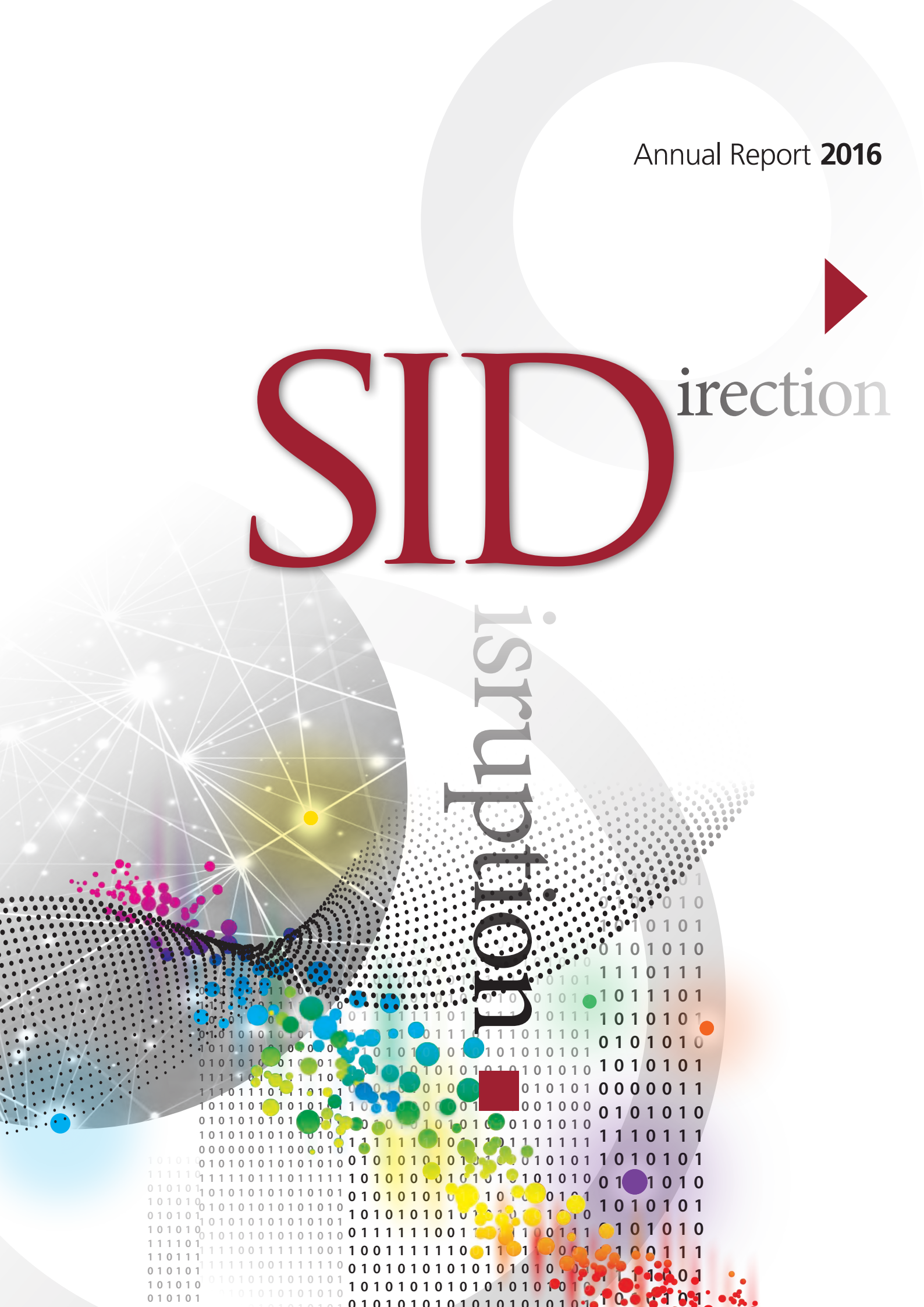


Annual Report 2016

SID direction

Disruption





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
Auditor	BDO LLP
Bankers	DBS Bank Limited United Overseas Bank Limited
Registered Office	168 Robinson Road #09-06/07 Capital Tower Singapore 068912
Telephone	+65 6422 1188
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Website	www.sid.org.sg

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Chairman & Executive Director's Report

Dear Members,

The last year has been an intensely busy one for SID. We embarked on several new initiatives and enhanced existing ones as we continue to work our vision to be the national association advancing the highest levels of ethical values, governance and professional development of directors.

We provide below a summary of our key activities and accomplishments for the past year (1 October 2015 to 30 September 2016) in terms of:

- Fostering good governance.
- Serving our members.
- Building our infrastructure.

Fostering Good Governance

We are committed to not just good practices, but also excellence in corporate governance. In the last year, we have continued our efforts, and engaged in new initiatives with key players in the corporate governance ecosystem. In particular, we:

- Launched the first three of six *Corporate Governance Guides for Boards in Singapore*, a series produced with the support of five professional firms and the regulators. The remaining guides in the series will be delivered in 2017 (page 18).
- Launched the Singapore Governance and Transparency Index, an enhanced index that assesses the corporate governance practices of Singapore-listed companies (page 25).
- Worked with our ASEAN counterparts and regulators to review the ASEAN Corporate Governance Scorecard to ensure its continued relevance (page 24).
- Contributed to the development of the Singapore Stewardship Principles (page 20).
- Co-organised the Singapore Corporate Awards event, including the selection and judging of three key awards (page 26).

- Announced the results of the ninth *Singapore Board of Directors Survey 2015*, while starting work on the biennial *Singapore Directorship Report 2016* (page 18).
- Continued with our weekly column, “*Boardroom Matters*” in *The Business Times* and compiled the columns into a second book (page 19).
- Organised and participated in several feedback sessions on regulatory and industry matters (page 20).

Serving Our Members

As a membership-based association, it is critical to ensure a balanced representation of the director constituency and serving our members.

In the last year, we extended our focus beyond commercial directors to include not-for-profit leaders. Our membership increased by about 10 per cent to 2,300 members.

Our suite of programmes has evolved over the years to ensure their continuing relevance to meet the needs of directors:

- Our professional development programme has expanded considerably, with the addition of four new courses (GVC, GRC, MCD, and NPD) in the last year alone. We now conduct over a hundred educational sessions annually (page 8).
- This year, the flagship SID Directors’ Conference was our best yet with its theme of Digital Disruption (page 14).
- We actively reached out to the Chinese-speaking community with the inaugural Corporate Governance and Directorship (Chinese) Seminar (page 13).
- We expanded and re-launched the Board Appointment Service to help organisations search, in a more comprehensive way, for director candidates from among our members (page 22).
- The quarterly *SID Directors’ Bulletin* and weekly circulars continue to keep our members informed of our activities and other happenings in the corporate governance space (page 23).
- We held our annual golf tournament and several membership networking events, while introducing a Fellows evening (pages 28 and 29).

Building Our Infrastructure

As we scale up SID’s activities, we continue to institutionalise our processes and improve our infrastructure.

We took an additional 800 square feet of space adjacent to our current administration office to provide for more meeting rooms, and a planned increase in staff numbers.

Given our limited budget, we have managed our headcount growth, despite the increase in activities. Instead, we rely on a growing number of over 150 volunteers in our various committees and task forces. Our enhanced nomination process has been successful in bringing in new blood, and refreshing our governing council and committees.

In addition to our traditional lunar new year appreciation lunch for these volunteers, this year we also held an appreciation event for our many sponsors.

Much effort has gone into the development of a new website since late last year. However, we experienced a delay at integrating the site with a new CRM backend system. We are now planning to incorporate an *eGuide to the CG Code*, and roll out an enhanced and expanded website in the new year.

Overall, we are pleased to report that our financial situation is healthy. Although we had targeted for breakeven, we ended the fiscal year with a healthy pre-tax surplus of \$248,960. This has largely been due to the increased level of attendance at our many professional development activities, as well as higher sponsorships.

In Good Stead

We are especially grateful for the support we have received from members and other stakeholders throughout the year. Although the economic outlook for the year ahead is fraught with uncertainty, we are confident that our collective commitment to good ethics and good corporate governance practices will stand us in good stead, and that we will continue to be needed and be relevant. It remains for all of us at SID to stay the course. ||



Joyce Koh

Executive Director

Willie Cheng

Chairman





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.

Programmes & Activities

Professional Development

The professional development of directors is core to SID's mission. During the year, we organised and conducted over 100 professional development sessions that were attended by more than 6,000 participants. A list of these sessions is on pages 8 to 9.



INSEAD International Directors Programme

Curriculum

SID's educational programmes are delivered in accordance to a framework that maps out the needs of different types of directors at various stages of their directorship journeys. In the last year, we introduced a new track for nonprofit directors while adding new courses for directors of commercial companies.

The current curriculum map is as follows:

	Listed Company (International)	Listed Company	Private Company	NonProfit Organisation
Focus	17	Seminars & Conferences		
	16	Current Topics (Talks, Roundtables, Forums)		
	15	Chairmen's Conversations		
Updates	14	Annual Corporate Governance Roundup		
		13	CG Updates For Listed Companies	
Advanced	12	Masterclass For Directors <i>new</i>		
	11	INSEAD-SID International Directors Programme		
		10	SID-SMU Directorship Programme	
Essentials	9	Governance, Risk Management And Compliance (GRC) Professional Training Course <i>new</i>		
	8	Listed Company Directors Programme		7 NonProfit Directors Programme <i>new</i>
		6	Governance And Value Creation For Growth Companies <i>new</i>	
		5	Directors Financial Reporting Essentials	
Fundamentals		4	Board And Director Fundamentals	
		3	Directors Compliance Programme	
		1	So, You Want To Be A Director	
			2	So, You Want To Be A NonProfit Director <i>new</i>



Listed Company Directors Programme

New Programmes for Private and Listed Company Directors

Three new courses that cater to directors of listed and private companies were successfully rolled out this year:

- **Governance and Value Creation for Growth Companies (GVG)**

The programme, which is designed for growing companies, focuses on developing the effectiveness of the director individually and the board collectively over five modules.

- **Governance, Risk Management and Compliance (GRC)**

The programme, which is under license from the Open Compliance & Ethics Group (OCEG), seeks to help participants develop a core understanding of, and the necessary skills to integrate governance, risk management and compliance in an organisation. The three-day course comprises a hands-on workshop with practical case studies and real-life example exercises, and allows participants to be individually certified as a GRC Professional through an examination.

- **Masterclass for Directors (MCD)**

The Masterclass series comprise several stand-alone courses aimed at taking the competencies of directorship to the next level. Four different modules were planned for the year.

In addition to the above, a new Business Future Series (BFS) is being planned to help directors keep pace with the fast changing business environment. Two modules focused on Digital Technologies and Cyber Security will kick off in October 2016.

New Courses for NonProfit Directors

A new seven-module NonProfit Directors Programme (NPD) targeted at nonprofit directors and conducted by nonprofit leaders and experts was successfully rolled out and completed this year.

SID conducted the NPD Programme in collaboration with the Social Service Institute (SSI), the training arm of the National Council of Social Services, the Centre for NonProfit Leadership (CNPL) and the Charity Council.

A second run of the NPD Programme, which will cater to a larger group, has been developed with the first module scheduled to kick off in October 2016. The remaining modules will be held once a month at different venues to provide participants with experiential learning and diverse insights.

