23 - 25 May 2018, 3 - 5 Sep 2018
  - *SDP5: Strategic Corporate Social Responsibility & Investor Relations*  
3 - 4 May 2018

**15. SID-INSEAD International Directors Programme**

- *IDP1: Board Fundamentals*  
19 - 22 Jun 2018
- *IDP2: Board Dynamics, Efficiency and the Role of Committees*  
24 - 26 Sep 2018
- *IDP3: Development of Boards and Directors*  
12 - 14 Dec 2017
- *INSEAD Directors Forum*  
26 - 27 Feb 2018

## UPDATES

**16. CG Updates for Listed Companies**

*Understanding the Revised Code and Listing Rule Changes*  
27 Aug 2018, 18 Sept 2018, 21 Sept 2018,  
26 Sept 2018

**17. Corporate Governance Roundup**

20 Nov 2017

## FOCUS

**18. Board Conversations (BDC)**

**BDC1: Board Risk Committee**

- *Business Transformation: Managing Change Initiatives with Confidence! (PwC)*, 23 Aug 2018

**BDC2: Remuneration Committee**

- *How Should Incentive Compensation Take into Account the Right Level of Risk in Executive Behaviour in the Age of Disruptive Innovation and Business Transformation? (Aon Hewitt)*, 12 Oct 2017
- *Local and Global Investor Perspectives on Executive Compensation (Willis Towers Watson)*, 15 May 2018

**BDC3: Audit Committee**

- *Audit Committees, Disrupted! (EY)*, 12 Jul 2018

**BDC4: Nominating Committee**

- *The Asian Leadership Deficit in the Age of Disruption (Korn Ferry)*, 18 Jan 2018

**BDC5: Board**

- *Will Singapore Survive the Future? – Emerging Threats and Opportunities (Booz Allen Hamilton)*, 15 Nov 2017
- *China's Digital Economy – A Leading Global Force (McKinsey)*, 13 Aug 2018

**19. AC Pit-Stops (ACP)**

- *Valuation and Impairment of Assets*  
3 Nov 2017
- *Demystifying Sustainability Reporting and Integrated Reporting*  
16 Nov 2017
- *FR & Audit Considerations for 2018*  
8 Jan 2018
- *AML/CFT for Non-Financial Companies*  
29 Mar 2018
- *The AC's Role in Crisis Management*  
23 May 2018
- *Getting Ready for FRS 116 (Leases)*  
28 Jun 2018
- *Harnessing the Full Potential of Internal Audit*  
19 Jul 2018
- *BEPs and Other Tax Implications for Boards and ACs*  
27 Sep 2018

**20. Current Topics (CTP)**

- *Harnessing Data and Artificial Intelligence in the Digital Economy*  
9 Feb 2018
- *Strategic Use of Design in Businesses for Innovation and Transformation*  
13 Apr 2018
- *Managing Millennials in a Multi-Cultural Work Place*  
31 May 2018
- *Sustainable Financing*  
20 Jun 2018
- *Data and Insights-Driven Digital Innovation*  
21 Jun 2018
- *Executive and Director Remuneration*  
26 Jul 2018
- *Protecting Your Governance Premium: Best Practices for Board Effectiveness*  
14 Aug 2018
- *Webinar - Readiness, Response and Recovery. The Role of the Board in a Crisis.*  
13 Sep 2018

**21. Seminars and Conferences**

- *Launch of the Singapore Board of Directors Survey 2017*  
7 Nov 2017
- *ACRA-SGX-SID Audit Committee Seminar 2018*  
16 Jan 2018
- *SID-CGIO: ASEAN Corporate Governance Scorecard 2018 and Launch of Women on Board*  
3 Apr 2018
- *SID-CGIO-CPAA: The Singapore Governance and Transparency Forum 2018 and Launch of the Revised Code of Corporate Governance*  
6 Aug 2018
- *SID Directors Conference 2018: Rebooting Globalisation*  
7 Sep 2018

# FORUMS, SEMINARS AND CONFERENCES



In addition to its core professional development courses, SID conducts forums, seminars and conferences on current topics, and also customises content on specific themes of interest to directors.

Most of the current topic discussions are organised as roundtables, briefings and forums for small groups of typically less than a hundred participants. Larger events are held as half- to full-day seminars and conferences for larger audiences.

A list of the Current Topic events, seminars and conferences held in the last 12 months is provided on page 9. Several of them are highlighted here.

## **SID Annual CG Roundup**



## **Corporate Governance Roundup 2017**

On 20 November 2017, SID held its year-end roundup at the Orchard Parade Hotel. The event focused on corporate governance and directorship. SID council members summarised the major happenings in 2017 and offered a forecast of the calendar of events in key corporate governance and directorship initiatives expected in 2018. A total of 10 hot topics, ranging from regulatory updates and board diversity to nonprofit and social enterprise directorship were covered.

## **The Audit Committee Seminar 2018**

On 16 January 2018, SID organised its fourth Audit Committee Seminar with ACRA and SGX



### The Audit Committee Seminar 2018

at the Marina Mandarin Singapore. The seminar titled "Rebooting Corporate Governance" attracted over 400 participants comprising directors and professionals. The event covered professional issues impacting audit committees beyond audit and financial reporting, including updates on regulatory developments that impact boards and directors. The forum also marked the launch of the Consultation Paper by MAS on the Corporate Governance Council recommendations.

Participants received a *2018 Mini-Guide for Audit Committees*, produced by SID, ACRA and PwC.

#### Corporate Governance Briefings

Following the revisions to the Code of Corporate Governance and SGX Listing Rules announced on 6 August 2018, SID organised four briefing sessions specifically targeted at directors of listed companies, as well as those working closely with them on corporate governance matters. Two more sessions will be held in October 2018.

Supported by the regulators, the briefings were conducted by experienced faculty and industry



experts, and included a panel discussion at each session, comprising representatives from SGX RegCo and the Corporate Governance Council.

SID also produced a *Reference Guide on Corporate Governance Revisions 2018* which reproduces the revised 2018 Code, the accompanying Practice Guidance to the Code and consequential changes to the Listing Rules. A copy of the Reference Guide was provided to every participant together with other SID brochures which detail its resources and programmes on corporate governance matters.



**Corporate Governance Briefing Session**

# ANNUAL CONFERENCE



SID held its flagship annual conference on 7 September 2018 at the Marina Bay Sands. Over 1,000 corporate directors, NGO leaders and industry professionals attended the event.

The theme of the Conference was “Rebooting Globalisation and Governance in an Era of Disruption”. A distinguished panel of international experts and corporate leaders discussed how Asia’s political and corporate leaders should respond to the challenges of globalisation and its reorientation.

## *Welcome Address by Mr Willie Cheng, Chairman, SID*



*Participants at the Conference*



### ***Plenary Panel: Globalisation 2.0 - Implications and Role for Asia Leaders***

The Minister also presented the trophies to the winners of the second Singapore Sustainability Reporting Awards by SID, supported by SGX and Global Compact Network Singapore, with EY as partner.

Keynote speaker Professor Ilian Mihov, observed that the strained relationship between business and society has pushed down levels of trust in business by more than 30 per cent. An economic adviser to governments and corporations, he urged business leaders to adopt governance practices and balanced solutions that chart a path between economic progress and social well-being.



### ***Plenary Panel: Competing Internationally - How Should Boards Respond?***

**Keynote speakers: Professor Ilian Mihov (top), Mr Fredrik Haren**





#### ***Breakout Panel: ASEAN Integration - Is the Regional Economic Community a Myth or Reality?***

Two plenary panels and four breakout panels featuring over 30 speakers discussed the various issues of globalisation, and how governments and regulators are shaping the new world order. The speakers also shared insights on how companies and their boards can respond to the challenges and opportunities presented by the ensuing disruption.



#### ***Breakout Panel: Belt Road Initiative - Who Benefits and How?***



#### ***Breakout Panel: International NGOs - How are They Contributing to or Impeding Globalisation 2.0?***



#### ***Breakout Panel: International Directorship - How can Boards and Directors Cross Borders Effectively?***



**Global Gallery exhibition with over 25 booths**

The Conference featured a Global Gallery exhibition where over 25 companies, educators, consultancies and social enterprises shared their initiatives and strategies for the globalised, digital world.

In line with the globalisation theme, participants were provided a travel wallet with vouchers which allowed them to redeem books, gadgets and snacks. An International Treats counter showcased a wide selection of snacks and international flavours from around the world, to evoke the diverse cultures of the global community. Many of the snacks were sourced from social enterprises.



**International Treats Counter**



**Book Redemption Counter**



# ADVOCACY AND RESEARCH

In its advocacy role as the national association of company directors, SID undertakes research, provides guidance and communicates its views on corporate governance issues.

## Studies of Boards and Directorships

On 7 November 2017, SID launched the 10th edition of the biennial *Singapore Board of Directors Survey*. The survey was jointly organised with SGX, and conducted in partnership with PwC and Singapore University of Social Sciences (SUSS). It provides insights into board composition, board practices and trends in corporate governance among Singapore listed companies.

SID also started work during the year on the third edition of the *Singapore Directorship Report*. The report, to be released in October 2018, is developed with Deloitte, Handshakes and Nanyang Business School (Nanyang Technological University), with support from ACRA and SGX.

## Corporate Governance Guides

In August 2018, the Monetary Authority of Singapore and Singapore Exchange announced changes to the Code of Corporate Governance and SGX Listing Rules. Following the announcement, SID embarked on a major exercise to update the



*Prof Koh presenting the survey findings*

2016/2017 edition of the *Corporate Governance Guides for Boards in Singapore* to include the changes.

The CG Guides for Boards in Singapore initiative is supported by ACRA, MAS and SGX. The revision of each Guide and the e-Guide platform had resource support from professional firms (Deloitte, EY, KPMG, Mercer and PwC) and review panels of leading practitioners, directors and experts in the corporate governance field.

The 2018 edition of the CG Guides for Boards in Singapore comprising six Guidebooks (*Board Guide*, *Audit Committee Guide*, *Board Risk Committee Guide*, *Nominating Committee Guide*,

## Launch of the Board of Directors Survey 2017





**Women who are featured in the Women on Board book**

Remuneration Committee Guide, and Resource Guide) and the e-Guide will be launched in October 2018.

#### **Women on Board: Making a Real Difference**

During the year, SID launched the book, *Women on Board: Making a Real Difference*, a collaboration with BoardAgender and supported by Accenture. The publication features 24 women directors on the boards of Singapore's biggest companies and nonprofit organisations, ranging from veterans to newcomers, in a spread of industries.

This is in line with SID's efforts to promote greater diversity which is key for a board to be effective.

#### **Boardroom Matters**

SID continued with the monthly *Boardroom Matters* column published in *The Business Times*, featuring thought leadership articles that run the gamut of corporate governance and directorship issues, authored by SID Council and Committee members.

#### **Singapore Stewardship Principles**

As a member of the Singapore Stewardship Principles (SSP) Steering Committee, SID is involved with its outreach and advocacy efforts

aimed at promoting SSP and improving the take-up among stakeholders.

During the year, a series of networking events was arranged for organisations to foster good partnership in promoting SSP.

#### **Corporate Governance and Directorships**

SID seeks to stay on top of pertinent corporate governance issues of the day.



**Participants at the Women on Board launch**



### **Focus group session on Audit Quality Indicators**

SID regularly organises roundtables and forums on various issues, often in response to invitations to provide feedback on relevant matters. During the year, these included:

- **Code of Corporate Governance:** Following the launch of the Consultation Paper, SID held two dialogue sessions, on 1 and 6 February 2018, for members to share their views on the recommendations of the CG Council. Over 60 industry professionals and corporate leaders attended the lunch-time sittings at Capital Tower. SID collated members' feedback and submitted its response to the Consultation Paper on 14 March 2018.
- **Dual Class Shares.** Following the issuance of SGX's second Consultation Paper on the *Proposed Listing Framework for Dual Class Share Structures*, SID submitted its response paper to SGX on 27 April 2018.
- **ISCA EP 100 Exposure Draft on Long Association:** SID reviewed and provided its inputs on the Exposure Draft.
- **Audit Quality Indicators (AQIs):** SID and ACRA organised a focus group session with audit committee members on 9 July 2018, to gather feedback on their experiences in using the AQIs, and how the existing AQI Disclosure Framework can be further enhanced.

SID also engages the media on various corporate governance and directorship-related issues. In the last year, SID has provided commentaries and observations on the adoption and implementation of corporate governance practices by companies.

### **Collaborations and Networks**

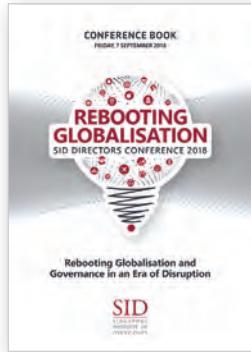
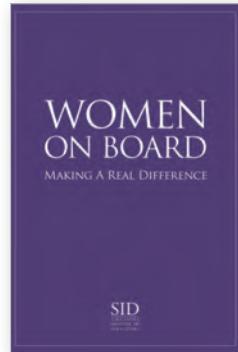
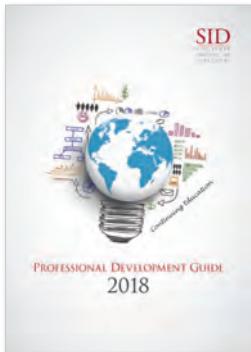
During the year, SID supported partners' initiatives on the development of resource guides:

- *IFRS Convergence 2018 Implementation Roadmap*, produced by ISCA in collaboration with SID.
- *Guide on the Prevention of Insider Trading*, jointly produced by SGX, ABS, ISCA, Law Society and SID.