SID also added a variant of its two-hour introductory course for aspiring directors for the nonprofit sector. It held two sessions of “So, You Want To Be A NonProfit Director” (SYN) so far this year for members. In addition, SID is collaborating with CNPL to roll out a SYN session in October that is specifically targeted to CNPL’s members.



Board Chairmen’s Conversation: Internet of Things

Schedule of SID's Core Professional Development Offerings for Directors (1 October 2015 to 30 September 2016)

Fundamentals

1. **So, You Want to be a Director? (SYD)**
13 Oct 2015, 2 Dec 2015, 3 Mar 2016, 4 Aug 2016
2. **So, You Want to be a NonProfit Director? (SYN)**
8 Sep 2015, 17 Mar 2016
3. **Directors Compliance Programme (DCP)**
13 Oct 2015, 29 Oct 2015, 5 Nov 2015, 24 Nov 2015, 2 Dec 2015, 2 Dec 2015, 2 Feb 2016, 18 Feb 2016, 5 Mar 2016, 23 Mar 2016, 9 Apr 2016, 26 Apr 2016, 17 May 2015, 30 May 2016, 21 Jun 2016, 21 Jul 2016, 25 Aug 2016, 28 Sep 2016
4. **Board And Director Fundamentals (BDF)**
14 Oct 2015, 20 Jan 2016, 24 May 2016, 28 Sep 2016

Essentials

5. **Directors Financial Reporting Essentials (DFE)**
25 Nov 2015, 27 Jan 2016, 22 Mar 2016, 17 May 2016, 20 Jul 2016, 30 Sep 2016
6. **Governance and Value Creation for Growth Companies (GVG)**
 - *M1: Effective Board for Growth Companies*
21 Sep 2016
 - *M2: Fund Raising for Growth Companies*
21 Sep 2016
 - *M3: The Paradox of Risk for Growth Companies*
22 Sep 2016
 - *M4: Improving Financial Services for Directors*
22 Sep 2016
 - *M5: Family Business Governance and Succession*
19 May 2016, 23 Sep 2016

7. NonProfit Directors Programme

- *NPD1: The NonProfit Environment*
8 Oct 2015
- *NPD2: Board and Management Relationship*
12 Nov 2015
- *NPD3: Board Dynamics and Evaluation*
10 Dec 2015
- *NPD4: Strategic Decision Making*
14 Jan 2016
- *NPD5: Financial Management and Accountability*
10 Mar 2016
- *NPD6: Fundraising and Outreach*
14 Apr 2016
- *NPD7: Social Trends*
12 May 2016

8. Listed Company Director Programme (LCD)

- *M1: Listed Company Director Essentials*
20 Oct 2015, 14 Jan 2016, 9 Mar 2016, 5 May 2016, 12 Jul 2016
- *M2: Audit Committee Essentials*
29 Mar 2016, 13 Jul 2016
- *M3: Risk Management Essentials*
30 Mar 2016, 13 Jul 2016
- *M4: Nominating Committee Essentials*
22 Oct 2015, 13 Apr 2016, 14 Jul 2016
- *M5: Remuneration Committee Essentials*
27 Oct 2015, 21 Apr 2016, 15 Jul 2016
- *M6: Investor and Media Relations Essentials*
6 Oct 2015, 12 Apr 2016, 14 Jul 2016
- *LCD (Mandarin): Listed Company Director Essentials Programme*
5 Nov 2015

9. Governance, Risk Management and Compliance (GRC) Professional Training Course

4 - 6 May 2016, 13 - 15 Jul 2016, 26 - 28 Sep 2016

Updates

14. **Corporate Governance Roundup**
18 Nov 2015

Advanced

10. SID-SMU Directorship Programme (Executive Certificate/Diploma)

- *M1: The Role of Directors – Duties, Responsibilities & Legal Obligations*
4 - 6 Apr 2016, 25 - 27 July 2016
- *M2: Assessing Strategic Performance – The Board Level View*
16 - 18 Nov 2015, 20 - 22 Jun 2016
- *M3: Finance for Directors*
9 - 11 May 2016
- *M4: Risk and Crisis Management*
11 - 12 Aug 2016
- *M5: Strategic Corporate Social Responsibility and Investor Relations*
26 - 27 May 2016
- *M6: Effective Succession Planning and Compensation Decisions*
6 - 7 Sep 2016

11. INSEAD International Directors Programme

- *IDP M1: Board Effectiveness and Dynamics (S'pore)*
19 - 22 Jun 2016
- *IDP M2: Board Decision Making and Oversight (France)*
26 - 28 Sep 2016
- *IDP M3: Director Effectiveness and Development (S'pore)*
13 - 15 Dec 2015
- *INSEAD Directors Forum*
3 Mar 2016

12. Masterclass For Directors (MCD)

- *MCD1: Board-Management Interactions*
6 May 2016
- *MCD3: Fair Process Leadership in the Boardroom*
23 Jun 2016
- *MCD4: Board Evaluation*
7 Sep 2016

Focus

15. Chairmen's Conversations (CMC)

CMC1: Board Risk Committee

- *The Fast, Furious Third Dimension of Risk: Risk Velocity (PwC)*
8 Apr 2016

CMC2: Board Chairmen

- *The Internet of Things: Beyond the Hype (Accenture)*
23 Jun 2016

CMC3: Remuneration Committee

- *Right-sizing and Right-structuring Executive Pay (WillisTowers Watson)*
1 Dec 2015
- *The Pay Debate: Bridging the Gap with Shareholders (Mercer)*
15 Jul 2016

CMC4: Audit Committee

- *Auditing at the Speed of Business using Data Analytics (EY)*
18 Aug 2016

16. Current Topics (CTP)

- *ISCA-ACRA-CFO-SID: The Director and CFO Forum* 1 Oct 2015
- *SID-DPI: Strategic Innovation*
2 Oct 2015
- *SID-Hay Group: Executive and Directors Remuneration 2015* 28 Jan 2016
- *SID-COSO Academy. The COSO Framework for Directors: Improving Board Risk Oversight Effectiveness*
24 Feb 2016
- *SID-INSEAD: Orientation Tea on the International Directorship Programme*
3 Mar 2016
- *SID-Board Accord: Dealing with Damn Difficult Directors* 10 Mar 2016
- *SID-PwC: Confronting the Hot Spots*
23 Mar 2016
- *SID-Advisory Board Architects: Building a High Impact Board* 9 Jun 2016
- *SID-Deloitte: Risk Management – Black Swans* 24 Jun 2016

17. Seminars and Conferences

- *SID-Noble Group: the Saga and its Lessons* 14 Oct 2015
- *Launch of the Singapore Board of Directors Survey 2015* 21 Oct 2015
- *ACRA-SGX-SID Audit Committee Seminar 2016* 12 Jan 2016
- *Launch of the SID Remuneration Committee Guide* 15 Jan 2016
- *Launch of the SID Board Risk Committee Guide & the ASEAN Corporate Governance Scorecard*
31 Mar 2016
- *SID-CGIO: ASEAN Corporate Governance Scorecard Briefing*
5 May 2016
- *SID-Straits Interactive: Of Enron, Entanglement and Enlightenment*
31 May 2016
- *SID-Quann-PwC: The Secrets and Art of Cyber Security* 29 Jul 2016
- *SID-SGX: Singapore Corporate Governance and Directorship (Chinese) Seminar – “Being an Effective Director”*
2 Aug 2016
- *SID-CGIO-CPAA: The Singapore Governance and Transparency Forum 2016* 3 Aug 2016
- *SID-SGX-KPMG: The State of Corporate Governance Disclosures in Singapore* 16 Aug 2016
- *SID Directors' Conference 2016: Digital Disruption* 5 Sep 2016

Forums, Seminars & Conferences

In addition to the core professional development courses, SID conducts forums, seminars and conferences on current topics, and also for specific constituencies of directors. Most of these are held as Current Topics by way of roundtables, briefings and forums for small groups of less than a hundred. More significant events are held as half- to full-day Seminars & Conferences for larger audiences.

A list of the Current Topics, Seminars & Conferences that were held in the last 12 months is provided on page 9. Several of them are highlighted here.

The Noble Saga (Crisis Management)

In October 2015, SID organised a seminar on “Noble Group: The Saga and Its Lessons” for more than 120 directors. The CEO and an independent director of Noble shared their experience on how they had managed the



The Noble Saga (Crisis Management) seminar

negative reports, and their personal learning points. Participants also benefited from the observations and perspectives of speakers and panellists in this case-study seminar on issues relating to short-selling, accounting, regulation, and the impact of social media.

Corporate Governance Roundup 2015

On 18 November 2015, SID held its year-end roundup of key topics impacting corporate

SID Annual CG roundup





The Audit Committee Seminar 2016

governance (CG and directorship. SID council members presented short and energetic snapshots of what had happened during the year in 10 hot areas, which ranged from regulatory changes to innovation and CG best practices and excellence.

The book *Boardroom Matters Vol II: Of Conformance and Performance in Corporate Governance*, was also launched at the event.

The Audit Committee Seminar 2016

ACRA, SGX and SID jointly held its second Audit Committee Seminar on 12 January 2016 at the Regional English Language Centre auditorium.

The event drew a record crowd of more than 450 audit committee (AC) members and directors, who were updated on the latest thinking by the regulators and industry representatives.

The seminar covered several new developments including SGX's regulatory initiatives (Listing Committees, Compliance Bulletin, "comply or explain" compliance reviews, and mandatory sustainability reporting); ACRA's programmes (Financial Reporting Surveillance Programme, the Audit Quality Indicators disclosure framework);

and the enhanced auditor report.

At the seminar, SID also launched the *2016 Mini-Guide for Audit Committees: Hot Topics that ACs and Directors Need to Know* that it had jointly produced with ACRA and PwC.



Of Enron, Entanglement and Enlightenment (Financial Fraud)

In May 2016, SID jointly organised a seminar with Straits Interactive on financial fraud. Andrew Fastow, former CFO of Enron, provided a



Andrew Fastow, former CFO of Enron (inset) and panellists at the "Of Enron, Entanglement and Enlightenment" seminar

Forums, Seminars & Conferences

fascinating account of the financial engineering he knowingly engaged in at Enron to mislead investors, and how aspects of such practices are still prevalent today. A panel of financial experts then debated on ethics, financial fraud, director independence and other lessons that were learnt or still not learnt from the Enron scandal.



Cyber Security Forum

On 29 July 2016, SID organised a session on Cyber Security titled “The Secrets & Art of Cyber Security” in partnership with Quann and PwC. The event attracted more than 80 directors and senior management.



The Secrets & Art of Cyber Security Forum

The forum highlighted the technological inter-connectivity and, how with globalisation and the “commercialisation” of cyber-crimes, businesses should assume a cyber security breach will happen, and to prepare accordingly. Attendees also learnt some common types of cyber-

crimes through techniques such as phishing emails and ransomware.

There were also sharing of experiences from practitioners including Mr Ben Gerber of DBS Bank and Mr Low Huan Ping of SPH on developing

The Chinese Corporate Governance Seminar

新加坡企业治理准则与董事职责(中文)研讨会 “董事须知”

主宾

文化、社区及青年部兼财政部高级政务部长
沈颖女士

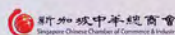
协办



pwc

SGX

支持机构



媒体伙伴





an organisation cyber security plan, and managing an appropriate response to cyber incidents, so as to contain the effects of an attack.

The Chinese Corporate Governance Seminar

In August 2016, SID launched the inaugural Corporate Governance and Directorship (Chinese) Seminar. The event, themed “Being an effective Director”, was



Minister Sim Ann

organised in collaboration with SGX, the China Enterprise Association and PwC. The guest of honour was Ms Sim Ann, Senior Minister of State, Ministry of Culture, Community & Youth and Ministry of Finance.

The forum attracted about 150 directors from the Chinese-speaking business community as well as various S-Chip Boards. The forum focused on how good corporate governance can attract more investors, and the importance of holistic and substantive disclosures. There were lively sharing of views on ensuring adequate board representation of minority shareholders’ interests, the determination of what constitutes material information and the Board-CEO relationship.



The Corporate Governance Disclosures Forum

The Corporate Governance Disclosures Forum

On 16 August 2016, SID organised the Corporate Governance Disclosures Forum with KPMG and SGX to share the results of the review by KPMG of 545 listed companies’ corporate governance code disclosures. The study had reviewed the Main-board companies’ disclosures as recommended by the Singapore Code of Corporate Governance 2012, the SGX Disclosure Guidance Document, and the SGX Listing Rule 1207 (10).

About 160 directors and senior management attended the session and gained insights on the study analysis and opportunities for improvement. Attendees also learnt how companies can better prepare disclosures in specific areas such as board diversity, board performance evaluation, and remuneration.

Annual Conference

SID held its flagship annual conference on 5 September 2016, featuring more than 50 speakers and 25 exhibitors, and drawing a record crowd of about 1,000 participants.

The event was themed “Digital Disruption” and was aptly held at Suntec Convention Centre with its many digital facilities. Participants were greeted by signage on a giant digital wall. The morning plenary was conducted in a setting with digital screens on three walls to provide an immersive audio-visual experience.

Minister Yaacob Ibrahim delivering his guest-of-honour address



SID Chairman Willie Cheng kicked off the morning plenary by stating that digital disruption plays to the dual roles of performance and conformance of boards.

Minister Yaacob Ibrahim, in his guest-of-honour address, spoke of how Singapore’s Smart Nation will be achieved. He also announced the signing of two Memorandum of Intents between Infocomm Development Authority of Singapore (IDA) and Surbana Jurong, and between IDA and Lendlease. These MOIs aim to help Singapore-based promising tech companies establish their credentials and increase their visibility to potential government and large enterprise buyers.

MOIs between IDA & Surbana Jurong, and between IDA & Lendlease





*Keynote speaker
John Seely Brown*

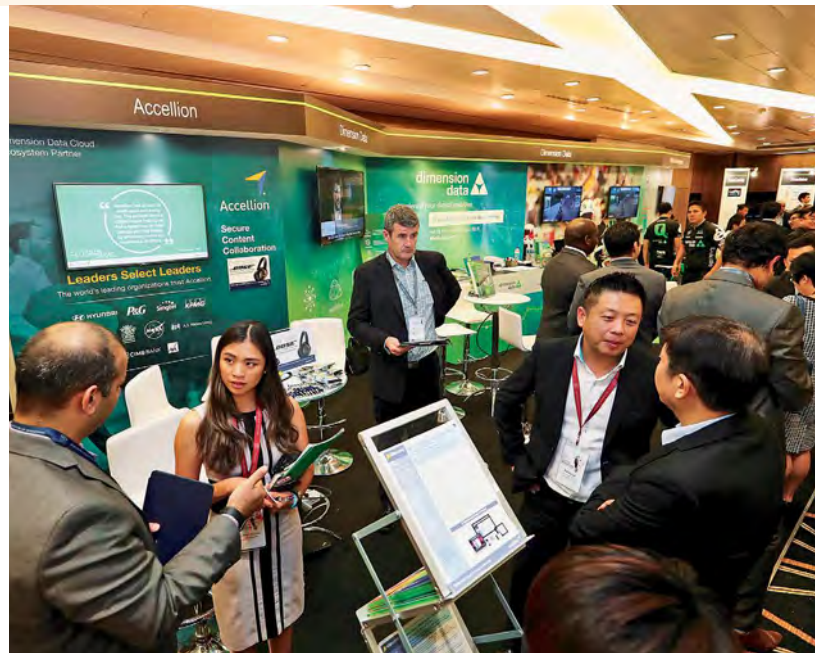
Plenary panel on "Digital Transformation"

Annual Conference

The keynote speaker, John Seely Brown aka “Chief of Confusion” made a surprising appearance first by holographic teleconference, then physically on stage. He challenged the audience with how disruptive digital has become and whether they are truly ready for it.

Three plenary panels then went on to discuss aspects of the today’s game-changing technologies: the role and impact on boards; digital transformation and cyber threats.

The afternoon consisted of eight breakout sessions and an exhibition.



Digital Den with over 25 booths





Networking over lunch

The eight breakout sessions, conducted in two tracks, covered the digitalisation that is happening in four industry sectors (banking, public transport, hospitality and retail), the boardroom of the future, cyber security and smart nation.

The exhibition, Digital Den, featured booths from over 25 organisations demonstrating how companies can survive or thrive in the digital age. Participants had hands-on experience with robots, board portals, 3D cameras, Internet of Things solutions and cyber security technologies.



Breakout session: The Boardroom of the Future



Breakout session: Digital Disruption in Banking

Advocacy & Research

In its advocacy role, SID researches, provides guidance and communicates its views on corporate governance issues.

Studies of Boards and Directorship

In October 2015, SID and SGX jointly launched the report of the biennial *Singapore Board of Directors Survey*. The report provides insights on corporate board structures and board practices based on the survey responses from more than 200 Singapore listed companies. The 2015 survey was revamped for greater relevance to the current corporate governance environment, and was supported by SIM University and PwC.

SID also started work during the calendar year of 2016 for the production of the *Singapore*



Directorship Report together with the Institute of Singapore Chartered Accountants (ISCA). The *Singapore Directorship Report* is also supported by the SGX and ACRA, and is conducted in partnership with Handshakes, Nanyang Business School, NUS Business School and Deloitte. The Report will be released in October 2016.

Corporate Governance Guides

SID with the support of the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and SGX, embarked on a

Launch of the biennial Singapore Board of Directors Survey





2-year project in February 2015 to produce a series of corporate governance guides for boards and board committees in Singapore.

In the last year, SID has launched three of the guides, namely, the *Nominating Committee Guide* (launched in August 2015); *Remuneration Committee Guide* (January 2016) and *Board Risk Committee Guide* (March 2016).

The *Board Guide*, a revamped *Audit Committee Guide*, and an *eGuide to the Code of Corporate Governance* will be progressively launched by March 2017.

The development of each Guide is supported by resources from a professional firm and a review panel of leading practitioners, directors and experts in the corporate governance field.

Boardroom Matters
 “Boardroom Matters” is a weekly column that was launched in 2014 in *The Business Times* and its online portal, *BT Invest*.



Launch of the Remuneration Committee Guide

The series features thought leadership articles that run the gamut of corporate governance and directorship issues, authored by SID Council and Committee members, and looked forward to by directors every Monday morning.

A second book compilation of the 50 articles produced from November 2014 to October 2015, titled “*Of Conformance and Performance in Corporate Governance*”, was launched in November 2015. A third volume is scheduled for November 2016.

Advocacy & Research

Singapore Stewardship Principles

SID was part of the working committee comprising more than 10 industry associations and stakeholders to develop the Singapore Stewardship Principles (SSP). The SSP which are intended to encourage investors to voluntarily pursue the spirit of stewardship and good governance will be formally launched in November 2016.

The Working Committee, which first met in September 2014, was led by the Stewardship Asia Centre and supported by SGX and the MAS. Mr Adrian Chan, Deputy Chairman of SID's Advocacy & Research Committee was actively involved in the drafting of the Principles. Most member organisations of the Working Committee,

including SID, will move on to become members of the SSP Steering Committee to oversight and promote the SSP.

Corporate Governance & Directorship Issues

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

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

- SGX Sustainability Reporting: SID organised a small group feedback session for directors on the SGX Consultation Paper, "Sustainability Reporting: Comply or Explain" issued on 5 January 2016 and submitted a response paper to SGX on 5 February 2016.
- ISCA Exposure Draft: In April 2016, SID provided its feedback to ISCA on the Exposure Draft on IESBA's Proposed Changes to Certain Provisions of the Code Addressing the Long Association of Personnel with an Audit or Assurance Client.

Collection of the Remuneration Committee Guide at the launch event





Feedback session on ACRA's FRSP programme

- ACRA's Financial Review and Surveillance Programme (FRSP): SID hosted two feedback sessions of AC Chairmen and members for ACRA on its FRSP programme in August 2016.

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 practices and adoption of corporate governance at companies.

Network

SID council members sit in various boards and committees of key organisations in the corporate governance ecosystem. These include the 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, SGX, Singapore International Chamber of Commerce, Singapore Venture Capital Association, and Women Corporate Directors.



Feedback session on SGX Sustainability Reporting

Communications

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

Collaterals

SID continues to refresh its collaterals and marketing brochures to provide a consistent and distinctive look and feel.

Updated membership brochures were produced for commercial companies, not-for profit organisations and individuals.

A 2016 *Professional Development* booklet and Calendar were produced to guide directors on the types of courses relevant to their directorship journeys. A new *Board Appointment Service* brochure was also developed to support companies that are seeking for director candidates for their boards.

***Boardroom Matters* book given out at SID Annual CG Roundup**





Publications

The *SID Directors' Bulletin*, a quarterly communication vehicle, continues to receive positive responses from members. Redesigned in January 2014, the contents of the bulletin are topical, and focused on local trends, developments and issues.

The editorial foci for the 2016 issues were:

- 2015 Q4: Corporate Governance through the years
- 2016 Q1: Remuneration
- 2016 Q2: Risk Management
- 2016 Q3: Digital Transformation

In addition, SID produced a booklet with articles that speakers and partners of the SID Directors' Conference 2016 had contributed on topics related to digital disruption, cyber risk and cyber governance.



Several other publications were produced in conjunction with SID's advocacy and research thrusts (see pages 18 to 21).

Website

The revamp of SID's website and backend systems is currently underway, and targeted to be launched in the new year.

Since the beginning of this year, SID has expended time and resources to design and develop its website that seeks to address the needs of members.



The enhanced website will incorporate the *eGuide to the Code of Corporate Governance* series, and an integrated CRM backend.

The integrated CRM backend system will significantly improve members' experience when they log in to access information on SID's programmes and various initiatives. At the same time, the connection to the backend finance and other applications, will streamline SID's internal processes and improve efficiency.

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 is involved in benchmarks and awards for corporate governance as part of its drive to promote excellence in it. (Awards for corporate governance are covered separately on page 26, under “Singapore Corporate 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.

Launch of the Board Risk Guide and ASEAN Scorecard



Prof Loh presenting the Scorecard

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 for Singapore, and SID Immediate Past Chairman John Lim as the CG Expert for the Scorecard since 2013.

On 31 March 2016, SID and CGIO organised a forum to present the 2015 Scorecard results to the corporate community in Singapore. A ranked list of the top 100 listed companies in Singapore was also published in *The Business Times*.