SID is also working with the Workplace Safety and Health Council on the *Workplace Safety and Health Act Directors' Guide*.

SID council members sit on various boards and committees of key organisations in the corporate governance ecosystem. These include representation on the Corporate Governance Council, Policy Committee of the Global Network of Director Institutes, Accounting Standards Council, ACRA, Diversity Action Committee, ISCA, Law Society of Singapore, SMU, NTU, NUS, SIM, Securities Industry Council, Singapore Corporate Counsel Association and SGX.

# COMMUNICATIONS



## SID Programmes and Publications

SID regularly reviews its branding and communications to ensure that it remains relevant to its members, and reflects its role as the national association for directors in Singapore.

### Collaterals

SID seeks to refresh its collaterals and communication material to connect and engage with the directorship community and maintain a distinctive look and feel.

During the year, SID updated its membership brochures and publicity material on key programmes such as its Board Appointment Services. SID also produced an *SID Professional*

*Development Guide 2018* and an events calendar to promote the range of courses and activities available to members on their directorship journeys.

With the revision of the Code of Corporate Governance and amendments to related SGX Listing Rules in August 2018, information packs were produced to help companies and directors navigate the changes. Relevant SID resources, including briefing sessions and training courses, were highlighted. Some of the collaterals include *SID Corporate Governance Revisions 2018 Reference Guide* and the *Listed Entity Director Programme*.

### SID publications given out at events





## Publications

The *SID Directors Bulletin*, a quarterly publication, continues to receive positive responses from members for its topical focus on local trends, developments and issues.

The editorial themes for the 2017-2018 quarterly issues during the reporting period were:

- 2017 Q4: Diversity
- 2018 Q1: The Future of Business
- 2018 Q2: Startups
- 2018 Q3: Revisiting Globalisation and its Impacts

SID also produced a booklet with articles that speakers and partners of the SID Directors Conference 2018 had contributed on topics related to the theme of Globalisation. Articles relating to Globalisation were also available on the SID mobile app for the Directors Conference.

Several other publications were produced in conjunction with SID's advocacy and research thrusts (see pages 17 to 19).

## Branding

In July 2018, as part of its workplan, SID Branding and Communications Committee conducted a review of SID's brand position, mission and vision. The review involves interviews with Council, Committee members, staff and select SID members. The response and analysis will be presented to the Council for discussion.

## Media

SID continues to take a strategic and proactive approach in engaging the media. Press releases were issued for major SID events and statements issued with regards to its position on directors and corporate governance issues and practices.



# CORPORATE GOVERNANCE BENCHMARKS

SID has been involved in establishing benchmarks for good corporate governance, as part of its mission to foster good governance and ethics in corporate leadership. (Recognition for corporate governance excellence is covered separately on page 24, under "Awards".)

## ASEAN Corporate Governance Scorecard

The ASEAN Corporate Governance Scorecard seeks to provide a common framework for assessing the corporate governance practices of listed companies across six countries in the region – Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.

SID and the Centre for Governance, Institutions & Organisations (CGIO) of the NUS Business School have been appointed by the MAS as the Domestic Ranking Body (DRB) for Singapore, and SID Immediate Past Chairman John Lim as the corporate governance expert for the Scorecard since 2013.

SID hosted meetings on 4 and 5 October 2017 for participating ASEAN DRBs and corporate



**Prof Loh presenting the Scorecard findings**

governance experts to review the Scorecard framework and evaluation process.

SID, together with CGIO, held a forum on 3 April 2018 to present the 2018 Scorecard results to the corporate community in Singapore. A ranked list of the top 100 listed companies in Singapore was published in *The Business Times*.

The forum also saw the launch of the SID publication, *Women on Board: Making a Real Difference* (see page 18).

## Panellists at the ASEAN Scorecard launch



CORPORATE GOVERNANCE IN THE FUTURE ECONOMY

# SINGAPORE GOVERNANCE & TRANSPARENCY FORUM

6 AUGUST 2018

GUEST OF HONOUR

MR ONG CHONG TEK  
DIRECTOR (FINANCIAL SUPERVISION),  
SINGAPORE MONITORING AUTHORITY OF



*Panellists at the SGTI Forum*

### Singapore Governance and Transparency Index (SGTI)

The SGTI is a benchmark for assessing listed companies in Singapore, including Real Estate Investment Trusts (REITs) and Business Trusts, on their corporate governance disclosures and practices, as well as the timeliness, accessibility and transparency of their financial results.

On 6 August 2018, SID, together with CPA Australia and CGIO, launched the results of the 2018 SGTI. Over 300 directors and senior management of companies converged at the Marina Mandarin Singapore for the session titled “Corporate Governance in the Future Economy”.

The forum presented the findings of the 2018 SGTI report which covered a total of 632 Singapore-listed companies including REITs and Business Trusts that released their annual reports by 31 May 2018.

The event also served as a platform for the announcement of the revised Code of Corporate Governance 2018, which the MAS had issued that morning, having considered and accepted all the recommendations of the Corporate Governance Council.



### Companies recognised for governance and transparency



# AWARDS

SID recognises achievements in good corporate governance through the presentation of awards that seek to acknowledge and honour companies that uphold best practices in the industry.

SID is a key organiser of the prestigious Singapore Corporate Awards. This year, it continued with the second Singapore Sustainability Reporting Awards, in collaboration with EY, and supported by SGX and Global Compact Network Singapore (GCNS).

## **Singapore Corporate Awards**

The Singapore Corporate Awards which is jointly organised by SID, ISCA and *The Business Times* celebrated its 13th year. One of the most prestigious events in Singapore's corporate calendar, the Singapore Corporate Awards recognises the best in corporate governance among listed companies in Singapore.

The black-tie gala dinner was held on 18 July 2018 at the Sentosa Resorts World Convention Centre, with Mr Ng Chee Meng, Minister, Prime Minister's Office as the guest of honour.



*Welcome from the organisers*

Of the five main awards, SID administers the Best Managed Board Award, Best CEO Award and the Best Investor Relations Award. The other two categories, the Best CFO Award and Best Annual Report Award, are managed by ISCA.

This year, a Special Recognition Award was presented to the DBS Group for its all-round excellence in corporate governance. It was specially commended for being the first company to win the top award in each of the five sets of Singapore Corporate Awards in a five-year period.

## **Singapore Corporate Award Winners 2018**





	Market Cap \$1b and above	Market Cap \$300m to under \$1b	Market Cap under \$300m	REITs & Business Trusts	Newly Listed Companies
<b>Best Managed Board Award</b>					
Gold	SATS Ltd	Centurion Corporation Limited	Japan Foods Holding Limited		
Silver	CapitaLand Limited	AEM Holdings Limited	Dynamic Colours Limited		
Bronze	United Overseas Bank Limited	Tuan Sing Holdings Limited	Megachem Limited		
<b>Best CEO Award</b>	Alexander Hungate, SATS Ltd	Melvin Teo, Yeo Hiap Seng Limited	Christopher Borch, Micro-Mechanics (Holdings) Ltd		
<b>Best Investor Relations Award</b>					
Gold	China Aviation Oil (Singapore) Corporation Ltd	Centurion Corporation Limited	Grand Banks Yachts Limited	Ascendas India Trust	
Silver	Frasers Property Limited	Hotel Royal Ltd	iFast Corporation Ltd	CapitaLand Mall Trust Management Limited	
Bronze	ComfortDelgro Corporation Limited	Tuan Sing Holdings Limited	Telechoice International Limited	Cache Logistics Trust	
Merit					APAC Realty Limited





### **Winners of the SSRA with Minister Indranee Rajah**

#### **The Singapore Sustainability Reporting Awards**

SID organised the second Singapore Sustainability Reporting Awards (SSRA) in collaboration with EY, and with the support of SGX and GCNS.

Nominations were called for in the first half of the year, and evaluated by a panel of independent judges. Sustainability reports were assessed for their quality of presentation and information disclosed. The key areas, as set out in the SGX sustainability reporting guide and rules, include material environmental, social and governance factors, sustainability policies, practices and performance.



Ms Indranee Rajah, Minister in the Prime Minister's Office, Second Minister for Finance and Education presented the trophies to the winners at the SID Directors Conference 2018.

The winners in the three categories were:

- Best Inaugural Sustainability Report (Catalist): LHN Limited.
- Best Inaugural Sustainability Report (Mainboard): Sheng Siong Group Limited.
- Best Sustainability Report for Established Reporters (Mainboard and Catalist): Olam International Limited.

From 2019, the SSRA will form part of the Singapore Apex Corporate Sustainability Awards, organised by GCNS and supported by SID.

#### **Singapore Chief Legal Officer Awards**

SID was a supporting organisation for the Singapore Chief Legal Officer Awards organised by the Singapore Corporate Counsel Association (SCCA), the national association for in-house lawyers. Four SID Council members were on the independent judging panel for the 2017 Awards which seek to recognise the contribution of chief legal officers to the work of their board of directors and senior management team in their organisations.

# MEMBER ENGAGEMENT



**AC Chapter Pit-Stop Series**

As a membership organisation, SID seeks to address the needs of directors including community support, director appointments, networking and socials. Some of SID's outreach activities and member engagement events are covered below.

## Board Appointment Services

The SID Board Appointment Service was enhanced to help organisations search more effectively for director candidates from among SID members.

In the past year, SID reached out to companies to promote the opportunities and benefits of independent director searches, successfully placing its members in a range of organisations. SID's Board Appointment Service covers local and international organisations, as well as startups and nonprofit organisations.

The screenshot shows the SID logo at the top left, followed by the title "Board Post". Below the title, there is a brief description of the service: "Board Post is a service for SID members. Board positions, as and when available, at commercial or nonprofit organisations will be communicated to SID members through this service. However, you may unsubscribe from this service if you do not wish to receive future notices of Board Post – please see the link below." A red horizontal bar follows, containing the date "Board Post 2018-08-01, 1 August 2018". The main content area contains a job listing for a regional financial services provider, detailing the company's operations and the required skills for the director position. It also includes a list of application instructions and contact information.

## Audit Committee Chapter

The AC Chapter was launched in January 2017 to help audit committees build capacity and enhance effectiveness. Since then, SID has held a series of AC pit-stops to update and train members on specific areas of particular significance to ACs (see page 9).

SID also curated and compiled a resource list of relevant SID and industry publications on AC matters, which are catalogued in the AC Chapter section of the SID website.

In May 2018, SID collaborated with SGX RegCo to connect with and offer professional support to continuing sponsors of Catalist companies, in an ongoing effort to build a stronger corporate governance ecosystem.

## Networking Socials

A number of informal sessions were organised for members to network in a more casual and relaxed setting. Expert speakers were invited to share on topics relating to special interest or lifestyle issues. Some of the sessions were:

- Members Night on 30 May 2018 drew over 60 participants to connect over snacks and drinks at the Marina Mandarin Pool Garden Pavilion. A brief presentation by LinkedIn representatives offered tips on how to create an effective and engaging online profile.
- Ladies Special Evening held on 25 July 2018 at the Crossings Café attracted over 70 participants. Panellists included four of the women directors featured in the SID publication *Women on Board – Making a Real Difference*, who were on hand to personally share about their directorship journeys.



**Annual Golf Tournament 2018**

- Tea Pairing with Mooncakes held on 13 September 2018 at Capital Tower had about 30 participants coming together to celebrate the Mid-Autumn Festival, to learn about the different types of tea to pair mooncakes with.

### In Appreciation

SID organised a Partners' Evening on 26 January 2018 at the Science Centre to appreciate organisations and sponsors for their kind support of SID's work and programmes.

The traditional Lunar New Year "lo-hei" lunch was held on 27 January 2018 to thank SID Committee members for their contributions to the Institute, and to update on SID's plans for the year.

### Golf

The SID Annual Golf Tournament was held on Sunday, 17 June 2018 at the Sentosa Golf Club. The event, in its 18th year, was graced by Mr Ng Chee Meng, Minister in the Prime Minister's Office.

Sponsorships for the annual event were fully subscribed by corporate supporters. More than 120 golfers played at the new Tanjong Course. The tournament kicked off with a luncheon and concluded with a networking dinner, a lucky draw and a prize-giving ceremony.

Congratulations to the SID Annual Golf Tournament 2018 winners:

- The CITIC Envirotech Individual Championship Cup – Boh Thai See (Champion); Ong Kim Pong (1st Runner-up); Ng Chee Meng (2nd Runner-up).
- The Maybank Team Challenge Shield – Chew Guan Sing, Goh Keat Jin, Charles Anthonny Melati and Tan Keng Wan.