Following up on this, SID held a session in May 2016 to brief listed companies on plans to revise the ranking methodology, and to make it more relevant to its various users.

On 20 and 21 July, SID hosted a two-day review meeting for the various ASEAN Domestic Ranking Bodies (DRB's) to discuss how the Scorecard can be improved further and the evaluation process strengthened by subjecting the company reviews by an external independent validator.

With the review in progress, there will be a gap year between official assessments, and the next Scorecard ranking shall be 2017.

SINGAPORE GOVERNANCE & TRANSPARENCY FORUM

3 AUGUST 2016

GUEST OF HONOUR
MR CHEW CHOON SENG
CHAIRMAN, SINGAPORE EXCHANGE



Singapore Governance and Transparency Index (SGTI)

In August 2016, SID together with CPA Australia and the Centre for Governance, Institutions and Organisations (CGIO) of the NUS Business School launched the results of the 2016 Singapore Governance and Transparency Index (SGTI).

The SGTI builds on a strong seven-year track record of the Governance and Transparency Index (GTI), and it retains its emphasis on the core principles of board matters, remuneration, accountability and audit from Singapore's Code of Corporate Governance revised in 2012. The SGTI also draws from the G20/OECD Principles of Corporate Governance, and adopts a sharper and more focused consideration of the company's stakeholders and shareholders.



Panellists and guest-of-honour at the SGTI forum

The SGTI 2016 study covered 631 companies that released their 2015 annual reports by 31 May 2016. The SGTI initiative will cover Singapore Real Estate Investment Trusts (REITS) and Business Trusts from 2017, given the growing importance of REITS and Business Trusts in the capital market.



Representatives of Domestic Ranking Bodies of the ASEAN CG Scorecard from six ASEAN countries in Singapore for review meeting

Singapore Corporate Awards

The Singapore Corporate Awards, one of the most prestigious events on Singapore's corporate calendar, celebrates the best in corporate governance among listed companies in Singapore.

This year's black-tie gala was held Oscars-style at the Resorts World Sentosa, with Mr Gan Kim Yong, Minister for Health as the guest-of-honour.

The Singapore Corporate Awards is jointly organised by SID, ISCA and *The Business Times*. There are five main awards. SID administers the Best Managed Board Award, Best CEO Award

and the Best Investor Relations Award. The other two awards, the Best CFO Award and Best Annual Report Award, are administered by ISCA.

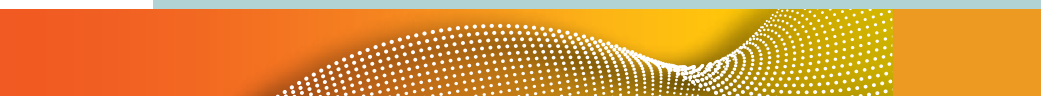
This year, a Special Recognition Award was introduced to recognise organisations and/or individuals that have demonstrated outstanding and exemplary corporate governance in the conduct of the affairs of boards and organisations. The Award went to City Developments Limited (CDL) to recognise its outstanding leadership and role model in pioneering sustainability practices in the building industry.

Singapore Corporate Awards winners 2016





	Market Cap \$1b & above	Market Cap \$300m to under \$1b	Market Cap Under \$300m	REITs & Business Trusts	Newly Listed Companies
Best Managed Board Award					
GOLD	OCBC Ltd Singapore Telecommunications Ltd	Yoma Strategic Holdings Ltd	Sing Investments & Finance Ltd		
SILVER		Keppel Telecommunications & Transportation Ltd	Micro-Mechanics (Holdings) Ltd		
BRONZE	Global Logistic Properties Ltd	Riverstone Holdings Ltd	Global Investments Ltd		
Best CEO Award	Mr Lim Ee Seng Fraser's Centrepoint Ltd	Mr William Liem Tuan Sing Holdings Ltd	Mr Kong Chee Min Centurion Corporation Ltd		
Best Investor Relations Award					
GOLD	Starhub Ltd	Keppel Telecommunications & Transportation Ltd	MegaChem Ltd	CapitaLand Retail China Trust	
SILVER	Wilmar International Ltd	Tuan Sing Holdings Ltd	Nam Cheong Ltd	Ascendas Real Estate Investment Trust	
BRONZE	CapitaLand Ltd	Riverstone Holdings Ltd	Frencken Group Ltd	Cache Logistics Trust	
MERIT					JUMBO Group Ltd



Socials

As a membership organisation, SID seeks to address the social and networking needs of directors.

Networking Socials

In the past year, SID organised several sessions for members to network informally while listening to expert speakers share on subjects of interest, which included topics relating to business or lifestyle topics. Sessions include:

- Visit to Universal Studios Singapore on 9 December 2015. Participants received an exclusive peek on the technology and what goes behind the scenes behind two rides (Transformers and The Revenge of the Mummy) before going onto the rides themselves.
- Talk on “Relieve your back pain using Traditional Chinese Medicine” by Leong Weizhen, a certified TCM practitioner on 12 April 2016 at the Singtel Comcentre Recreation Club. Ms Leong shared about the art and science of TCM, and the different types of back pain and treatments available.

Members’ Networking Social with talk on “Relieve your back pain using TCM”



Annual Lo-hei appreciation lunch

- Talk on “Laughter Yoga” by Mr Vam Ram, a senior laughter therapist on 30 June 2016 at Mandarin Hotel. Members participated in a series of therapeutic activities such as clapping of hands and breathing which help to stimulate the acupuncture points and rhythmic breathing of vocal strength.
- Fellows Evening held on 22 September 2016 at the National Gallery sponsored by KPMG. SID fellows were treated to dinner and then to *ART*, a comedy play which has been performed around the world and had won numerous awards.

In Appreciation

SID committee members were invited to a Lunar New Year’s “lo-hei” lunch on 19 February 2016. They were thanked for their contributions to the Institute and briefed on plans for the year.

A Sponsors’ Appreciation evening was also held at the S.E.A. Aquarium at Resorts World Sentosa

to thank organisations for their sponsorships and contribution to the work of SID. The venue for the event was supported by Resorts World Sentosa and wine was provided by ACA Pacific Technology.



Members' Networking Social at Universal Studios Singapore

Golf

The SID Annual Golf Tournament was held on Sunday, 8 May 2016 at the Garden Course of Tanah Merah Country Club. The event, now in its 16th year, was graced by Mr Lim Swee Say, Minister for Manpower. All 32 flights were fully subscribed by corporations.

It was a fun-filled event for the golfers who finished their game on time, despite initial clouds that threatened rain. The tournament, which was based on the Stableford scoring system, started with a luncheon where participants mixed and mingled with other fellow golfers. It concluded with a networking dinner, a lucky draw and a prize-giving ceremony.

Congratulations to the SID Annual Golf Tournament 2016 winners:

- Overall Individual Winner of the SID Challenge Trophy was Rainer Gumpert, with Vincent Loh and Mui Chee Leong as the First Runner Up and Second Runner up respectively.
- Winning team that clinched the Sembcorp Challenge Shield comprised Chan Cheow Hoe, Bruce Dahlgren, Lian Tian Tse and Andrew Lim.



Annual Golf Tournament 2016







Stakeholders

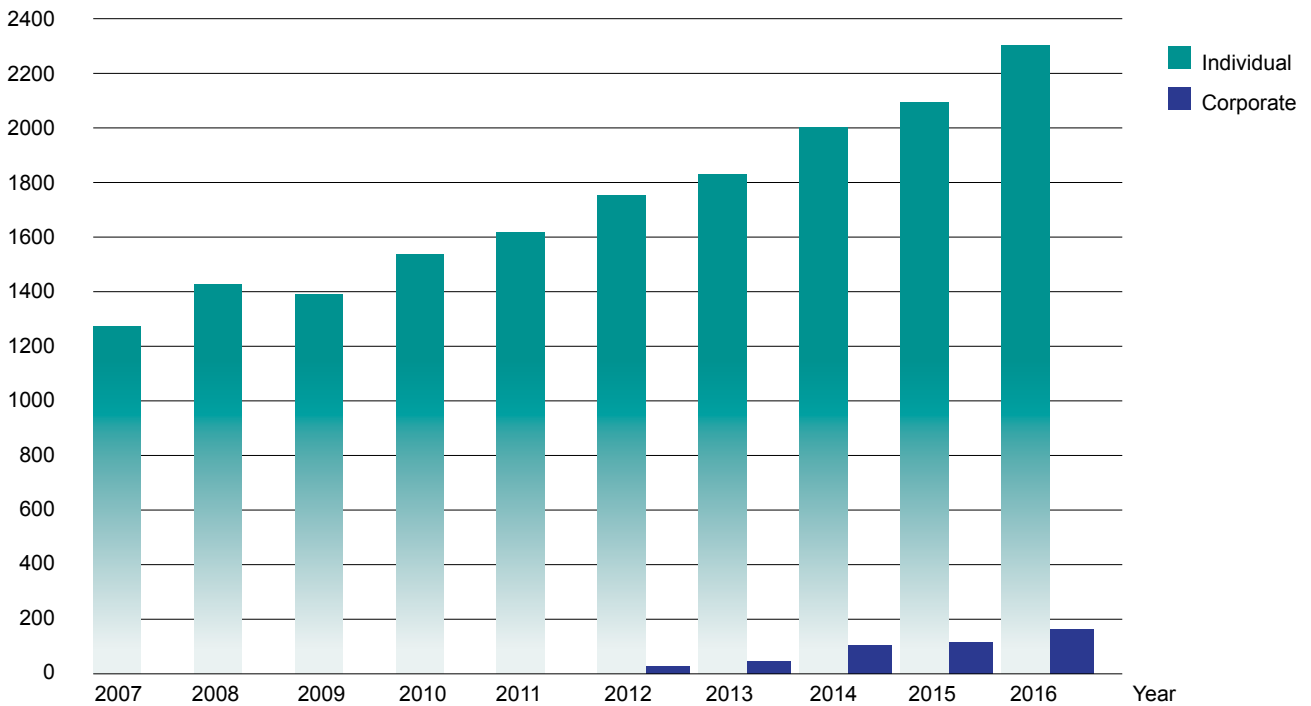
SID works closely with its members and key players of the corporate governance ecosystem, on matters related to corporate governance and directorship in Singapore.



Members

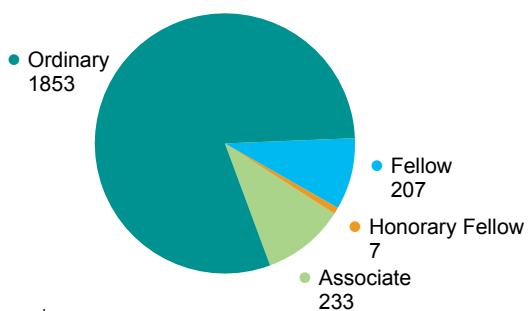
SID individual membership has reached the 2,300 mark. More individuals and corporates have come on board during the year after the membership campaign was launched in Q4 2014.

Membership from 2007 to 2016

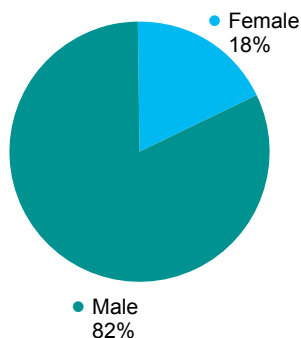


Profile of Individual Members

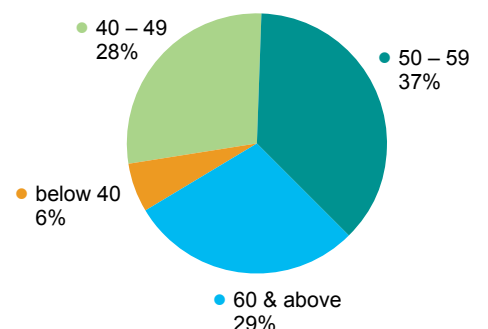
By Category



By Gender



By Age Group



Partners

SID wishes to thank the many organisations who have supported it in the past year.

Corporations

- 3M Singapore
- Accenture LLP
- AKIRA Corporation Pte Ltd
- Allen & Gledhill LLP
- Alpha Catalyst Consulting Sdn Bhd
- Aon Singapore
- ARA Trust Management (Suntec) Ltd
- Ascendas Funds Management (S) Ltd
- Asian Development Bank
- Bacardi-Martini Singapore Pte Ltd
- Bain & Company SE Asia, Inc.
- Ball Watch Singapore Pte Ltd
- Bank Julius Baer & Co Ltd
- Bank of Singapore Ltd
- BDO LLP
- Board Accord
- BoardPAC
- Boardroom Ltd
- Boardvantage (HK) Ltd
- Bok Seng Group
- Boustead Singapore Ltd
- Borden Company Pte Ltd
- Canon Singapore Pte Ltd
- CapitaLand Ltd
- CapitaLand Mall Asia Ltd
- Carlsberg Singapore Pte Ltd
- Cerebos Pacific Ltd
- Certis CISCO Security Pte Ltd
- Citigate Dewe Rogerson i.MAGE Pte Ltd
- City Developments Ltd
- Credit Suisse Wealth Institute
- CSE Global Ltd
- CYC The Custom Shop
- Daiho Energy Services Pte Ltd
- Daimler South East Asia Pte Ltd
- DBS Bank Ltd
- Deloitte & Touche LLP
- Diligent APAC Board Services Pte Ltd
- Dimension Data (Singapore) Pte Ltd
- Drew & Napier LLC
- Eagle Growth International Pte Ltd
- Egon Zehnder International Pte Ltd
- Ernst & Young LLP
- Eu Yang Sang (Singapore) Pte Ltd
- Far East Hospitality Trust
- FEO Hospitality Asset Management Pte Ltd
- Fraser & Neave, Ltd
- Frasers Centrepoint Ltd
- Great Eastern Life Assurance Co Ltd
- Hall & Partners Ltd
- Handshakes
- Harry Elias Partnership LLP
- Harvey Norman Singapore
- Hay Group Singapore
- Heidrick & Struggles
- Hewlett-Packard Singapore Pte Ltd
- Hock Tong Bee Pte Ltd
- IronOne Technologies (Pvt) Ltd
- Jardine Cycle & Carriage Ltd
- JS Printing Pte Ltd
- KCS Corporate Services Pte Ltd
- Keppel Corporation Ltd
- Khong Guan Biscuits Factory (S) Pte Ltd
- Korn Ferry
- KPMG LLP
- Lee & Lee Advocates & Solicitors
- Leelloyds Marine Engineering Pte Ltd
- Lucas Foods (Asia) Pte Ltd
- Luxasia Pte Ltd
- M & S Stationery
- M1 Ltd
- Marina Mandarin Singapore by Meritus
- Mandarin Oriental Singapore
- Meiban Group Ltd
- Mencast Holdings Ltd
- Mercer (Singapore) Pte Ltd
- Midas Holdings Ltd
- Morgan Lewis Stamford LLC
- Moore Stephens LLP
- Naili Print Media Pte Ltd
- Nexia TS Pte Ltd
- NTUC Fairprice Co-operative Ltd
- NTUC Income Insurance Co-Operative Ltd
- Oliver Wyman Singapore
- One Creation Pte Ltd
- Opal Lawyers LLC
- OSIM International Ltd
- Outdoor Sports Travel
- Parkway Hospitals Singapore Pte Ltd
- Pavilion Energy Pte Ltd
- Petra Foods Ltd
- PixelPak
- PricewaterhouseCoopers LLP
- Protiviti Pte Ltd
- Provenance Capital Pte Ltd
- Quann Singapore Pte Ltd
- Rajah & Tann LLP
- Resorts World Sentosa Singapore
- Rotary Engineering Ltd
- Russell Reynold Associates Singapore Pte Ltd
- RSM Chio Lim LLP
- S&W Fine Foods International Ltd
- SAS Institute Pte Ltd
- Sembcorp Industries Ltd
- Senoko Energy Pte Ltd
- Singapore Exchange Ltd
- Singapore Press Holdings Ltd
- Singapore Telecommunications Ltd
- SP Telecommunications Pte Ltd
- Splunk Services (S) Pte Ltd
- StarHub Ltd
- Straco Corporation Ltd
- Straits Interactive Pte Ltd
- Symantec Corporation
- Tat Hong Holdings Ltd
- Telstra Singapore Pte Ltd
- The Boston Consulting Group Pte Ltd
- The Cocoa Trees Singapore
- Toshiba Singapore Pte Ltd
- Tuas Power Generation Pte Ltd
- United Overseas Bank Ltd
- Voice Caddie Singapore
- Willis Towers Watson
- Wilmar Trading Pte Ltd
- Wine Tattler LLP
- Wing Tai Holdings Ltd
- 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
- INSEAD
- Institute of Singapore Chartered Accountants
- Monetary Authority of Singapore
- Nanyang Technological University
- National Council of Social Service
- National University of Singapore
- SIM University
- Singapore Accountancy Commission
- Singapore Management University
- Social Service Institute
- SPRING Singapore
- The Business Times
- The Institute of Internal Auditors Singapore
- World Presidents' Organisation
- Young Presidents' Organisation

Governing Council

Willie Cheng



Chairman

Mr 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, SingHealth and Integrated Health Information Systems, as well as several nonprofit organisations. He writes extensively on corporate governance and nonprofit matters. He is author of *Doing Good Well*, co-author of *Doing Good Great*, and co-editor of *The World That Changes The World*.

Daniel Ee



Vice-Chairman

Mr Ee is an independent director of Keppel Infrastructure Fund Management Pte Ltd, the trustee manager of Keppel Infrastructure Trust. Mr Ee is also a director of Singapore Mediation Centre. He has served as independent director of listed and unlisted regulated companies since 1999. He spent more than 14 years in investment banking and 10 years in public service. He was with Standard Chartered Merchant Bank Asia Ltd for 10 years from 1989 to 1999, in the latter part as Chief Executive. Mr Ee was conferred the Public Service Medal in 2003.

Soh Gim Teik



Vice-Chairman

Mr Soh advises corporations through his firm, Finix Corporate Advisory LLP, and has more than 35 years of experience in corporate advisory, finance, accounting and general management. He was previously an executive director and Finance Director/CFO of Sincere Watch Ltd and has broad boardroom experience in the region. He is currently an independent director in a number of public companies and is also a director and audit committee chairperson in a number of charitable and nonprofit organisations.

Gerard Tan Wee Seng



Treasurer

Mr Tan 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 & Wales). He is also a Fellow of the Institute of Singapore Chartered Accountants, Fellow of the Singapore Computer Society. He currently serves on the boards and committees of companies and not-for-profit organisations in various capacities as independent director; audit, nomination, remuneration committee chair/member, treasurer and council member. He was also on the panel of judges on the Singapore Corporate Awards, Investor Relations Award, and an instructor on the ACRA-SID Directors Compliance Program (Finance Module).

Members

Ramlee Bin Buang



Mr Buang is the founder of Uyko Advisory – a business that focuses on human capital, including leadership and talent development, coaching and mentorship. He currently sits on the board of Alexander Health Systems, Centre for Fathering, Halogen Foundation (Singapore) and The Esplanade Co. Ltd. Mr Buang has more than 35 years of experience in international business and finance, and he was an Executive Director and CFO of Cerebos Pacific Ltd from 1998 to 2014. Mr Buang is also a member of the Chartered Association of Certified Accountants (United Kingdom), CPA (Australia) and a non-practising member of ISCA.

Robert Chew

Mr Chew is a Managing Partner of early stage technology investors, iGlobe Partners and Stream Global. He is currently a Board Member of Alexandra Health System, Anacle Pte Ltd, Kwong Wai Shiu Hospital, Integrated Health Information Systems, Scanadu Holdings, 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 a council member in the National Information Technology Standards Committee (ITSC), where he chairs ITSC's Cloud Computing Standards Task Force. He was awarded SCS's IT Leader of the Year in 2009 and conferred the Public Service Medal in 2013.



Wilson Chew



Dr Chew is Partner at PricewaterhouseCoopers in Singapore. He leads the strategy team in the Entrepreneurial and Private Clients practice of the firm. Dr Chew sits on the boards of Swee Hong Limited, SID and The National Arthritis Foundation. He is an advisor for the Wharton-SMU-IBM Business & Industry Insight Program 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 written 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 program at Harvard Business School.

Junie Foo

Ms Foo is Head, Corporate Banking Singapore, and Head, Global Subsidiary Banking, Asia Oceania at the Bank of Tokyo-Mitsubishi UFJ Ltd. 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 is currently part of the investment committee of the SCWO Service Fund and a member of the SIM Governing Council. She is also a member of the Diversity Action Committee. As a seasoned corporate banker, she has previously held positions at ANZ, Standard Chartered Bank and Citibank.



Members

Philip Forrest



Mr Forrest has lived in the ASEAN region since 1982, and in Singapore since 1991. He is a non-executive director of seven (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.

Kevin Kwok



Mr Kwok was a senior partner of Ernst & Young LLP and was Head of the firm's Assurance & Advisory Business Services for Singapore and ASEAN. He holds a BA (Hons) from the University of Sheffield and is a Chartered Accountant with the Institute of Chartered Accountants in England & Wales and the Malaysian Institute of Accountants. He is a Fellow of the Institute of Singapore Chartered Accountants and the Chartered Malaysian Institute of Taxation. Mr Kwok is Chairman of the Audit Committee of the SGX and sits on several other boards. He is also the Chairman of the Accounting Standards Council of Singapore.

Lee Kim Shin



Mr Lee 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, Mr Lee 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, and is a member of the Governing Board of the Duke-NUS Medical School Singapore.

Elaine Lim



Mrs Lim is a pioneer communication and investor relations specialist with four decades of experience. She is widely recognised for her strong track record in strategic issues and crisis management, boardroom and shareholder issues, capital market transactions, including more than 270 IPOs, landmark RTOs and M&A transactions. She conducts Investor Relations training for directors under SID's LCD professional development series. She was named the PR Professional of the Year in 1995 and awarded the Lifetime PR Achievement Award in 2012 by the Institute of Public Relations Singapore. She currently serves on the Boards of M1 Ltd and Lien Aid.