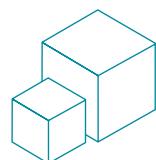
**Members' Night**

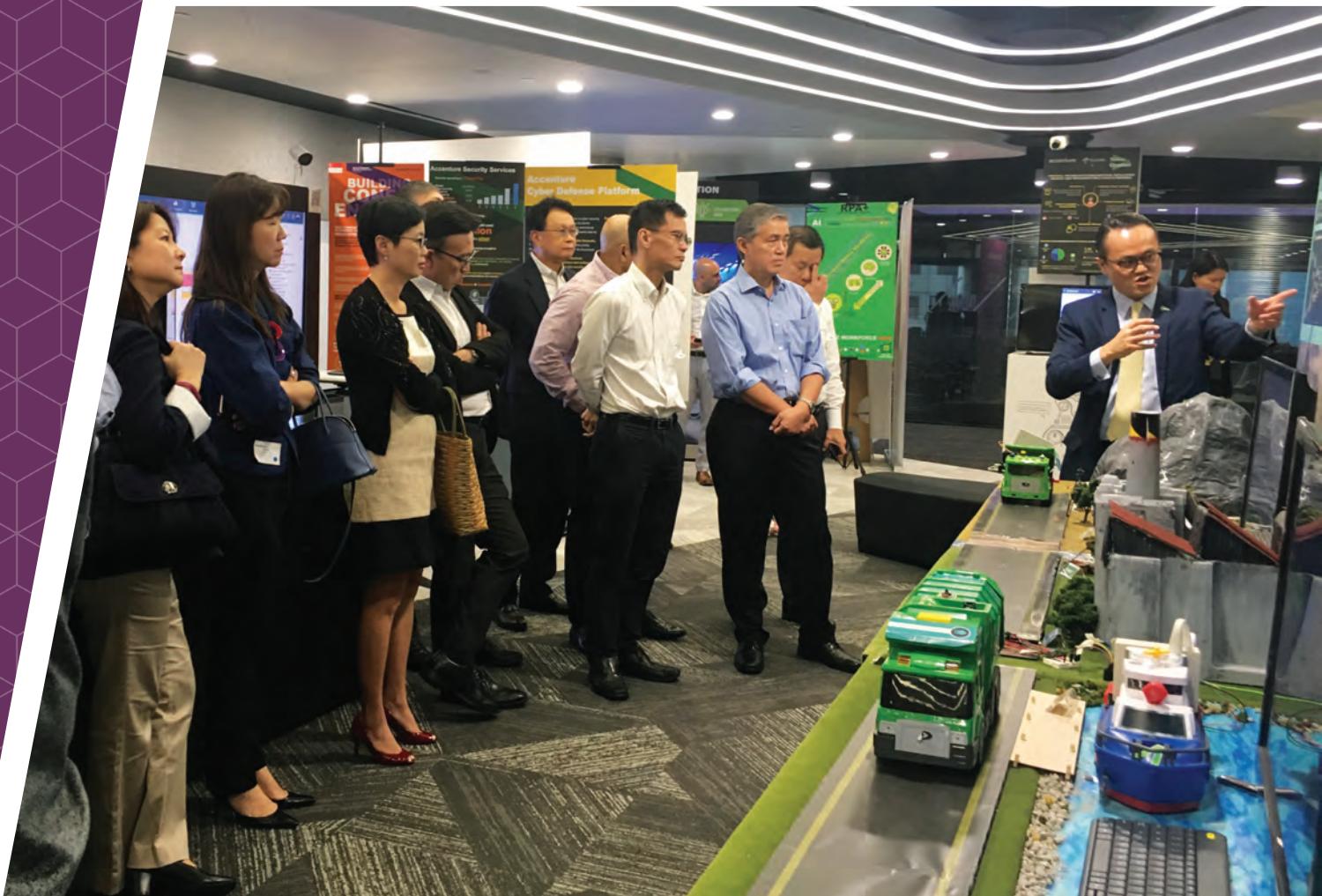


**Partners' Evening**



**Tea Pairing with Mooncakes**





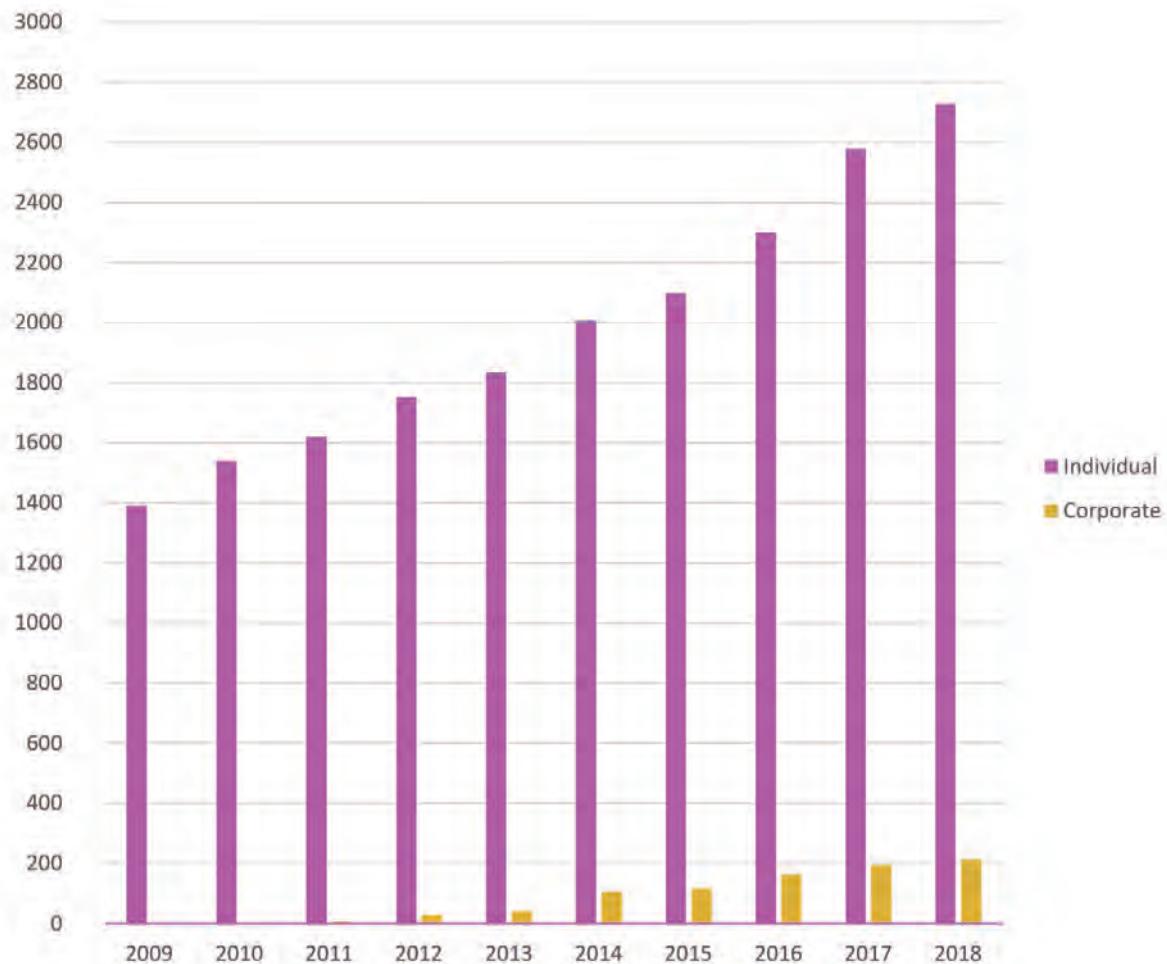
# STAKEHOLDERS

SID works closely with its members and key players of the corporate governance ecosystem, on matters related to corporate governance and directorship in Singapore.

# MEMBERS

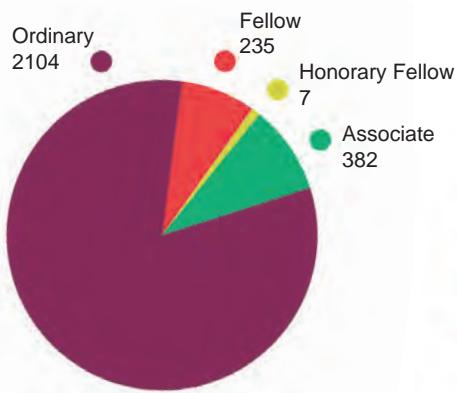
SID membership has grown by about six per cent over the past year, with 2,728 total members as at 30 June 2018. More corporates have also come on board during the year.

## Membership from 2009 to 2018

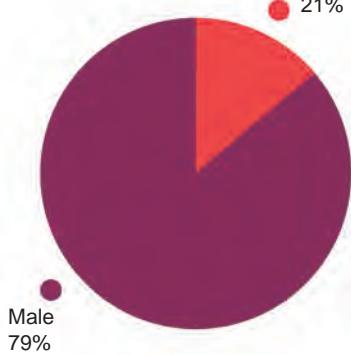


## Profile of Individual Members

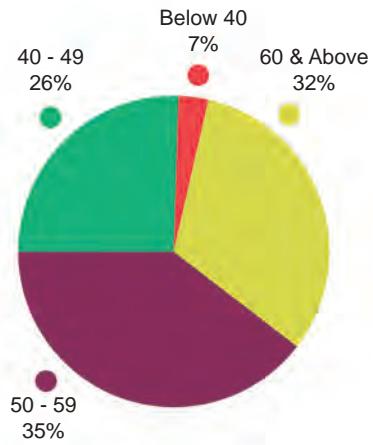
### By Category



### By Gender



### By Age Group



# PARTNERS

SID wishes to thank the many organisations for their support in the past year.

## Corporations

- ABR Holdings Ltd
- Accenture LLP
- Allen & Gledhill LLP
- Aon Singapore
- ARA Asset Management Limited
- Ascendas REIT
- Ascendas-Singbridge
- Asia Chemicals Trading Pte Ltd
- Avent Law LLC
- Bain & Company SE Asia, Inc.
- Bank Julius Baer & Co. Ltd.
- BDO LLP
- Board Accord
- BoardPAC
- Boardroom Ltd
- Bok Seng Group
- Booz Allen Hamilton International Pte Ltd.
- Borg
- CapitaLand Ltd
- CBRE Singapore
- CITIC Envirotech Ltd
- Citigate Dewe Rogerson Singapore Pte Ltd
- City Developments Ltd
- Cityneon Holdings Ltd
- CSE Global Ltd
- Daimler South East Asia Pte Ltd
- DBS Bank Ltd
- Delfi Limited
- Deloitte & Touche LLP
- Diligent APAC Board Services Pte Ltd
- Dimension Data (Singapore) Pte Ltd
- Ernst & Young LLP
- Far East Hospitality Trust
- FEO Hospitality Asset Management Pte Ltd
- Frasers Property Ltd
- Gibson, Dunn & Crutcher LLP
- Handshakes
- Harry Elias Partnership LLP
- Heidrick & Struggles

- Hewlett-Packard Enterprise
- Hock Tong Bee Pte Ltd
- Indofood Agri Resources Ltd
- Jurong Port Pte Ltd
- Keppel Corporation Ltd
- Korn Ferry
- KPMG LLP
- Lee & Lee Advocates & Solicitors
- M & S Stationery
- Malayan Banking Berhad
- McKinsey & Company
- Mercer (Singapore) Pte Ltd
- Molton Brown Asia Pte Ltd
- Morgan Lewis Stamford LLC
- Nexia TS Pte Ltd
- NTUC Fairprice Co-operative Ltd
- NTUC Income Insurance Co-Operative Ltd
- OCBC Bank
- Oliver Wyman Singapore
- Opal Lawyers LLC
- Orchard Parade Hotel
- PLG Pacific Logistics Group
- PricewaterhouseCoopers LLP
- PSA Singapore
- Rajah & Tann LLP
- Russell Reynold Associates Singapore Pte Ltd
- RSM Chio Lim LLP
- S&W Fine Foods International Ltd
- Silverlake Axis
- Sing Investments & Finance
- Singapore Airlines
- Singapore Press Holdings Ltd
- Singapore Telecommunications Ltd
- SP Telecommunications Pte Ltd
- Spencer Stuart Singapore
- StarHub Ltd
- Straits Interactive Pte Ltd
- Sunseap Group
- Tat Hong Holdings Ltd
- Toshiba Singapore Pte Ltd

- United Overseas Bank Ltd
- Universum
- V3 Group (Singapore) Pte Ltd
- Vriens & Partners
- Willis Towers Watson
- WongPartnership LLP
- Yoma Strategic Holdings Ltd

## Other Organisations

- Accounting and Corporate Regulatory Authority
- BoardAgender
- Centre For Non-Profit Leadership
- Charity Council
- COSO Academy
- CPA Australia
- Design Singapore Council
- Enterprise Singapore
- Global Compact Network Singapore
- INSEAD
- Institute of Singapore Chartered Accountants
- Investor Relations Professionals Association (Singapore)
- Monetary Authority of Singapore
- Nanyang Technological University
- National Council of Social Service
- National Silver Academy
- National University of Singapore
- Personal Data Protection Commission
- Singapore Accountancy Commission
- Singapore Exchange Ltd
- Singapore Management University
- Singapore University of Social Services
- Social Service Institute
- The Business Times
- The Institute of Internal Auditors Singapore
- World Presidents' Organisation
- Young Presidents' Organisation

# GOVERNING COUNCIL



## Willie Cheng

**Mr Willie Cheng** is a former managing partner of Accenture. Since his retirement in 2003, he has stayed involved with the business and the infocomm community. He currently sits on the boards of UOB Bank, Far East Hospitality Asset Management, and Integrated Health Information Systems, as well as several nonprofit organisations. He writes extensively on corporate governance and nonprofit matters. His nonprofit books include *Doing Good Well*, *Doing Good Great*, and *The World That Changes The World*.

Chairman

## Tham Sai Choy

**Mr Tham Sai Choy** is a chartered accountant and former chairman of KPMG in Asia Pacific. He was a member of KPMG's global board and a member of its executive committee, and at various times had led or participated in its committees charged with board nominations, executive compensation and risk management. In his 36 years of practice, he worked with many of Singapore's listed companies in their audits and on a wide range of their other needs. This included assisting them with the raising of capital in Singapore and the US, acquisitions of a variety of businesses, investigations into major corporate failures and restructuring of complex business operations. He serves on the boards of the Accounting and Corporate Regulatory Authority, Housing and Development Board, Nanyang Polytechnic and Singapore International Arbitration Centre.



Vice-Chairman



## Soh Gim Teik

**Mr Soh Gim Teik** advises corporations through his firm, Finix Corporate Advisory LLP, and has many years of experience in corporate advisory governance, finance and general management. He was previously an executive director and CFO of a listed company and has broad boardroom experience in the region. Besides being an independent director in a number of public and government-owned companies, he is also active in a number of other charitable and nonprofit organisations.

Vice-Chairman

## Gerard Tan Wee Seng

**Mr Gerard Tan Wee Seng** is a retired partner from PricewaterhouseCoopers LLP, Singapore. He holds a Bachelor of Accountancy (Hons) degree from the University of Singapore and is a Chartered Accountant of the Institute of Chartered Accountant (England and Wales). He is also a Fellow of the Institute of Singapore Chartered Accountants and Fellow of the Singapore Computer Society. He currently serves on the boards and committees of companies and not-for-profit organisations. He was also on the panel of judges on the Singapore Corporate Awards, Investor Relations Award and Best CFO Award, and an instructor on the ACRA-SID Directors Compliance Programme (Finance Module).



Treasurer



## Ramlee Bin Buang

**Mr Ramlee Bin Buang** is a life and executive coach, a consultant and an independent director. He has more than 35 years of experience in international business and finance, having worked in audit and led multinational corporations from various industries. Mr Ramlee is a member of the Chartered Association of Certified Accountants (UK), CPA (Australia) and a non-practising member of the Institute of Singapore Chartered Accountants. He also holds a graduate diploma in Marketing and attended the Harvard Business School Advanced Management Program in 2011. He is a certified professional co-active coach with the Coaches Training Institute and an associated certified coach with International Coaching Federation. He serves on the board of various charities and companies in Singapore.

Member



## Robert Chew

**Mr Robert Chew** is a managing partner of iGlobe Partners, a technology VC firm, and serves on the boards of Anacle Ltd and StreetSine Pte Ltd. He is also a board member of National Healthcare Group, Integrated Health Information Systems, Shared Services for Charities, and the National Council of Social Service. Mr Chew was a former partner of Accenture. He is a Fellow of the Singapore Computer Society (SCS) and was awarded SCS's IT Leader of the Year in 2009. He chairs the Standards Council. For his contribution to public service, he was conferred the Public Service Medal (PBM) in 2013 and Public Service Star (BBM) in 2017.

Member



## Wilson Chew

**Dr Wilson Chew** is partner at PricewaterhouseCoopers in Singapore. He leads the strategy team in the Entrepreneurial and Private Clients practice of the firm. Dr Chew served on the board of Swee Hong Limited, and continues to serve the boards of SID and The National Arthritis Foundation. He is an adviser for the Wharton-SMU-IBM Business and Industry Insight Programme and lectures at the University's Lien Centre for Social Innovation. He was awarded the Asia Brand Leadership Award for his outstanding contribution to the applied knowledge of brand strategy in management science. Dr Chew has authored three books and holds a Doctorate in Business Administration from the University of South Australia, an MBA from the University of Strathclyde Graduate Business School, an Executive Diploma In Directorship from SMU/SID and graduated from the Corporate Board Leadership programme at Harvard Business School.

Member



## Ferdinand de Bakker

**Mr Ferdinand de Bakker** is chairman of Cognac Grospperrin in France. He is managing director of La Croisette, a boutique consulting firm in Singapore, and a part-time lecturer and supervisor at NTU's Wee Kim Wee School of Communication and Information. He serves on boards and/or committees of various nonprofits, including the Singapore Chinese Orchestra, Ding Yi Music Company and Passerelles Numériques. He had a two decades-long career at the international public relations firm of Burson-Marsteller as country manager and later CEO of its European and Asia-Pacific operations. He has written extensively for various publications on education, corporate communication and lifestyle matters in The Netherlands, the UK, France and Singapore.

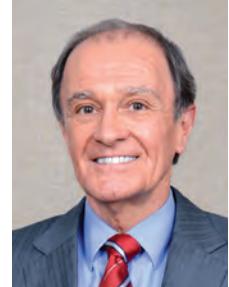
Member



## Junie Foo

**Ms Junie Foo** is group executive director at Methodist Welfare Services. A champion of women advancing into senior leadership roles, she views a focus on gender diversity within organisations to be both a recipe for business success and a socially responsible measure. A co-founder and chair of BoardAgender, Ms Foo is a former president of Financial Women's Association and has held senior management positions in international banks. She is on the board of Singapore Council of Women's Organisations and a member of the SIM Governing Council (Audit Committee). She also sits on the board of the Singapore Art Museum and on the advisory council of the NUS Faculty of Arts and Social Sciences.

Member



## Philip Forrest

**Mr Philip Forrest** has lived in the ASEAN region since 1982, and in Singapore since 1991. He is a non-executive director of six (mostly Australia-linked) companies in the region. He has also served on the Council of the Singapore Business Federation, the Boards of the Australian Chamber of Commerce (former president) and the British Chamber of Commerce, the Council of the Association of Banks in Singapore and the University of Queensland's BEL Ambassador Council in Singapore (chairman). He was previously Asia Head for ANZ Bank, with responsibility for the Bank's activities in 11 countries from Japan to Indonesia. He also spent 15 years with Citibank in five countries.

Member



## Pauline Goh

**Ms Pauline Goh** is chief executive officer of the Singapore and South East Asia hub of CBRE Group, Inc., a Fortune 500 and S&P 500 company and the world's largest commercial real estate services and investment firm. In her 34 years with the company, she has been an important key to its success, having been involved in Singapore's record-breaking property sales and lease transactions. As CEO since 2010, Pauline has steadily built up the Southeast Asia hub, overseeing all operational, financial, legal and talent management aspects across the firm's Southeast Asia footprint. A strong believer of social and philanthropic causes, Pauline volunteers in and is director of several charities and a private philanthropic organisation.

Member



## Theresa Goh

**Ms Theresa Goh** started her career with IBM Singapore where she influenced and managed MNCs' needs for multimillion dollar technology solutions. After 10 years with IBM, she left to set up her own business to focus on leadership talent management and development. To date, she has accumulated more than 18 years of direct experience working with more than 100 corporate, SMB and private-equity clients on leadership search, transition coaching, leadership assessments and development coaching. Ms Goh is currently the Managing Founder of 360 Dynamics in Singapore and Malaysia, with ThreeSixty Partnership servicing the nonprofit sector. She is the immediate past chairman of the Centre for Non-Profit Leadership (CNPL), a board member with the Agency for Integrated Care (Ministry of Health), National Volunteer and Philanthropy Centre (NVPC) and chairman of SATA CommHealth Ltd.

Member



## Lee Chong Kwee

**Mr Lee Chong Kwee** is currently the chairman of Mapletree Logistics Trust Management Ltd. He was previously chairman of Jurong Port Pte Ltd. He started his career with Singapore Airlines and has served in Hong Kong, Japan, US and UK. He then joined the British multinational supply chain company Exel and headed the Asia-Pacific region. His current and previous board positions include listed and non-listed companies in Singapore, China, Hong Kong, India, Malaysia and the Philippines. He graduated from the University of Malaya with a degree in Mathematics and Statistics.

Member



## Lee Kim Shin

**Mr Lee Kim Shin** is the managing partner of Allen & Gledhill LLP. He re-joined Allen & Gledhill in March 2015 after having served as a Judicial Commissioner of the Singapore High Court for a year. Mr Lee was appointed Senior Counsel in 2015. Before his appointment to the bench in January 2014, he was with Allen & Gledhill for more than 20 years and was managing partner between August 2012 and December 2013. His areas of practice encompass mergers and acquisitions and general corporate advice. He sits on the board of directors of Singapore Airlines Ltd, is a member of the governing board of the Duke-NUS Medical School Singapore, and of the main committee of the Yellow Ribbon Fund.

Member



## Lee Suan Hiang

**Mr Lee Suan Hiang** has had a varied career in public service as deputy managing director of Economic Development Board and CEO of SPRING Singapore, National Productivity Board, Singapore Institute of Standards and Industrial Research and National Arts Council. He was also chairman of PSB Corporation; and deputy chairman of Old Parliament House Ltd and International Federation of Arts Councils and Cultural Agencies. He is currently president of EDB Society; chairman of Anacle Systems, Global Cultural Alliance and Arts Fund Committee; and an independent director of several listed companies. Mr Lee was awarded the National Day Public Administration Gold Medal, World Academy of Productivity Science Award, World SME Association Award, JETRO Award (Japan), Chevalier de l'Ordre des Arts et Lettres (France) and NTUC Friend of Labour Award.

Member



## Ng Wai King

**Mr Ng Wai King** is the managing partner of WongPartnership. His experience focuses on M&A and private equity. He has worked on a number of high profile and complex transactions in Singapore and across the region including the privatisation of GLP by the Nesta consortium (the largest M&A transaction in Singapore), Temasek's privatisation of SMRT, MUFG's acquisition of Bank Danamon, Walmart's acquisition of Flipkart in India, KKR's acquisition of Goodpack, Unisteel and MMI; the merger between JTC and Temasek of four operating subsidiaries, and TCC and Thai Beverage's successful takeover of F&N. He graduated from the National University of Singapore where he was awarded the AV Winslow Prize, and obtained a LLM from Columbia University School of Law where he graduated as a Harlan Fiske Stone Scholar.

Member



## Poh Mui Hoon

**Ms Poh Mui Hoon** is an experienced director on boards of both for-profit and nonprofit organisations. Ms Poh's executive career over the years has spanned various industry sectors with a strong technology and digital focus. She is currently a board member of Singapore Pools, SISTIC and SATA CommHealth. She is also part of the NTUitive Pte Ltd's Investment Committee for the Strategic Research Innovation to evaluate innovative technology ideas. Ms Poh was conferred the Distinguished Alumni Achievement Award by the Institute of Systems Science, NUS, in 2011 and is currently a Fellow of both the Singapore Institute of Directors and Singapore Computer Society.

Member

## Tan Boon Gin



Member

**Mr Tan Boon Gin** joined SGX as Chief Regulatory Officer on 15 June 2015. He now heads Singapore Exchange Regulation, an independent regulatory subsidiary of SGX, which undertakes all frontline regulatory functions to promote a fair, orderly and transparent market. Before joining SGX, Mr Tan was the Director of the Commercial Affairs Department of the Singapore Police Force. Prior to this, Mr Tan held several appointments at the Monetary Authority of Singapore, including Director of the Enforcement Division, the Corporate Finance Division and Executive Director of the Investment Intermediaries Department. Mr Tan is an advocate and solicitor and holds degrees from the University of Cambridge and Harvard Law School. Mr Tan was also awarded the Public Administration (Silver) Medal in 2010.



## Tan Yen Yen

**Ms Tan Yen Yen** is president, Asia Pacific, Vodafone Global Enterprise. Prior to joining Vodafone, she was regional vice president and managing director of Asia Pacific (South) for SAS Institute. She is currently the chairman of Singapore Science Centre, director of Singapore Press Holdings, Gemalto NV, ams AG, Cap Vista and adviser mentor of TNF Ventures. She was appointed as Justice of the Peace in Singapore by Singapore's President in 2018. She was also awarded the "Most Inspiring Women" by *Women's Weekly* Great Women of our Time Awards in 2009, the 7th International Management Action Award in 2010, the "IT Leader of the Year Award" in 2011 by the Singapore Computer Society and Top 10 women in The Peak's 2015 Power List.

Member

## Wong Su-Yen



Member

**Ms Wong Su-Yen** serves on the boards of several public, private, and not-for-profit organisations, and chairs or is a member of various Nominating, Remuneration, and Audit Committees. She is chairperson, Nera Telecommunications, and a director at MediaCorp, Yoma Strategic Holdings, and NTUC First Campus. Ms Wong brings experience in business strategy, human capital development, organisation transformation, and risk management across North America and Asia. She is the only Asia-based individual named to the Financial Times' Agenda Directory of Top 100 Board Candidates With Pay-Setting Skills. She is an active member of the Young Presidents' Organization and WomenCorporateDirectors.