Members

Irving Low



Mr Low is a Partner with KPMG Advisory LLP in Singapore and heads the Risk Consulting Practice for both Singapore and Indonesia markets. His recent appointment is as the Head of Markets, which also includes a seat at the KPMG Leaderships Group. As Head of Markets, he is responsible for the firm's marketing strategy, in addition to marketing communications, branding, visibility and client care. Mr Low is also KPMG's ASPAC leader in developing their Board Advisory Services practice. He is a member of the ISCA Governance Committee and a member of the Internal Audit Committee for the Singapore Accountancy Council (SAC) on behalf of ACRA. He currently chairs the SAC Risk Advocacy Work Group.

Ng Wai King

Mr Ng is the Managing Partner of WongPartnership. His experience focuses on M&A and private equity. He has worked on a substantial number of high profile and complex transactions in Singapore and across the region including SMRT's transition to the new financing framework with LTA and proposed scheme of arrangement with Temasek, KKR's acquisition of Goodpack, Unisteel and MMI; the merger between JTC and Temasek of four operating subsidiaries; DBS's bid for Bank Danamon, and TCC and ThaiBeverage's successful takeover offer for F&N. He graduated from the National University of Singapore where he was awarded the AV Winslow Prize, and obtained a LL.M. from Columbia University School of Law where he graduated as a Harlan Fiske Stone Scholar.



Poh Mui Hoon



Ms Poh is CEO of SP Telecom Pte Ltd. She is an experienced board director in both the profit and nonprofit sectors. Ms Poh currently serves on the Board of SATA CommHealth, Sistic.com Pte Ltd, SP Telecom Pte Ltd and SP Power Grid Pte Ltd. She has also been recently appointed to serve on the Singapore Pools IT Steering Committee to help drive Singapore Pools' IT transformation. A key member of the technology and corporate community in Singapore, Ms Poh was a member of the Information Development Authority's (IDA) IN2015 Masterplan Finance Industry Subcommittee and also an international advisor on the China Union Pay International Advisory Council. Ms Poh was conferred the Distinguished Alumni Achievement Award by ISS, NUS in 2011 and is currently a Fellow of the Singapore Computer Society.

Andy Tan Chye Guan

Mr Tan is the CEO of Generali Real Estate Asia at Generali Group, a global insurer and Fortune 50 company with €500 billion of assets under management. He was formerly the Executive Vice President of MEAG Pacific Star Asset Management where MEAG is Munich Reinsurance asset management arm. He was also the Vice President of Government of Singapore Investment Corporation (GIC) real estate arm covering investments in Asia, Australia and Europe. Globally, he has invested and managed multi-billion-dollar portfolios ranging from listed and unlisted companies, REITs, funds, strategic alliances to direct assets. He is also the Chairman of Asia Pacific Real Estate Association (APREA) Singapore Chapter and serves on the board of Singapore Institute of Directors (SID), the Stewardship Asia Centre (SAC) Stewardship Code and the Law Society Inquiry Panel appointed by the Chief Justice.



Members

Tan Boon Gin



Mr Tan is Chief Regulatory Officer at SGX and heads the Regulation unit that performs various 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, he held several appointments at the Monetary Authority of Singapore (MAS) 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 is Regional Vice President and Managing Director of Asia Pacific (South) for SAS Institute. Prior to joining SAS, she was Senior Vice President of Applications for Oracle Asia Pacific. She is currently the Chairman of Singapore Science Centre, Director of Singapore Press Holdings, Gemalto, Defence Science and Technology Agency, Cap Vista and Advisor Mentor of TNF Ventures. 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 and the “IT Leader of the Year Award” in 2011 by the Singapore Computer Society.



Eugene Wong



Mr Wong is the Founder and Managing Director of the Sirius Venture Capital (SVC), non-executive Chairman of CrimsonLogic Pte Ltd and non-executive Vice-Chairman of Japan Foods Holding Limited. He sits on the boards of several public-listed SMEs and also serves on the Boards of International Enterprise (IE) Singapore and Agri-Food and Veterinary Authority (AVA) of Singapore. Mr Wong is a Chartered Director CDir and Chartered Financial Analyst CFA. He is the first Singaporean Board Leadership Fellow of the USA National Association of Corporate Directors.

Wong Su-Yen

Ms Wong is the CEO of the Human Capital Leadership Institute, Chairman of the Board, Nera Telecommunications, and a member of the Board of Directors at MediaCorp, Yoma Strategic Holdings, and NTUC First Campus. Previously she was Chairman, Singapore, at Marsh & McLennan Companies and Managing Director, ASEAN, at Mercer. Ms Wong has over 20 years’ experience in business strategy, strategic human capital development, organisation transformation, operations redesign and risk management. She was named to The Agenda Compensation 100: Top Board Candidates with Pay Setting Skills. She is also an active member of the Young Presidents’ Organisation and Women Corporate Directors.



Executive Staff



Left to Right:

- Jemie Yee (Membership Services)
- Chia Yi Hui (Communications & Events)
- Christopher Tan (Governance & Research)
- Ivy Teo (Accounts & Projects)
- Lavina D'souza (Accounts & Administration)
- Joyce Koh (Executive Director)
- Haryana Jaafar (Website & Graphic Design)
- Cecilia Cho (Professional Development Administration)
- Adeline Tay (Membership Services)
- Florence Lum (Operations & Logistics)
- Ani Dinasan (Professional Development)

Committees

Programme Committees

Professional Development Committee

Poh Mui Hoon (Chairman)
Jamal Sheik Abdulla
Lyn Boxall
Shai Ganu
Martin Garner
Abdul Jabbar Bin Karam Din
Derrick Kon
John Lee Chuan Guan
Patrick Liew
Lim Siew Ming
Lo Kim Seng
Lu Ling Ling
Bernard Lui
Kathy O'Brien
V Ramakrishnan
Henry Tan Ngiak King
Henry Tan Seng Lee
Henry Tan Song Kok
Tan Yen Yen
Engelin Teh

Governance, Risk and Compliance (GRC) SubCommittee

Philip Forrest (Chairman)
Irving Low (Chairman)
Jill Chay Suet Yee
Bill Chua Teck Huat
Jayems Dhingra
Paul Martin Pavey
Teo Puay Wei
Raymond Tong

Board Appointment Services

Andy Tan (Chairman)
Junie Foo
Nainesh Jaisingh
Mohamed Nasser
Gail Ong
Quek Peck Lim
Hugh Young

Diversity SubCommittee

Junie Foo (Chairman)
Ramlee Bin Buang
Vance Michael Duigan
Philip Forrest
Osith Ramanathan
Tam Chee Chong
Darryl Wee
Juanita Woodward

Singapore Directorship Report 2016

Adrian Chan (Chairman)
Basil Chan
David Chew
Ho Tuck Chuen
Ho Yew Kee
Pushpa Kallet
Lim Jen Hui
Daryl Neo
Vernice Neo
Perrine Oh
June Sim
Joyce Tang
Victor Yeo

Membership and Growth Committee

Soh Gim Teik (Chairman)
Jehu Chan
Kevin Chng
Junie Foo
Philip Forrest
Robert Fu
Juliana Gim Poh Pheng
Robin Lee
Lee Tong Nge
Benedict Lim
Lim Wei Wei
Sonya Madeira
New Chin Yong
Alexis Ng
Murugiah Rajaram
Alex Tan Kim Heng
Andy Tan
Henry Tan Ngiak King
Tonya Tan
Bernard Tay
Darryl Wee
Eugene Wong
Tracy Wun May Ling

Advocacy and Research Committee

Lee Kim Shin (Chairman)
Adrian Chan
Marcus Chow
Mark Erhart
Martin Garner
Eugene Kang
Kevin Kwok
Elaine Lim
Irving Low
Edouard Merette
Jon Robinson
Sharon Sng
Barbara Voskamp
Terry Wee

Branding and Communications Committee

Wong Su-Yen (Chairman)
Wilson Chew (Deputy Chairman)
Chan Yu Meng
Mylinh Cheung
Mike Gray
Gary Harvey
Sameer Khan
Marie-Helene Mansard
Dennis Mark
Wayne Soo
Leonard Optiz Stornes
Jean-Emmanuel Turquois
Victor Yeo
Annabelle Yip

Board of Directors Survey 2015 SubCommittee

Adrian Chan (Chairman)
Ramlee Bin Buang
Chua Wei Hwa
Fang Eu-Lin
Koh Wei Chern
Neo Beng Tong
Jonathan Edward Ramsay
June Sim

Task Forces & Project Committees

Singapore Governance and Transparency Index *

John Lim
Chaly Mah
Melvin Yong
Lawrence Loh
* Joint committee with CGIO and CPAA

Annual Conference Committee

Robert Chew (Chairman)
Willie Cheng
Wilson Chew
Glen Francis
Asha Hemrajani
Sam Liew
Tommy Loke Hip Meng
Dileep Nair
Robin Pho
Ramakrishna Purushotaman

Annual Golf Tournament Committee

Ramlee Bin Buang (Chairman)
Chin Chee Choon
Danny Lai
Gerard Chai
Lim Chin Hu
Raymond Verghese
Robin Lee
Sonny Yuen
Terence Chan
Victor Lai Kuan Loong

Infrastructure Committees

Executive Committee

Willie Cheng (Chairman)
Daniel Ee
Soh Gim Teik
Gerard Tan

Audit Committee

Tan Yen Yen (Chairman)
Ramlee Bin Buang
Soh Gim Teik
Andy Tan

Nominating and Governance Committee

Daniel Ee (Chairman)
Willie Cheng
Tan Boon Gin

Finance Committee

Gerard Tan (Chairman)
Chua How Khiang
Willem Klaassens
Mikkel Larsen
Soh Kok Leong
Tan Eng Kwee
Wong Chee Boon

Singapore Corporate Awards Committees

Best Managed Board Award Working Committee

El'fred Boo
Ramlee Bin Buang
Wilson Chew
Alvin Chiang
Daniel Ee
Philip Forrest
Yvonne Goh
Genevieve Heng
Surinder Kathpalia
Joyce Koh
Ku Xian Hong
Kevin Kwok
Lee Chian Yorn
Lee Soo Chye
Ng Siew Quan
Soh Gim Teik
Andy Tan
Tan Yen Yen

Best Managed Board Award Judging Panel

Willie Cheng (Chairman)
Chew Gek Khim
Ho Meng Kit
Lee Ark Boon
John Lim
Torsten Linke
JY Pillay
Gillian Yeo
Yeoh Oon Jin

Best CEO Award Working Committee

Wilson Chew
Rung Jaismut
Joyce Koh
Tracy Lim
Tan Toi Chia
Clarissa Wang
Wong Su-Yen

Best CEO Award Judging Panel

John Lim (Chairman)
Willie Cheng
Roger Chia Kim Piew
Karen Choy-Xavier
Jean-Francois Manzoni
Png Cheong Boon
Tam Chee Chong

Best IR Award Working Committee

Akhil Bheda
Joyce Koh
Gerard Tan
Elaine Teh
Eugene Wong
Thomas Yap

Best IR Award Judging Panel

Elaine Lim (Co-Chairman)
Alvin Tay (Co-Chairman)
Willie Cheng
Nicholas Hadow
Vishal Sharma
Tan Jeh Wuan
Roger Tan

Corporate Governance Guides for Boards in Singapore Committees

Steering Committee

ACRA Rep Kenneth Yap
MAS Rep Ng Yao Loong
SGX Reps June Sim
Tan Boon Gin
SID Rep Willie Cheng