# EXECUTIVE STAFF



Front (left to right):

- Yang Wai Wai (Head, Communications and Research)
- Joyce Koh (Executive Director)
- Elsie Choo (Head, Professional Development & Advocacy)
- Edwin Lee (Head, Membership and Board Services)

Back (left to right):

- Pamela Yap (Professional Development)
- Sue Anne Kuek (Communications & Publications)
- Ivy Teo (Accounts & Projects)
- Florence Lum (Operations & Logistics)
- Pretheep V. Cleetus (Professional Development)
- Jemmie Yee (Membership Services)
- Cynthia Leong (Accounts & Administration)
- Ann Chong (Advocacy & Professional Development)
- Haryana Jaafar (Website & Graphic Design)

# COMMITTEES

## Programme Committees

### Membership & Growth Committee

Tham Sai Choy (Chairman)  
Kevin Chng Yih Fei  
Murphy Choy  
Junie Foo  
Juliana Gim Poh Pheng  
Theresa Goh  
Gabriel Roy Goh De En  
Balasubramaniam  
Janamanchi  
Harold Kwan  
Lee Chong Kwee  
Benedict Lim  
Linus Ng Siew Hoon  
Mahesh Rai  
Seet Chor Hoon  
Ronil Sujan  
Tonya Tan  
Jack Tan Yew Meng  
Henry Wang Xin Bin  
Sonny Yuen

### Branding and Communications Committee

Ferdinand de Bakker (Chairman)  
Chan Yu Meng  
Marleen Dieleman  
Philip Forrest  
George Kypraios  
Shirley Lam  
Shutz Lee  
Steve Manning  
Mita Natarajan  
Saw Kok Wei  
Victor Yeo  
Annabelle Yip

### Board Diversity & Appointments Committee

Junie Foo (Chairman)  
Cheng Alvin Yu-Dong  
Andrew Kwek  
Karen Loon  
Mohamed Nasser  
Max Ng Chee Weng  
Quek Peck Lim  
Aarti Sabhaney  
Dawn Tan Ly-Ru  
Wong Su-Yen

### Sustainability Committee

Robert Chew (Chairman)  
Constant Van Aerschot  
Esther An  
Ken Hickson  
Ben McCarron  
Kathryn McPhail  
Ng Chai Ngee  
PT Sreekumar  
K. Sadashiv  
Andrew Seah  
Tan Sze Yen  
Joan Yap

### Professional Development Committee 1 (Traditional)

Ramlee Buang (Chairman)  
Jamal Sheik Abdulla  
Wilson Chew  
Bill Chua Teck Huat  
Jayems Dhingra  
Shai Ganu  
Pauline Goh  
Jeremy Gwee  
Esther Huang Chuxin  
Abdul Jabbar Bin Karam Din  
June Lee  
Michael Luke  
Bernard Lui On Chee  
Neo Sing Hwee  
Kathy O'Brien  
Poh Mui Hoon  
Muneer Valappil  
Angelo Michael Venardos  
Edgar Wong Mun Wai

### Professional Development Committee 2 (Online)

Poh Mui Hoon (Chairman)  
Ramlee Buang  
Chan Leng Wai  
Willie Cheng  
Martin Garner  
Tan Yen Yen  
Engelin Teh  
Alan Zeller

### Advocacy & Research Committee

Lee Kim Shin (Chairman)  
Adrian Chan (Deputy Chairman)  
Ferdinand de Bakker  
Anthony Cheong Fook Seng  
Mark Erhart  
Eugene Kang  
Kevin Kwok  
Elaine Lim  
Edouard Merette  
Ramesh Bharani S/O K.  
Nagaratnam  
Prem Prakash  
Jon Robinson  
Sharon Sng  
Terry Wee

### Board of Directors Survey 2017 SubCommittee

Ng Wai King (Chairman)  
Ramlee Bin Buang  
Chua Wei Hwa  
Fang Eu-Lin  
Koh Wei Chern  
Jonathan Edward Ramsay  
June Sim  
Annabelle Yip

### Singapore Directorship Report 2018 Committee

Ng Wai King (Chairman)  
Sindhu Achudan  
Adrian Chan  
David Chew  
Ann Chong  
Ho Yew Kee  
Joyce Koh  
Lee Tze Ming  
Daryl Neo  
June Sim  
Kent Wilson  
Victor Yeo  
Annabelle Yip

### ASEAN CG Scorecard Committee

John Lim  
Lawrence Loh

## Task Forces & Project Committees

### Singapore Governance and Transparency Index \*

**Working Committee**  
John Lim  
Melvin Yong  
Lawrence Loh

### Advisory Panel

Wong Wei Kong  
Rachel Eng  
Loh Hoon Sun  
Low Weng Keong  
Chaly Mah

\*SGTI committee and panel is set up jointly with CGIO and CPAA

### Annual Conference Committee

Robert Chew (Chairman)  
Philip Forrest  
Chong Khee Chung  
Kwok Chui Lian  
Kevin Lee C C  
Lee Suan Hiang  
Sam Liew  
Dileep Nair  
Robin Pho  
Wong Su-Yen  
Joan Yap Sor Hwa

### Annual Golf Tournament Committee

Lee Chong Kwee (Chairman)  
Jerry Chua  
Philip Kwa  
Robin Lee  
Lim Chin Hu  
Desmond Lim Hui Teck  
Sandip Talukdar  
Tan Yen Yen  
Kevin Wong

## Audit Committee Chapter

### Committee

Soh Gim Teik (Chairman)  
Daniel Ee (Deputy Chairman)  
Adrian Chan  
Basil Chan  
Gerard Tan  
June Sim

### Education SubCommittee

Basil Chan (Chairman)  
Chua How Kiang  
Bill Chua Teck Huat  
Ng Joo Khin  
Ng Siew Quan  
Tan Yee Peng  
Julia Tay

### Publication SubCommittee

Gerard Tan (Chairman)  
El'fred Boo  
Jehu Chan  
Foo See Liang  
Kyle Lee  
Tan Peck Joo

## Infrastructure Committees

### Executive Committee

Willie Cheng (Chairman)  
Tham Sai Choy (Vice-Chair)  
Soh Gim Teik (Vice-Chair)  
Gerard Tan (Treasurer)

### Finance Committee

Gerard Tan (Chairman)  
Chua How Kiang  
Harry Heng  
Soh Kok Leong  
Wong Chee Boon

### Audit Committee

Tan Yen Yen (Chairman)  
Ramlee Bin Buang  
Soh Gim Teik  
Adrian Teng Wei Ann  
Wan Mei Kit

### Nominating & Governance Committee

Tham Sai Choy (Chairman)  
Willie Cheng  
Tan Boon Gin  
Wong Su-Yen

## Singapore Corporate Awards Committees

### Best Managed Board Award Working Committee

Willie Cheng (Chairman)  
El'fred Boo  
Ramlee Bin Buang  
Wilson Chew  
Alvin Chiang  
Chua Hsieh Wen  
Philip Forrest  
Yvonne Goh  
Genevieve Heng  
Surinder Kathpalia  
Joyce Koh  
Ku Xian Hong  
Lee Chong Kwee  
Lee Soo Chye  
Ng Siew Quan  
David Toh  
Wong Su Yen

### Best Managed Board Award Judging Panel

Tham Sai Choy (Panel Chair)  
Audrey Chin  
Robert Kennedy  
Peter Ong  
JY Pillay  
Yeoh Oon Jin

### Best CEO Award Working Committee

John Lim (Chairman)  
Fermin Diez Augusto  
Jowe Chu  
Michael Di Cicco  
Junie Foo  
Rachel Gan  
Pauline Goh  
Sophia Ha  
Joyce Koh  
Fabian Tan

### Best CEO Award Judging Panel

John Lim (Panel Chair)  
Willie Cheng  
Chua Sock Koong  
Daniel Cullen  
Ng Lang  
Kelvin Tan  
Tham Sai Choy

### Best IR Award Working Committee

Lee Suan Hiang (Co-Chair)  
Lee Su Shyan (Co-Chair)  
Akhil Bheda  
Scott Clements  
Clemence Delion  
Joyce Koh  
Gerard Tan  
Sharon Yeoh  
Zhou Tai Sheng

### Best IR Award Judging Panel

Lee Suan Hiang (Panel Co-Chair)  
Lee Su Shyan (Panel Co-Chair)  
Willie Cheng  
Ho Meng Kit  
Loh Uantchern  
Jeannie Ong  
Vishal Sharma  
Tham Sai Choy  
Tracey Woon

## Corporate Governance Guides Committees (2018 Edition)

### Steering Committee

ACRA Ong Khiaw Hong  
MAS Ng Yao Loong  
SGX Lee Boon Ngiap  
Phua Wee Ling  
SID Tan Boon Gin  
June Sim  
Willie Cheng

### Programme Management and Editorial Team

ACRA Andrew Abraham  
Bong Yap Kim  
Nicholas Ngoh  
Wong Kee Wei  
MAS Chen Yiyi  
Mok Pei Hong  
Pratyusha Mukherjee  
SGX Au Yeong Yeen Seen  
Clare Lim Suqing  
Siew Wun Mui  
SID Joyce Koh  
Yang Wai Wai  
Haryana Jaafar

### Board Guide Review Panel

Yeoh Oon Jin (Chairman)  
Gautam Banerjee  
Daniel Ee  
Robert Gordon  
Michael Gray  
JY Pillay  
Walter Woon

### Board Guide Working Committee

Ng Siew Quan (Lead)  
Alvin Chiang  
Chua Hsieh Wen  
Christine Chan (Legal)  
Jason Chan (Legal)  
Margaret Chew (Legal)  
Soo Seong Theng (Legal)  
Aaron Wham (Legal)  
Elizabeth Wong (Legal)

### Audit Committee Guide Review Panel

Willie Cheng (Chairman)  
Adrian Chan  
Yvonne Goh  
Hans Koopmans  
Lim How Teck  
John Lim  
Irving Low  
Ng Siew Quan

### Audit Committee Working Committee

Gerard Tan (Lead)  
Sanjoy Banerjee  
Chua Hsieh Wen

### Board Risk Committee Guide Review Panel

Tham Sai Choy (Chairman)  
Robert Chew  
Philip Forrest  
Nicholas Hadow  
Ho Yew Kee  
Soh Gim Teik  
Tan Chin Hwee  
Wong Meng Meng  
Yap Chee Keong

### Board Risk Committee Guide Working Committee

Irving Low (Lead)  
Amanda Chew  
Jonathan Jong  
Tea Wei Li  
Charlotte Venet  
Emilie Williams

### Nominating Committee Guide Review Panel

Max Loh (Chairman)  
Kala Anandarajah  
Gerard Chai  
Junie Foo  
Yvonne Goh  
Lee Chong Kwee  
Elaine Yew

### Nominating Committee Guide Working Committee

Neo Sing Hwee (Lead)  
Jo Tay Ye Chain

### Remuneration Committee Guide Review Panel

Wong Su-Yen (Chairman)  
Christopher Bennett  
Ramlee Bin Buang  
Rachel Eng  
Simon Israel  
Lee Kim Shin  
John Lim  
Jean-Francois Manzoni

### Remuneration Committee Guide Working Committee

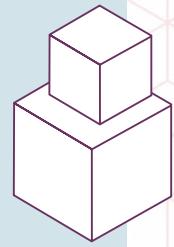
Nishant Mahajan (Lead)  
Sandra Tam  
Soo Seong Theng (Legal)  
Yap Lune Teng (Legal)

### eGuide to the CG Code Review Panel

Chaly Mah (Chairman)  
Adrian Chan  
Elaine Lim  
Lim How Teck  
Ong Boon Hwee  
Jon Robinson  
Gerard Tan  
Malini Vaidya

### eGuide to the CG Code Working Committee

David Chew (Lead)  
Goh Wei Leong  
Hsu Man Pin





# CORPORATE GOVERNANCE REPORT

SID has established the SID Code of Governance to articulate and communicate the governance standards and best practices that it wishes to uphold. This report describes its compliance with the SID Code.

# CORPORATE GOVERNANCE REPORT

(For the period 1 October 2017 to 30 September 2018)

As a body promoting excellence in corporate governance practices, the Singapore Institute of Directors ("SID" or "Institute") is committed to practising the highest standards of good governance.

Toward this end, SID developed an SID Code of Governance (SID Code) in 2013 recognising its unique nature as a nonprofit organisation focused on corporate governance practices of commercial companies (listed and private) as well as that of nonprofit organisations.

The SID Code is drawn from the principles and guidelines contained in the Code of Corporate Governance issued by the Monetary Authority of Singapore and the Code of Governance for Charities issued by the Commissioner of Charities. A copy of the SID Code is provided on its website.

This report sets out the SID Governing Council's assessment of its compliance with the SID Code.

## 1. Governing Council

**Principle: SID is governed by a volunteer Governing Council, which is elected from among the members in accordance with its Memorandum and Articles of Association. As the highest policy and decision-making body of the SID, the Council has the responsibility of ensuring that SID is governed and managed responsibly and prudently to ensure its effectiveness, credibility and sustainability.**

### Role of the Governing Council

SID is governed by a volunteer Governing Council ("Council"), which currently comprises 20 members, of whom 16 are elected and four are co-opted.

In addition, John Lim, SID's Immediate Past Chairman, has made himself available to advise and support the Council. The Council invites him to attend its meetings and he represents SID in international and other matters as deemed appropriate by the Chairman and the Council.

The Council members and their individual profiles are shown on pages 34 to 38 of the Annual Report.

The role of the Council is to direct the affairs of the Institute and ensure its long-term success. The Council works with the Secretariat to achieve this objective.