Programme Management Team

ACRA Reps Andrew Abraham
Bong Yap Kim
Nicholas Ngoh
Wong Kee Wei
MAS Reps Lau Mei Seong
Jonathan Tan
SGX Reps Agnes Cheong
Siew Wun Mui
SID Reps Joyce Koh
Margaret Chin
Christopher Tan

Nominating Committee Guide Working Committee

Neo Sing Hwee (Lead)
Lim Yiwen
Jo Tay
Erica Yeo

Nominating Committee Guide Review Panel

Max Loh (Chairman)
Kala Anandarajah
Gerard Chai
Junie Foo
Yvonne Goh
Lee Chong Kwee
Lim Chin Hu
Mak Yuen Teen
Ong Boon Hwee
Tan Ngiap Joo
Elaine Yew

Remuneration Committee Guide Working Committee

Shailesh Ganu (Lead)
Sonalika Ahuja
Desmond Lau Kian Liong
Jon Robinson
Tiang Ker Ying

Remuneration Committee Guide Review Panel

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

Board Risk Committee Guide Working Committee

Irving Low (Lead)
Edouard Bertin-Mourot
Emilie Williams
Sebastian Wu
Jennifer Zheng

Board Risk Committee Guide Review Panel

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

Board Guide Working Committee

Ng Siew Quan (Lead)
Alvin Chiang
Chua Hsieh Wen

Board Guide Review Panel

Yeoh Oon Jin (Chairman)
Gautam Banerjee
Daniel Ee
Robert Gordon
Michael Gray
Piyush Gupta
JY Pillay
Tan Chin Tiong
Lucien Wong
Walter Woon

eGuide to the CG Code Working Committee

David Chew (Lead)
Goh Wei Leong
Hsu Man Pin
Lim Thien Hui

eGuide to the CG Code Review Panel

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

Audit Committee Working Committee

Gerard Tan (Lead)
Ng Siew Quan
Alvin Chiang
Chua Hsieh Wen

Audit Committee Guide Review Panel

Danny Teoh (Chairman)
Adrian Chan
Yvonne Goh
Koh Soo Keong
Hans Koopmans
Kevin Kwok
Lim How Teck
John Lim
Irving Low
Ng Siew Quan
Julia Tay





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 the compliance with the SID Code.



Corporate Governance Report

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 (revised 2012) 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 which 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 page 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 16 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:

- Nine members or 45 per cent are practicing 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 come from a variety of industry backgrounds including government, banking, technology, property and retail.
- Five members or 25 per cent are female.
- Two members or 10 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.

After the AGM of November 2015, five new Council members were elected/co-opted. At the AGM of November 2016, at least six Council members are expected to step down.

In 2013, the Council 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 August 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, and a few will stand for election. This process reduces the tension and risks that arise from unknown candidates who appear only at the AGM.

“The answer [to corporate failures and scandals] is to ensure that boards are populated with the right individuals with the professionalism and moral courage to challenge and ask the important questions, and to take a stand – notwithstanding their relationships, no matter how close, with management and major shareholders.” — **Willie Cheng**

The Council has continued with the enhanced nomination process in 2016, and a total of 52 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 & Governance Committee

Programme Committees

1. Advocacy & Research Committee
 - Singapore Directorship Report 2016 Subcommittee
 - Board of Directors Survey 2015 Subcommittee
 - Diversity Subcommittee
2. Membership & Growth Committee
3. Professional Development Committee
 - Governance, Risk & Compliance (GRC) Subcommittee
4. Branding and Communications Committee
5. Board Appointment Service Committee

Ad Hoc Committees/Task Forces

1. Conference Committee
2. Corporate Governance and Transparency Index Committee
3. Golf Committee

4. Singapore Corporate Awards
 - Best CEO Working Committee
 - Best CEO Judging Panel
 - BMBA Working Committee
 - BMBA Judging Panel
 - Best Investor Relations Working Committee
 - Best Investor Relations Judging Panel
5. CG Guides for Boards in Singapore Committees
 - Steering Committee
 - Programme Management Team
 - Nominating Committee Guide Working Committee
 - Nominating Committee Guide Review Panel
 - Remuneration Committee Guide Working Committee
 - Remuneration Committee Guide Review Panel
 - Board Risk Committee Guide Working Committee
 - Board Risk Committee Guide Review Panel
 - Board Guide Working Committee
 - Board Guide Review Panel
 - E-Code of CG Working Committee
 - E-Code of CG Review Panel
 - Audit Committee Guide Working Committee
 - Audit Committee Review 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.

“In fact, a responsible board should establish a culture and process that incorporate mediation as a first step in any dispute resolution. Often, the parties, including management, legal counsel and subject matter specialists, can get carried away with the notion that ‘we have a strong case’. As the clock ticks, so does the legal fee meter.”

— Daniel Ee

Secretariat

The affairs of SID are managed on a day-to-day basis by a team of 12 staff, 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 & 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

A *Governing Council Handbook* was developed and approved by the Council in 2014. It sets out policies, guidelines and practices of the Council.

The Handbook 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 *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 where necessary, 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 in 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 at least 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:

Attendance of Council Meetings*

Name of Director	Council Meetings Attended	Held	Comments
• Willie Cheng	6	6	
• Daniel Ee Hock Huat	5	6	
• Soh Gim Teik	5	6	
• Gerard Tan	5	5	Joined Council on 18 Nov 15
• Ramlee Buang	4	6	
• Robert Chew	6	6	
• Wilson Chew Huat Chye	5	6	
• Junie Foo	4	6	
• Philip Forrest	5	6	
• Kevin Kwok	6	6	
• Irving Low	4	6	
• Elaine Lee Kia Jong (Mrs Elaine Lim)	5	6	
• Poh Mui Hoon	5	6	
• Andy Tan Chye Guan	4	6	
• Tan Yen Yen	5	6	
• Wong Su Yen	4	6	
• Lim Kim Shin	2	4	Joined Council on 1 Dec 15
• Tan Boon Gin	2	4	Joined Council on 1 Dec 15
• Eugene Wong Hin Sun	3	4	Joined Council on 1 Dec 15
• Ng Wai King	3	3	Joined Council on 12 Feb 16
• Adrian Chan	1	1	Retired from Council on 18 Nov 15
• Yeoh Oon Jin	0	1	Retired from Council on 18 Nov 15
• Lim Chin Hu	0	1	Retired from Council on 18 Nov 15
• Teng Wee Chen (Richard)	1	1	Retired from Council on 18 Nov 15

* Council meetings are for the period 1 October 2015 to 30 September 2016.

** It denotes the number of Council meetings held during the Council member's term of office (within the period 1 October 2015 to 30 September 2016).



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 to be environmentally responsible.

Council Induction

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

Council Evaluation

The Nominating and Governance Committee conducts a self-evaluation survey of the Council. A survey was done in September 2015, and the results were compiled by the Executive Director and shared with the Council at its meeting in November 2015.

Another board evaluation was conducted in September 2016 and the findings will be reviewed at the upcoming Council retreat scheduled for October 2016.

3

Strategy Implementation

Principle: SID is set up to accomplish the objectives set out in its M&A 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.

“Corporate governance rules, regulations and practices serve a greater purpose, and that is to engender trust in the capital markets so that funds can be fruitfully allocated to seed innovations and economic growth.” — **Soh Gim Teck**

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

Strategic Planning

The Council is planning a retreat in October 2016 for Council and staff to review its strategy, focus and core priorities. The retreat will be conducted by 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.

Following the Council retreat in July 2015, a review was held on Committee’s terms of reference, key objectives and work plan for the year.

At every Council meeting, select Committees provide their updates on 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, a “Lo-Hei” Lunar New Year lunch and a sponsors’ appreciation dinner.

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.

“Conflicts of interest have an impact that can be felt beyond the legal sphere. Individual breaches often have an equally serious bearing in the court of public opinion that can leave a stain that is difficult to remove.” — **Gerard Tan**

Audit

The Audit Committee reviews the most recent monthly and annual financial statements of 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 all meetings of the Audit Committee.

Internal Controls

In August this year, Deloitte conducted a pro-bono internal audit review of SID. The audit findings and management's response were reviewed by the Audit Committee.

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. An appreciation dinner was held in June 2016 for these sponsors.

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 requests for information.

Image

SID adopts a proactive approach on projecting and maintaining its image. In 2015, SID refreshed its publications and marketing collaterals based on the Visual Branding Guide developed in 2014 to ensure a consistent look and feel across its communication channels.

A revamp of the SID website and membership system is currently in progress, and is expected to be launched by the first quarter of 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.

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 partnered with ACRA, MAS and SGX to develop a series of Corporate Governance Guides for Boards in Singapore. Three of the seven guides were rolled out in the last year, and the remaining guides will be progressively launched by March 2017. The Guides will enhance SID's position on corporate governance in Singapore.

“For the ‘comply or explain’ approach to work effectively, there must be mutual trust among the players in the corporate governance ecosystem. Companies, in particular, must commit to good governance and that commitment must be trusted and their explanations given proper consideration by investors and third party assessors of corporate governance. Enforcement by the regulators should be a matter of last resort.”

— Joyce Koh

“It is sometimes thought that if a group of successful people are brought together, they will, by definition, become a successful board. The truth is somewhere in between.”

— Philip Forrest

Media

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

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

Since February 2014, SID started a weekly column, “Boardroom Matters”, in *The Business Times* and its financial portal, *BT Invest*, that provide its views and perspectives 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 setting out the upcoming professional development and other offerings.

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

Networking member evenings are 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 in discharging their duties as directors.

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

“It is a truism that a director is required to act in the company’s best interests, but a shareholder need only look after his own.”

— Lee Kim Shin



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Financial Report

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

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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 2016.

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 59 to 79 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 2016 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)
Daniel Cuthbert Ee Hock Huat	(First Vice-Chairman)
Soh Gim Teik	(Second Vice-Chairman)
Gerard Tan Wee Seng	(Treasurer, Appointed on 18 November 2015)
Ramlee Bin Buang	
Robert Chew	
Wilson Chew Huat Chye	
Junie Foo Kwee Joen	
Philip William Forrest	
Kevin Kwok Khien	
Elaine Lee Kia Jong (Mrs Elaine Lim)	
Irving Low Chee Whay	
Poh Mui Hoon	
Andy Tan Chye Guan	
Tan Yen Yen	
Wong Su Yen	
Lee Kim Shin	(Appointed on 1 December 2015)
Tan Boon Gin	(Appointed on 1 December 2015)
Eugene Wong Hin Sun	(Appointed on 1 December 2015)
Ng Wai King	(Appointed on 12 February 2016)

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
16 September 2016

Independent Auditor's Report

To the Members of Singapore Institute of Directors

Report on the Financial Statements

We have audited the accompanying financial statements of the Singapore Institute of Directors (the "Company") which comprise the statement of financial position as at 30 June 2016, the statement of comprehensive income, changes in accumulated surplus and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, 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.

Auditor's Responsibility

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

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

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



Independent Auditor's Report (cont'd)

To the Members of Singapore Institute of Directors

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of 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 2016 and of the financial performance, changes in accumulated surplus and cash flows of the Company for the financial year ended on that date.