The Council has also set up 19 Committees to assist it in the execution of its functions and to oversee specific programmes of the Institute.

### Composition of Council

To discharge its responsibilities, the Council membership must be effective. The Nominating and Governance Committee and the Council seek to ensure appropriate renewal of a balanced and diverse Council that reflects the various facets of its membership and with a mix of skills, background and experiences to lead and control the Institute.

The current group of 20 Council members covers the following dimensions:

- Ten members or 50 per cent are practising directors (they are non-executives who function mainly as independent directors).
- Five members or 25 per cent are from the major professions (law, public accounting, investor relations/PR, search/HR) with not more than two from each profession.
- The rest are executives (as well as directors) from a variety of industry backgrounds including government, banking, technology, property and retail.
- Six members or 30 per cent are female.
- Three members or 15 per cent are ethnic minorities.

### Renewal of Council

Since 2012, specific efforts have been made to renew the Council. Term limits were introduced in the SID Constitution in October 2012.

At the AGM of November 2017, eight Council members were elected/re-elected, while three Council members stepped down without seeking election/re-election. Two first-time Council members were subsequently co-opted into the Council after the AGM. At the AGM of November 2018, at least six Council members are expected to step down, but some will be standing for election/re-election.

Since 2013, the Council had introduced an enhanced nomination process for the identification of candidates for the Council. The process entails SID sending out a circular to all members in July of each calendar year, calling for interested candidates for Council and Committees. Existing Council members will meet with interested candidates to share the expectations and requirements for being on the Council and Committees. Most of these candidates will join the Committees, while a few might stand for election. This process reduces the tension and risks that arise from unknown candidates who appear only at the AGM.

The Council has continued with the enhanced nomination process in 2018, and a total of 49 new members volunteered to join the Committees and Council.

### **Committees**

With limited executive staff, the Council has set up the following Committees and Subcommittees to assist with the governance and programmes of SID:

#### **Infrastructural Committees**

1. Audit Committee
2. Executive Committee
3. Finance Committee
4. Nominating and Governance Committee

#### **Programme Committees**

1. Advocacy and Research Committee
2. Singapore Directorship Report 2018 Committee
3. Board of Directors Survey 2017 Committee

4. Sustainability Committee
5. Membership and Growth Committee
6. Professional Development Committee 1 (Traditional)
7. Professional Development Committee 2 (Online)
8. Branding and Communications Committee
9. Board Diversity and Appointments Committee

#### **Ad Hoc Committees/Task Forces**

1. Annual Conference Committee
2. Annual Golf Tournament Committee
3. Singapore Corporate Awards
  - Best CEO Award Working Committee
  - Best CEO Award Judging Panel
  - Best Managed Board Award Working Committee
  - Best Managed Board Award Judging Panel
  - Best IR Award Working Committee
  - Best IR Award Judging Panel
4. CG Guides Committees
  - Steering Committee
  - Programme Management Team
  - Board Guide Working Committee
  - Board Guide Review Panel
  - Audit Committee Guide Working Committee
  - Audit Committee Review Panel
  - Board Risk Committee Guide Working Committee
  - Board Risk Committee Guide Review Panel
  - Nominating Committee Guide Working Committee
  - Nominating Committee Guide Review Panel
  - Remuneration Committee Guide Working Committee
  - Remuneration Committee Guide Review Panel
  - e-Guide to CG Code Working Committee
  - e-Guide to CG Code Review Panel

## 5. ASEAN CG Scorecard Committee

## 6. SGTI Committee

- Working Committee
- Advisory Panel

Each Committee has a defined set of terms of reference that is approved by the Council. Members of the Committees are renewed every year. The main committees are chaired by a Council member, and its members comprise other Council members and volunteers. These Committees collectively mobilise about 160 individuals in addition to the existing Council members.

### **Secretariat**

The affairs of SID are managed on a day-to-day basis by a team of 14, headed by the Executive Director.

The Secretariat is fully accountable to the Council.

Human resource matters relating to the staff are handled by the Executive Committee.

## **2. Disclosure And Transparency**

**Principle:** As SID is a membership body that promotes excellence in corporate governance, the Institute and the Council shall be exemplary in matters of corporate governance. SID shall be transparent in its affairs and provide proper disclosure of its structure, operations, programmes, activities, performance and finances to its members and the corporate community at large. Clear policies and procedures shall be set to declare, prevent and address conflicts of interest that could affect the integrity, fairness and accountability of SID.

### **Council Functioning**

An SID Governing Council Handbook was developed and approved by the Council in 2014. Updates are approved by the Council at its meetings.

The Handbook sets out policies, guidelines and practices of the Council. It serves as a guide to existing Council members and to orientate new Council members.

### **Council Service**

The expectations of Council members are set out in its Handbook and communicated to potential Council members. Among the expectations is the

emphasis that membership of the Council is a service that includes:

- Volunteering of time on the part of the Council members to the cause of SID.
- No financial reward for Council members' involvement in SID.
- No reimbursement for Council members' overseas travel by SID.
- Putting SID's interest above their vested interest.
- Representation of SID in the community.

### **Independence**

All Council members are non-executive. None of them are related to each other or to the Secretariat.

None of the Council members receive any remuneration for their time spent on SID matters.

The Executive Director and secretariat staff attend Council meetings as ex-officio to take minutes and provide information, but they do not take part in the decision making of the Council.

### **Conflicts of Interest**

The SID Governing Council Handbook documents clear policies to deal with conflicts of interest.

All Council members provide their disclosure of interests in other organisations in which they are directors or have control over when they were first appointed and when updates occur. Disclosures are provided in the Council Meeting Packs.

Should conflicts of interest arise during Council deliberations, these are declared and, as appropriate, the members will recuse themselves.

Where the employers of Council members are involved with the provision of services to the Institute during the year, these have been on a pro bono basis.

### **Council Meetings**

Council meetings are held once every two months. The quorum for Council meetings has been fixed by the Council to be half of the number of members. Executive Committee meetings are generally held in the alternate months during which Council meetings are not held.

Other Committee meetings are held as needed.

Most Committees hold their meetings on a bi-monthly basis. The quorum for Committee meetings is three members.

In general, the Council and Committees seek to operate by consensus, although the constitution provides for voting by a majority of the members present.

Council meetings for the year have generally been well attended:

**Table 1. Attendance of Council Meetings<sup>1</sup>**

Name of Director	Council Meetings Attended	Council Meetings Held <sup>2</sup>	Comments
• Willie Cheng Jue Hiang	6	6	
• Tham Sai Choy	5	6	Joined Council on 20 Nov 2017
• Soh Gim Teik	4	6	
• Gerard Tan Wee Seng	4	6	
• Ramlee Bin Buang	4	6	
• Robert Chew	4	6	
• Wilson Chew Huat Chye	5	6	
• Junie Foo Kwee Joen	5	6	
• Philip William Forrest	5	6	
• Pauline Goh	6	6	
• Lee Chong Kwee	6	6	
• Lee Kim Shin	5	6	
• Lee Suan Hiang	4	6	
• Ng Wai King	4	6	
• Poh Mui Hoon	6	6	
• Tan Boon Gin	5	6	
• Tan Yen Yen	1	6	
• Wong Su Yen	5	6	
• Ferdinand De Bakker	5	5	Joined Council on 1 December 2017
• Theresa Goh Cheng Keow	4	5	Joined Council on 1 December 2017
• Daniel Ee Hock Huat	0	1	Retired from Council on 20 Nov 2017
• Irving Low Chee Whay	0	1	Retired from Council on 20 Nov 2017
• Andy Tan Chye Guan	0	1	Retired from Council on 20 Nov 2017

<sup>1</sup> Council meetings are for the period 1 October 2017 to 30 September 2018.

<sup>2</sup> Denotes the number of Council meetings held during the Council member's term of office (within the period 1 October 2017 to 30 September 2018).

Minutes are kept for all Council meetings, and either Minutes or Notes of Meetings are kept for all Committee meetings. All Minutes and Notes of Meetings are circulated to all who are present,

and also to Council members, as part of the Council Meeting Pack provided at each Council meeting.

Meeting papers are generally provided in electronic form for efficiency and sustainability.

### Council Induction

The Executive Director conducts a two-hour orientation session on SID for all new Council members.

### Council Evaluation

The Nominating and Governance Committee conducts a self-evaluation survey of the Council.

In late 2017, Board Accord, an independent corporate governance advisory firm, undertook the Council evaluation on a pro-bono basis. The evaluation survey comprised two sets of questionnaires: self- and peer-evaluation of Council members, and evaluation of the SID Council (as a whole) and individual Committees. The survey entailed Board Accord holding one-on-one sessions with each council member. The findings were reviewed by the Nominating and Governance Committee, and presented at the Council retreat held on 22 and 23 September 2017.

## 3. Strategy Implementation

**Principle: SID is set up to accomplish the objectives set out in its constitution for the benefit of the corporate community in Singapore. The mission and vision of SID shall be clearly articulated and the strategies and actions carefully thought out, planned and implemented.**

### Mission and Vision

The mission and vision of SID as established at its 2012 Council retreat are:

**Mission:** To foster good governance and ethics in corporate leadership.

**Vision:** To be the national organisation advancing the highest levels of ethical values, governance, and professional development of directors.

### Strategic Planning

SID held a two-day retreat on 22 and 23 September 2017 to review strategy, focus and work priorities for the next 15 months. The session was facilitated by Robert Gordon of Board Accord, together with

SID Council members, Robert Chew and Wilson Chew.

### **Programme Management**

The detailed work of the Institute is largely undertaken through the various Committees and the Secretariat.

The incoming Council approves the terms of reference for each Committee, its key objectives and work plan for the year.

At every Council meeting, updates are provided on Committees' work plans and key outcomes.

## **4. Human Resource Management**

**Principle:** Human resources is a critical asset of SID. A pool of paid staff and volunteers from the corporate community define and implement its plans, manage its operations and deliver its programmes. Appropriate human resource policies shall be put in place for each of these groups of resources.

### **Human Resource Policy**

The Institute has established a *Human Resource Manual* that contains policies and processes for paid staff and contract workers. The manual covers recruitment, remuneration, benefits, training, development actions and performance appraisal.

### **Recruitment**

The recruitment of the Executive Director is made by the Executive Committee. All other hires are done by the Executive Director, and where appropriate, with oversight and endorsement by the relevant Committee Chairman.

### **Staff Evaluation and Compensation**

Staff appraisals are conducted for all staff by the Executive Director. The appraisal of the Executive Director is conducted by the Chairman.

The level of staff compensation is modest, and is generally in line with that of a nonprofit organisation. Annual staff bonuses and increments are aligned with that of industry and the civil service.

No staff is involved with the setting of his or her remuneration.

### **Volunteer Management**

The majority of volunteers are Council and Committee members. Guidelines exist for how Council and Committee members should conduct themselves. SID also has a volunteer policy that sets out the courses and events that SID Council and committee members can attend on a complimentary basis.

SID expresses its appreciation to volunteers and partner organisations with corporate gifts of SID, publications and souvenirs, and over a Lunar New Year "lo-hei" lunch.

## **5. Financial Management**

**Principle:** As an organisation that provides services for the good of its members and the corporate community, and having membership subscriptions, corporate sponsorships and grants as its sources of income, SID shall establish sound financial management and regulatory compliance practices to ensure accountability and legitimacy in the use of its resources.

### **Budget Planning and Monitoring**

The Secretariat prepares an annual budget with oversight by the Finance Committee and this is submitted to the Council for approval. As a not-for profit organisation, the focus of the Council is for a breakeven budget, especially at this present stage where investments in staff and infrastructure are needed to take SID to the next stage.

Monthly financial reports are prepared by the Secretariat and reviewed by the Finance Committee and Audit Committee at their meetings, and submitted for information to the Council at its meetings. Financial reports provide an analysis of actuals against budgets and the previous year.

### **Audit**

The Audit Committee reviews the most recent monthly and annual financial statements of the SID at its meetings, and recommends these for adoption by the Council. It also receives, reviews and follows up on the findings of the External Auditor that usually includes a management letter that sets out the areas for improvement in internal controls.

The external auditor of SID is BDO. The external auditor attends most meetings of the Audit Committee.

#### **Internal Controls**

Deloitte performed a pro-bono internal audit review of SID in July this year. The initial findings were presented to the Audit Committee in September 2018.

#### **Fundraising**

Apart from membership fees and revenue from its education courses, SID's main form of fundraising has been through sponsorship of its events, especially the SID Directors Conference and SID Golf Tournament. Corporate sponsors are appropriately recognised in the event collaterals.

## **6. Stakeholder Communications**

**Principle: SID provides important services to its members and the corporate community. It therefore needs to communicate its mission, programmes and activities, and performance to key stakeholders and respond readily to request for information.**

#### **Image**

SID adopts a proactive approach on projecting and maintaining its image. It refreshes its collaterals based on the Visual Branding Guide developed in 2014. SID launched its new website and membership system in February 2017.

SID's Annual Report has been formatted to provide information similar to those provided by listed companies.

From 2014, SID, together with Institute of Singapore Chartered Accountants, joined The Business Times to organise the Singapore Corporate Awards that seeks to celebrate the best in corporate governance. The elevation of SID as a co-organiser of one of the most prestigious corporate social highlights of the year should enhance SID's standing in the corporate community. In 2018, SID, in collaboration with EY and supported by SGX and GCNS, organised the second Singapore Sustainability Reporting Awards.

SID's standing is further strengthened with its appointment as the Domestic Ranking Body for Singapore together with CGIO, NUS Business School, for the ASEAN Scorecard initiative, and its partnership with CGIO and CPA Australia, on the Singapore Governance and Transparency Index.

SID's publications and resources, such as the *CG Guides for Boards in Singapore* and *Women on Board* have enhanced SID's position on corporate governance in Singapore.

#### **Media**

SID has sought to be responsive to the media and maintain a media presence.

A team comprising the Council Chairman, Chairman of Advocacy and Research Committee, and Executive Director seeks to respond immediately to media queries. Press releases are issued for major SID events and happenings.

SID's column, "Boardroom Matters", in *The Business Times* and its financial portal, *BTInvest*, shares perspectives and thought leadership on directorship and corporate governance matters. The articles are written by SID Council and Committee members, and edited and cleared by a rigorous internal process.

#### **Members**

SID sends weekly and ad-hoc circulars to its members which set out the upcoming professional development and other offerings.

The *SID Directors Bulletin* has a section specific to members.

Networking member evenings are usually held on a quarterly basis.

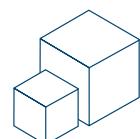
SID's activities, while generally open to the corporate community, are usually offered to members at a discount when there is a fee charged.

## **7. Code of Conduct**

**Principle: SID members shall function as corporate directors with integrity and care in the interest of their corporations. SID Council members additionally shall act in the best interest of the Institute.**

SID has a Directors' Code of Professional Conduct by which it expects its members to comply with when discharging their duties as directors.

The Council has established guidelines on the process for dealing with complaints against specific members.





# FINANCIAL REPORT

The institute seeks to manage its financials on a prudent basis. SID's financial resources have grown in tandem with the increased scale of our activities.

● Directors' Statement	53
● Independent Auditor's Report	55
● Statement of Financial Position	58
● Statement of Comprehensive Income	59
● Statement of Changes in Accumulated Surplus	60
● Statement of Cash Flows	61
● Notes to Financial Statements	62



# Directors' Statement

The Directors of the Singapore Institute of Directors (the "Company") present their statement to the members together with the audited financial statements of the Company for the financial year ended 30 June 2018.

## 1. Opinion of the Directors

In the opinion of the Directors,

- (a) the accompanying financial statements of the Company together with the notes thereon as set out on pages 58 to 77 are properly drawn up in accordance with the provision of Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 30 June 2018 and of the financial performance, changes in accumulated surplus and cash flows of the Company for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 2. Directors

The Directors of the Company in office at the date of this statement are as follows:

Willie Cheng Jue Hiang	(Chairman)
Tham Sai Choy	(First Vice-Chairman, appointed on 20 November 2017)
Soh Gim Teik	(Second Vice-Chairman)
Gerard Tan Wee Seng	(Treasurer)
Ramlee Bin Buang	
Robert Chew	
Wilson Chew Huat Chye	
Junie Foo Kwee Joen	
Philip William Forrest	
Pauline Goh	
Lee Chong Kwee	
Lee Kim Shin	
Lee Suan Hiang	
Ng Wai King	
Poh Mui Hoon	
Tan Boon Gin	
Tan Yen Yen	
Wong Su Yen	
Ferdinand De Bakker	(Appointed on 1 December 2017)
Theresa Goh Cheng Keow	(Appointed on 1 December 2017)

As the Company is a company limited by guarantee, the Company is not required to report on the matters to be disclosed under Para (2), (5), (6) and (9) of the Twelfth Schedule of the Act.

## Directors' Statement (cont'd)

### 3. Directors' receipt and entitlement to contractual benefits

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

### 4. Independent auditor

The independent auditor, BDO LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Willie Cheng Jue Hiang  
Director

Gerard Tan Wee Seng  
Director

Singapore  
21 September 2018

# Independent Auditor's Report

To the Members of Singapore Institute Of Directors

## Report on the Audit of the Financial Statements

### ***Opinion***

We have audited the financial statements of Singapore Institute of Directors (the "Company") as set out on pages 58 to 77, which comprise the statement of financial position as at 30 June 2018, the statement of comprehensive income, statement of changes in accumulated surplus and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 30 June 2018 and of the financial performance, changes in accumulated surplus and cash flows of the Company for the financial year ended on that date.

### ***Basis for Opinion***

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

### ***Other Information***

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

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

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

# Independent Auditor's Report (cont'd)

To the Members of Singapore Institute Of Directors

## ***Responsibilities of Management and Directors for the Financial Statements***

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Company'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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Independent Auditor's Report (cont'd)

To the Members of Singapore Institute Of Directors

- 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

## ***Report on Other Legal and Regulatory Requirements***

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**BDO LLP**

Public Accountants and  
Chartered Accountants

Singapore  
21 September 2018

# Statement of Financial Position

As at 30 June 2018

	Note	2018 \$	2017 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	4,683,844	4,460,618
Trade receivables	7	287,223	536,537
Other receivables and prepayments	8	344,427	254,168
Total current assets		5,315,494	5,251,323
<b>Non-current assets</b>			
Plant and equipment	9	58,961	133,699
<b>Total assets</b>		<b>5,374,455</b>	<b>5,385,022</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Subscriptions received in advance	10	568,278	531,986
Course fees received in advance	11	70,898	116,208
Other payables	12	1,184,906	1,173,801
Total current liabilities		1,824,082	1,821,995
<b>Non-current liabilities</b>			
Subscriptions received in advance	10	614,045	595,100
Deferred tax liability	13	17,000	17,000
Total non-current liabilities		631,045	612,100
<b>Total liabilities</b>		<b>2,455,127</b>	<b>2,434,095</b>
<b>Reserves</b>			
Accumulated surplus		2,919,328	2,950,927
<b>Total liabilities and equity</b>		<b>5,374,455</b>	<b>5,385,022</b>

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

# Statement of Comprehensive Income

## For the Financial Year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Revenue</b>			
Other operating income	14	3,016,384	3,168,730
Course, seminar and golf tournament expenses	15	217,198	406,918
Staff costs		(833,253)	(893,392)
Depreciation expense	9	(1,572,014)	(1,307,217)
Other operating expenses	16	(780,036)	(1,033,132)
<b>(Deficit)/ Surplus before income tax</b>		(31,599)	226,234
Income tax expenses	17	-	-
<b>(Deficit)/ Surplus for the financial year, representing total comprehensive income for the financial year</b>	18	(31,599)	226,234

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

# Statement Of Changes in Accumulated Surplus

## For the Financial Year ended 30 June 2018

	Accumulated surplus
	\$
<b>Balance at 1 July 2016</b>	2,724,693
Total comprehensive income for the financial year	226,234
<b>Balance at 30 June 2017</b>	<hr/> 2,950,927
Total comprehensive income for the financial year	(31,599)
<b>Balance at 30 June 2018</b>	<hr/> <hr/> 2,919,328

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

# Statement of Cash Flows

For the Financial Year ended 30 June 2018

	Note	2018 \$	2017 \$
<b>Operating activities</b>			
(Deficit)/Surplus before income tax		(31,599)	226,234
Adjustments for:			
Depreciation expense	9	79,878	115,673
Allowance for doubtful debts	7	-	6,420
Interest income	15	(33,005)	(15,598)
Loss on disposal of plant and equipment		-	3,270
Operating cash flows before movements in working capital		15,274	335,999
Changes in working capital:			
Trade receivables		249,314	(113,865)
Other receivables and prepayments		(90,259)	(88,040)
Subscriptions received in advance		55,237	(9,905)
Course fees received in advance		(45,310)	30,405
Other payables		11,105	6,854
<b>Net cash from operating activities</b>		195,361	161,448
<b>Investing activities</b>			
Interest received	15	33,005	15,598
Purchase of plant and equipment	9	(5,140)	(46,202)
<b>Net cash from/ (used in) investing activities</b>		27,865	(30,604)
<b>Net increase in cash and cash equivalents</b>		223,226	130,844
Cash and cash equivalents at beginning of financial year		4,460,618	4,329,774
<b>Cash and cash equivalents at end of financial year</b>	6	4,683,844	4,460,618

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

# Notes to Financial Statements

## For the Financial Year ended 30 June 2018

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

### 1. General

The Singapore Institute of Directors was formed as a company limited by guarantee not having a share capital. The Company (Registration No. 199803504W) was incorporated in the Republic of Singapore on 18 July 1998 with its registered office and principal place of business at 168 Robinson Road #09-06/07 Capital Tower, Singapore 068912.

The objectives and principal activities of the Company are to act as the national association of directors of all corporations and to be concerned with the promotion and development of professional excellence, enterprise and integrity in company directors, and generally, to stimulate, inspire and guide corporations in Singapore to attain best practice standards in corporate governance. This is done through the organisation of different activities for participation by its members during the year. The Company is funded by entrance fees, subscription fees and surplus from director training programs, seminars and other events.

Under Article 1G of the Company's Constitution, each of the members of the Company undertakes to contribute a sum not exceeding \$10.00 to the assets of the Company in the event of it being wound up.

As at 30 June 2018, the Company has a total of 2,728 members (2017: 2,579).

The financial statements of the Company for the year ended 30 June 2018 were authorised for issue by the Board of Directors on 21 September 2018.

### 2. Basis of preparation

#### Basis of accounting

The financial statements have been prepared in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards ("FRS"). The financial statements are prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires the management to exercise judgement in the process of applying the Company's accounting policies and requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the end of the reporting period, and the reported amounts of revenue and expenses during the financial year. Although these estimates are based on the management's best knowledge of historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year, or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 3 to the financial statements.

During the financial year, the Company adopted the new or revised FRS and Interpretation of FRS ("INT FRS") that are relevant to its operations and effective for the current financial year. Changes to the Company's accounting policies have been made as required in accordance with the relevant transitional provisions in the respective FRS and INT FRS. The adoption of these new or revised FRS and INT FRS did not result in any substantial changes to the Company's accounting policies and has no material effect on the amounts reported for the current and prior financial years.

### *FRS issued but not yet effective*

The Company expects that the adoption of the FRS, if applicable, will have no material impact on the financial statements in the period of initial adoption except as discussed below.

#### *FRS 109 - Financial Instruments*

FRS 109 supersedes FRS 39 Financial Instruments: Recognition and Measurement with new requirements for the classification and measurement of financial assets and liabilities, impairment of financial assets and hedge accounting.

##### *Classification and measurement*

Under FRS 109, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for certain equity investments, for which the Company will have a choice to recognise the gains and losses in other comprehensive income. Debt instruments that meet the Solely Payments of Principal and Interest contractual cash flow characteristics test and where the Company is holding the debt instrument to both collect the contractual cash flows and to sell the financial assets can also be measured at fair value through other comprehensive income.

FRS 109 carries forward the recognition, classification and measurement requirements for financial liabilities from FRS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, FRS 109 retains the requirements in FRS 39 for de-recognition of financial assets and financial liabilities.

The Company has completed its preliminary assessment of the classification and measurement of its financial assets and liabilities, and expects that financial assets and liabilities currently measured at amortised cost will continue to qualify for measurement at amortised cost under FRS 109.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## *Impairment*

FRS 109 introduces a new forward-looking impairment model based on expected credit losses to replace the incurred loss model in FRS 39. This determines the recognition of impairment provisions as well as interest revenue. For financial assets at amortised cost or debt instruments at fair value through other comprehensive income, the Company will recognise (at a minimum) 12 months of expected losses in profit or loss. Lifetime expected losses will be recognised on these assets when there is a significant increase in credit risk after initial recognition under the three-stage model or from initial recognition if the simplified model is applied.

Under the new impairment model, the Company estimate that the impairment loss allowances on trade receivables is not expected to be significant to the financial statements.

## *FRS 115 Revenue from Contracts with Customers*

FRS 115 introduces a comprehensive model that applies to revenue from contracts with customers and supersedes all existing revenue recognition requirements under the FRS. The model features a five-step analysis to determine whether, how much and when revenue is recognised, and two approaches for recognising revenue: at a point in time or over time. The core principle is that an entity recognises revenue when control over promised goods or services is transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. FRS 115 also introduces extensive qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

On initial adoption of this standard, there may be a potentially significant impact on the timing and profile of revenue recognition of the Company. On adoption of FRS 115, the Company will be required to address any variable consideration elements in determining the transaction price, which in turn will be the amount to be recognised as revenue for that financial year.

The Company has completed its assessment of FRS 115, and expects that there is no material impact on the financial statements of the Company in the period of their initial adoption.

## *FRS 116 Leases*

FRS 116 supersedes FRS 17 Leases and introduces a new single lessee accounting model which eliminates the current distinction between operating and finance leases for lessees. FRS 116 requires lessees to capitalise all leases on the statement of financial position by recognising a 'right-of-use' asset and a corresponding lease liability for the present value of the obligation to make lease payments, except for certain short-term leases and leases of low-value assets. Subsequently, the lease assets will be depreciated and the lease liabilities will be measured at amortised cost.