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
16 September 2016

Statement of Financial Position

As at 30 June 2016

	Note	2016 \$	2015 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	4,329,774	3,623,052
Trade receivables	7	429,092	334,390
Other receivables and prepayments	8	166,128	255,347
Total current assets		4,924,994	4,212,789
Non-current assets			
Plant and equipment	9	206,440	208,694
Total assets		5,131,434	4,421,483
LIABILITIES AND EQUITY			
Current liabilities			
Subscriptions received in advance	10	508,861	490,657
Course fees received in advance	11	85,803	49,436
Other payables	12	1,166,947	961,626
Total current liabilities		1,761,611	1,501,719
Non-current liabilities			
Subscriptions received in advance	10	628,130	428,890
Deferred tax liability	13	17,000	10,000
		645,130	438,890
Total liabilities		2,406,741	1,940,609
Reserves			
Accumulated surplus		2,724,693	2,480,874
Total liabilities and equity		5,131,434	4,421,483

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

Statement of Comprehensive Income

For the Financial Year ended 30 June 2016

	Note	2016 \$	2015 \$
Revenue	14	2,877,543	2,402,385
Other operating income	15	413,002	217,521
Course, seminar and golf tournament expenses		(823,996)	(673,747)
Staff costs		(1,071,834)	(893,537)
Depreciation expense	9	(113,597)	(94,488)
Other operating expenses	16	(1,032,158)	(792,615)
Surplus before income tax		248,960	165,519
Income tax expenses	17	(5,141)	(3,595)
Surplus for the financial year representing total comprehensive income for the financial year	18	243,819	161,924

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

Statement of Changes in Accumulated Surplus

For the Financial Year ended 30 June 2016

	Accumulated surplus \$
Balance at 1 July 2014	2,318,950
Total comprehensive income for the financial year	161,924
Balance at 30 June 2015	<u>2,480,874</u>
Total comprehensive income for the financial year	243,819
Balance at 30 June 2016	<u><u>2,724,693</u></u>

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

Statement of Cash Flows

For the Financial Year ended 30 June 2016

	Note	2016 \$	2015 \$
Operating activities			
Surplus before income tax		248,960	165,519
Adjustments for:			
Depreciation expense	9	113,597	94,488
Reversal of impairment loss of trade receivables	18	-	(5,049)
Interest income	15	(13,524)	(6,891)
Operating cash flows before movements in working capital		349,033	248,067
Changes in working capital:			
Trade receivables		(94,702)	(162,500)
Other receivables and prepayments		89,219	(52,273)
Subscriptions received in advance		217,444	86,232
Course fees received in advance		36,367	(15,256)
Other payables		205,321	664,537
Cash generated from operations		802,682	768,807
Income tax refunded		1,859	2
Net cash from operating activities		804,541	768,809
Investing activities			
Interest received	15	13,524	6,891
Purchase of plant and equipment	9	(111,343)	(157,749)
Deposits pledged		-	333,149
Net cash (used in) / generated from investing activities		(97,819)	182,291
Net increase in cash and cash equivalents		706,722	951,100
Cash and cash equivalents at beginning of financial year		3,623,052	2,671,952
Cash and cash equivalents at end of financial year	6	4,329,774	3,623,052

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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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 Clause 8 of the Company's Memorandum of Association, 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 2016, the Company has a total of 2,300 members (2015: 2,097).

The financial statements of the Company for the year ended 30 June 2016 were authorised for issue by the Board of Directors on 16 September 2016.

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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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.

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. A third measurement category has been added for debt instruments – fair value through other comprehensive income. This measurement category applies to 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.

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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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 fair value through other comprehensive income, the Company will now always 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.

FRS 109 also introduces a new hedge accounting model designed to allow entities to better reflect their risk management activities in their financial statements.

The Company plans to adopt FRS 109 in the financial year beginning on 1 July 2018 with retrospective effect in accordance with the transitional provisions. There may be a potentially significant impact on the accounting for financial instruments on initial adoption. The Company is in the process of making a detailed assessment of the impact of this standard. The Company will be required to reassess the classification and measurement of financial assets, and the new impairment requirements are expected to result in changes for allowance for impairment made on trade receivables and other financial assets not measured at fair value through profit or loss.

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 transactions price, which in turn will be the amount to be recognised as revenue for that financial year. The Company is in the process of assessing the potential impact on accounting for contract modifications.

The Company plans to adopt the standard in the financial year beginning on 1 July 2018 with either full or modified retrospective effect in accordance with the transitional provisions, and will include the required additional disclosures in its financial statements for that financial year.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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. Due to the recent release of this standard, the Company has not yet made a detailed assessment of the impact of this standard. The Company plans to adopt the standard in the financial year beginning on 1 July 2019 with either full or 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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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:

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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 seminars 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.

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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

4. Financial instruments, financial risks and capital risks management

4.1 Categories of financial instruments

	2016	2015
	\$	\$
Financial assets		
Cash and cash equivalents	4,329,774	3,623,052
Trade receivables	429,092	334,390
Other receivables	154,806	214,721
Total loans and receivables	4,913,672	4,172,163
Financial liabilities		
Other payables	543,185	228,788
Total financial liabilities carried at amortised cost	543,185	228,788

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.

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 2 (2015: 2) trade receivables from outside parties, which accounted for 50% (2015: 67%) 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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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.

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

Some of the Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

Compensation of directors and key management personnel

No director received any remuneration for financial years ended 30 June 2016 and 2015.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

The remuneration of the key management personnel during the year was as follows:

	2016	2015
	\$	\$
Short-term benefits	320,492	226,058
Central Provident Fund contribution	31,774	13,117
	<u>352,266</u>	<u>239,175</u>

6. Cash and cash equivalents

	2016	2015
	\$	\$
Cash and bank balances	1,903,302	1,172,185
Fixed deposits	2,426,472	2,450,867
	<u>4,329,774</u>	<u>3,623,052</u>

Fixed deposits bear average effective interest rate from 0.45% to 1.38% (2015: 0.05% to 0.89%) per annum and for a tenure between 1 to 12 months (2015: 1 to 12 months).

7. Trade receivables

	2016	2015
	\$	\$
Outside parties	<u>429,092</u>	<u>334,390</u>

The average credit period on trade receivables is 30 days (2015: 30 days). No interest is charged on the trade receivables.

Before accepting any new customers, the Company will assess the potential customer's credit quality and defines 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 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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

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

	2016	2015
	\$	\$
Not past due and not impaired	321,594	168,961
Past due but not impaired	107,498	165,429
Total trade receivables	429,092	334,390

Aging of receivables that are past due but not impaired:

	2016	2015
	\$	\$
Past due 0 to 3 months	66,000	74,447
Past due more than 3 months to 6 months	41,498	90,982
	107,498	165,429

8. Other receivables and prepayments

	2016	2015
	\$	\$
Prepayments	11,322	40,626
Deposits	75,222	42,644
Accrued income	79,584	172,077
Total	166,128	255,347

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

Notes to Financial Statements

For the Financial Year ended 30 June 2016

9. Plant and equipment

	Renovation & refurbishment	Furniture & fittings	Computers	Office Equipment	Website Development	Total
	\$	\$	\$	\$	\$	\$
Cost						
At 1 July 2014	101,756	21,790	76,324	26,260	51,504	277,634
Additions	79,760	19,101	19,950	38,938	-	157,749
At 30 June 2015	181,516	40,891	96,274	65,198	51,504	435,383
Additions	72,020	-	27,970	11,353	-	111,343
At 30 June 2016	253,536	40,891	124,244	76,551	51,504	546,726
Accumulated depreciation						
At 1 July 2014	20,846	8,719	51,467	4,137	47,032	132,201
Depreciation for the financial year	54,888	10,653	14,227	11,366	3,354	94,488
At 30 June 2015	75,734	19,372	65,694	15,503	50,386	226,689
Depreciation for the financial year	70,032	10,846	18,734	12,872	1,113	113,597
At 30 June 2016	145,766	30,218	84,428	28,375	51,499	340,286
Carrying amount						
At 1 July 2014	80,910	13,071	24,857	22,123	4,472	145,433
At 30 June 2015	105,782	21,519	30,580	49,695	1,118	208,694
At 30 June 2016	107,770	10,673	39,816	48,176	5	206,440

10. Subscriptions received in advance

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

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.

Notes to Financial Statements

For the Financial Year ended 30 June 2016

12. Other payables

	2016	2015
	\$	\$
Sundry creditors	72,471	73,917
Accruals	302,418	171,591
Goods and services tax payable	55,540	28,449
Deferred income	527,936	666,781
Others	208,582	20,888
Total	1,166,947	961,626

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 refers mainly to sponsorship and table sales in relation to the Singapore Corporate Awards held in July 2016 which SID is a joint organiser.

13. Deferred tax liability

	Total
	\$
Balance at 1 July 2014	1,500
Charge to profit or loss	8,500
Balance at 30 June 2015	10,000
Charge to profit or loss	7,000
Balance at 30 June 2016	17,000

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

14. Revenue

	2016	2015
	\$	\$
Entrance and subscription fees	642,726	549,181
Seminar and course fees	1,399,593	1,154,192
Event income and sponsorships	835,224	699,012
Total	2,877,543	2,402,385

Notes to Financial Statements

For the Financial Year ended 30 June 2016

15. Other operating income

	2016	2015
	\$	\$
Government grant and project funding	330,341	187,427
Interest income	13,524	6,891
Others	69,137	23,203
Total	413,002	217,521

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

16. Other operating expenses

	2016	2015
	\$	\$
Project expenses	355,378	168,112
Advertising, promotions & communications	242,638	241,615
Office rental	195,796	155,841
Other general & administrative expenses	238,346	227,047
Total	1,032,158	792,615

Projects in 2016 included:

- Corporate Governance Guides for Boards in Singapore
- Singapore Governance Transparency Index (SGTI)

During the financial year, the Company also took additional office space of 77sq meters at Capital Tower. The lease for the additional space commenced from February 2016.

17. Income tax

	2016	2015
	\$	\$
Current tax		
Based on results for the year	-	-
Over provision in prior years	1,859	4,905
	1,859	4,905
Deferred tax		
Based on results for the year	(7,000)	1,039
Under provision in prior years	-	(9,539)
	(7,000)	(8,500)
Income tax expenses	(5,141)	(3,595)

Notes to Financial Statements

For the Financial Year ended 30 June 2016

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2015: 17%) to surplus before income tax as a result of the following differences:

	2016	2015
	\$	\$
Surplus before income tax	248,960	165,519
Income tax expense at statutory rate of 17%	(42,323)	(28,138)
Non-taxable items	38,250	40,110
Over/(under) provision in prior years	1,859	(4,634)
Non-deductible expenses	(19,567)	(17,138)
Tax incentive	17,752	6,205
Others	(1,112)	-
	(5,141)	(3,595)

18. Surplus for the financial year

	2016	2015
	\$	\$
After charging/(crediting):		
Reversal of impairment loss of trade receivables	-	(5,049)
Cost of defined contribution plan included in staff costs	120,900	73,452
Operating lease expenses	195,796	155,841

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:

	2016	2015
	\$	\$
Future minimum lease payments payable:		
Within one year	247,875	164,828
Between one and five years	546,392	521,957
	794,267	686,785

Operating lease payments represent rentals payable by the Company for its office property and other operating facilities. The rentals are negotiated and fixed for an average of three years.

Acknowledgement:

- Quotes: Corporate Governance (pg 44 – 51). All quotes in this section are taken from the articles in the “*Boardroom Matters*” column of *The Business Times*

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