From the perspective of a lessor, the classification and accounting for operating and finance leases remains substantially unchanged under FRS 116. FRS 116 also requires enhanced disclosures by both lessees and lessors.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

On initial adoption of this standard, there may be a potentially significant impact on the accounting treatment for the Company's leases, particularly rented office premises, which the Company, as lessee, currently accounts for as operating leases. On adoption of FRS 116, the Company will be required to capitalise its rented office premises on the statement of financial position by recognising them as 'right-of-use' assets and their corresponding lease liabilities for the present value of future lease payments. The Company plans to adopt the standard in the financial year beginning on 1 July 2019 using the modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

## 3. Significant accounting policies

### 3.1 Financial instruments

Financial assets and financial liabilities are recognised on the statements of financial position when the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

#### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transactions costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period.

#### *Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less impairment losses. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

Loans and receivables comprise cash and cash equivalent, trade receivables, other receivables and other financial assets. Cash and cash equivalents comprise cash at bank and fixed deposits and other short-term highly liquid assets that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## *Non-derivative financial liabilities*

Financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provision of the instrument.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

The Company has the following non-derivative financial liabilities: subscriptions, course fees and sponsorships received in advance, and other payables. Such liabilities are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

## *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impaired. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

### 3.2 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in profit or loss.

### 3.3 Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method, on the following basis:

Renovation and refurbishment	33%
Furniture and fittings	33%
Computers	33%
Office equipment	20%
Website development	33%

Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising on the disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## 3.4 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

## 3.5 Leases

*When the company is lessee of an operating lease*

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

## 3.6 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

*Entrance and subscription fees*

Revenue from entrance and subscription fees are recognised on an accrual basis.

*Seminar and course fees*

Revenue from training course fees and seminar fees are recognised when services are rendered.

*Event income and sponsorships*

Event income and sponsorships are recognised when the events are held.

*Interest income*

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

### 3.7 Employee benefits

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of reporting year.

### 3.8 Government grants

Government grants are recognised as other income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

### 3.9 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by the end of reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised as an expense or income in profit or loss.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## 3.10 Foreign currency transactions

The financial statements are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency). The financial statements of the Company are presented in Singapore dollars, which is the functional and presentation currency of the Company.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year.

## 4. Financial instruments, financial risks and capital risks management

### 4.1 Categories of financial instruments

	2018 \$	2017 \$
<b>Financial assets</b>		
Cash and cash equivalents	4,683,844	4,460,618
Trade receivables	287,223	536,537
Other receivables (excluding prepayments)	198,714	154,994
Total loans and receivables	<hr/> 5,169,781	<hr/> 5,152,149
<b>Financial liabilities</b>		
Other payables	683,642	557,934
Total financial liabilities carried at amortised cost	<hr/> 683,642	<hr/> 557,934

### 4.2 Financial risk management policies and objectives

The management of the Company monitors and manages the financial risks relating to the operations of the Company to ensure appropriate measures are implemented in a timely and effective manner. These risks include credit risk, market risk (including currency risk and interest rate risk) and liquidity risk.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

### a. Credit risk management

Credit risk refers to the risk that debtors will default on their obligation to repay the amount owing to the Company.

The Company does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics except for the top 6 (2017: 4) trade receivables from outside parties, which accounted for 52% (2017: 56%) of total trade receivables.

The carrying amount of financial assets recorded in the financial statements, before any allowances for losses, represents the Company's maximum exposure to credit risk.

Details of credit risks on trade receivables are disclosed in Note 7 to the financial statements.

The Company places its cash and bank balances with creditworthy financial institutions.

### b. Foreign exchange risk management

The Company operates mainly in Singapore and is not exposed to significant foreign exchange risk. Accordingly, no sensitivity analysis is prepared.

### c. Interest rate risk management

The Company is not exposed to interest rate risks as the Company's interest-bearing financial assets and liabilities only comprise cash and cash equivalents which are subjected to insignificant risk of changes in value as they are short-term in nature. Accordingly, no sensitivity analysis is prepared.

### d. Liquidity risk management

The Company maintains sufficient cash and bank balances and internally generated cash flows to finance its activities. The Company's operations are financed mainly through accumulated surplus.

All financial assets and financial liabilities are repayable on demand or due within 1 year at the end of reporting period and are non-interest bearing, except for the fixed deposits disclosed in Note 6 to the financial statements.

### e. Fair value of financial assets and financial liabilities

The management considers that the carrying amounts of the Company's financial assets and liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## 4.3 Capital risk management policies and objectives

The Company reviews its capital structure at least annually to ensure that it will be able to continue as a going concern. The capital structure of the Company comprises only of accumulated surplus. There were no changes in the Company's approach to its capital structure during the year.

## 5. Related party transactions

There are no Company's transactions and arrangements with related parties except for remuneration of key management personnel and the effect of these on the basis determined between the parties is reflected in these financial statements.

### (a) Compensation of directors and key management personnel

No director received any remuneration for financial years ended 30 June 2018 and 2017.

### (b) The remuneration of the key management personnel during the year was as follows:

	2018 \$	2017 \$
Short-term benefits	472,650	423,445
Central Provident Fund contribution	46,540	49,828
	<hr/> <hr/> 519,190	<hr/> <hr/> 473,273

## 6. Cash and cash equivalents

	2018 \$	2017 \$
Cash and bank balances	863,772	1,529,248
Fixed deposits	<hr/> 3,820,072	<hr/> 2,931,370
Total	<hr/> 4,683,844	<hr/> 4,460,618

Fixed deposits bear average effective interest rate from 0.15% to 1.60% (2017: 0.25% to 1.40%) per annum and for a tenure between 3 and 12 months (2017: 6 and 12 months).

## 7. Trade receivables

	2018 \$	2017 \$
Outside parties	287,223	542,957
Allowance for doubtful debts	-	(6,420)
Total	<hr/> 287,223	<hr/> 536,537

The average credit period on trade receivables is 30 days (2017: 30 days). No interest is charged on the trade receivables.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

Before accepting any new customers, the Company will assess the potential customer's credit quality and define credit limits by customer. Limits attributed to customers are reviewed periodically. The trade receivables that are neither past due nor impaired belong to customers who have been making regular payments to the Company and are still considered recoverable.

In the current financial year, the allowance for doubtful debts amounting \$6,420 was written off as the amount was not recoverable.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. There has been no significant change in credit quality. The management believes that there are no further credit allowance required in excess of the allowance for doubtful debts.

The table below is an analysis of trade receivables at the reporting date:

	2018 \$	2017 \$
Not past due and not impaired	177,781	400,425
Past due but not impaired	109,442	136,112
Past due and impaired	-	6,420
<b>Total trade receivables</b>	<b>287,223</b>	<b>542,957</b>

Aging of receivables that are past due but not impaired:

	2018 \$	2017 \$
Past due 0 to 3 months	37,627	109,969
Past due more than 3 months to 6 months	71,815	26,143
<b>Total</b>	<b>109,442</b>	<b>136,112</b>

### 8. Other receivables and prepayments

	2018 \$	2017 \$
Prepayments	145,713	99,174
Deposits	62,642	62,642
Accrued income	136,072	92,352
<b>Total</b>	<b>344,427</b>	<b>254,168</b>

Accrued income consists of government grant receivable and course fees accrued but not yet billed.

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## 9. Plant and equipment

	Renovation & refurbishment	Furniture & fittings	Computers	Office equipment	Website development	Total
	\$	\$	\$	\$	\$	\$
<b>Cost</b>						
At 1 July 2016	253,536	40,891	124,244	76,551	51,504	546,726
Additions	-	1,452	9,790	2,980	31,980	46,202
Disposal	-	-	(17,121)	(7,000)	(51,504)	(75,625)
At 30 June 2017	253,536	42,343	116,913	72,531	31,980	517,303
Additions	-	-	4,090	-	1,050	5,140
Disposal	-	-	(3,025)	-	-	(3,025)
At 30 June 2018	253,536	42,343	117,978	72,531	33,030	519,418
<b>Accumulated depreciation</b>						
At 1 July 2016	145,766	30,218	84,428	28,375	51,499	340,286
Depreciation for the financial year	66,208	8,007	22,253	14,808	4,397	115,673
Disposal	-	-	(16,539)	(4,317)	(51,499)	(72,355)
At 30 June 2017	211,974	38,225	90,142	38,866	4,397	383,604
Depreciation for the financial year	33,124	3,140	16,018	16,722	10,874	79,878
Disposal	-	-	(3,025)	-	-	(3,025)
At 30 June 2018	245,098	41,365	103,135	55,588	15,271	460,457
<b>Carrying amount</b>						
At 1 July 2016	107,770	10,673	39,816	48,176	5	206,440
At 30 June 2017	41,562	4,118	26,771	33,665	27,583	133,699
At 30 June 2018	8,438	978	14,843	16,943	17,759	58,961

## 10. Subscriptions received in advance

This relates to membership fees received in advance which will be recognised in future financial years.

## Notes to Financial Statements

For the Financial Year ended 30 June 2018

### 11. Course fees received in advance

Course fees received in advance are payments the Company has received for courses to be conducted in next financial year.

### 12. Other payables

	2018	2017
	\$	\$
Sundry creditors	127,988	31,294
Accruals	467,271	450,619
Goods and services tax payable	20,220	49,756
Deferred income	440,758	525,825
Others	128,669	116,307
Total	<u>1,184,906</u>	<u>1,173,801</u>

Accruals are mainly provisions for staff bonus, unutilised leave and amounts due to Central Provident Fund.

Deferred income represents sponsorship for future events and grants received upfront net of expenses for the year.

Others refer mainly to sponsorship and table sales in relation to the Singapore Corporate Awards held in July each year which SID is a joint organiser.

### 13. Deferred tax liability

	Total
	\$
Balance at 30 June 2017 and 30 June 2018	<u>17,000</u>

The deferred tax liability is attributable to temporary differences arising from plant and equipment.

### 14. Revenue

	2018	2017
	\$	\$
Entrance and subscription fees	789,257	732,107
Seminar and course fees	1,212,711	1,496,363
Event income and sponsorships	1,014,416	940,260
Total	<u>3,016,384</u>	<u>3,168,730</u>

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

## 15. Other operating income

	2018 \$	2017 \$
Government grant and project funding	116,516	275,561
Interest income	33,005	15,598
Others	67,677	115,759
Total	<u>217,198</u>	<u>406,918</u>

Others include income from advertising, publications and provision of services to boards.

## 16. Other operating expenses

	2018 \$	2017 \$
Project expenses	134,732	395,467
Advertising, promotions & communications	140,299	178,954
Office rental	241,059	241,059
Other general & administrative expenses	263,946	217,652
Total	<u>780,036</u>	<u>1,033,132</u>

Projects in 2018 included:

- ASEAN Corporate Governance Scorecard
- Singapore Governance Transparency Index (SGTI)

## 17. Income tax

	2018 \$	2017 \$
Current tax	-	-
Based on results for the year	<u>-</u>	<u>-</u>

The income tax expenses varied from the amount of income tax expenses determined by applying the Singapore income tax rate of 17% (2017: 17%) to surplus before income tax as a result of the following differences:

	2018 \$	2017 \$
(Deficit)/Surplus before income tax	<u>(31,599)</u>	<u>226,234</u>
Income tax at statutory rate of 17%	5,372	(38,460)
Non-taxable items	43,775	43,997
Non-deductible expenses	(19,382)	(16,838)
Tax incentive	-	13,906
Deferred tax assets not recognised in profit or loss	(23,460)	-
Others	<u>(6,305)</u>	<u>(2,605)</u>
	<u>-</u>	<u>-</u>

# Notes to Financial Statements

For the Financial Year ended 30 June 2018

Subject to the agreement by relevant tax authorities, as at the end of financial year, the Company has unutilised tax losses of approximately \$105,000 (2017: Nil) and unabsorbed capital allowances of approximately \$33,000 (2017: Nil) which are available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future revenue streams.

## 18. (Deficit)/ Surplus for the financial year

	2018 \$	2017 \$
After charging:		
Allowance for doubtful debts	-	6,420
Loss on disposal of plant and equipment	-	3,270
Cost of defined contribution plan included in staff costs	140,346	122,069
Operating lease expenses	241,059	241,059

## 19. Operating lease arrangements

At the end of reporting period, commitments in respect of non-cancellable operating lease for the rental of office premise and other operating facilities were as follows:

	2018 \$	2017 \$
Future minimum lease payments payable:		
Within one year	107,257	247,875
Between one and five years	11,928	298,517
	<u>119,185</u>	<u>546,392</u>

Operating lease payments represent rentals payable by the Company for its office property and other operating facilities. The office lease ends on 3 December 2018.

## 20. Events subsequent to balance sheet date

On 4 June 2018, a notice of early termination was served to the Company to vacate the premises by 3 December 2018 pursuant to the landlord's intention to redevelop, renovate, retrofit, refurbish or alter the whole or part of the premises.

On 14 August 2018, the Company entered into a new operating lease agreement with the landlord for a new unit at the same location at an agreed rental rate for a five year period. Based on the agreement, the commitment in respect of non-cancellable operating lease for the rental of office premise is \$1,209,600 over the five year lease period.

Copyright © Singapore Institute of Directors 2018.

**All rights reserved.**

No part of this publication may be reproduced, stored in retrieval systems, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise without the prior written permission of the publisher or the authors. All trademarks, trade names, product names and logo appearing in this publication are the property of their respective owners.





Tel +65 6422 1188 | Fax +65 6422 1199 | [www.sid.org.sg](http://www.sid.org.sg)