

**imas**

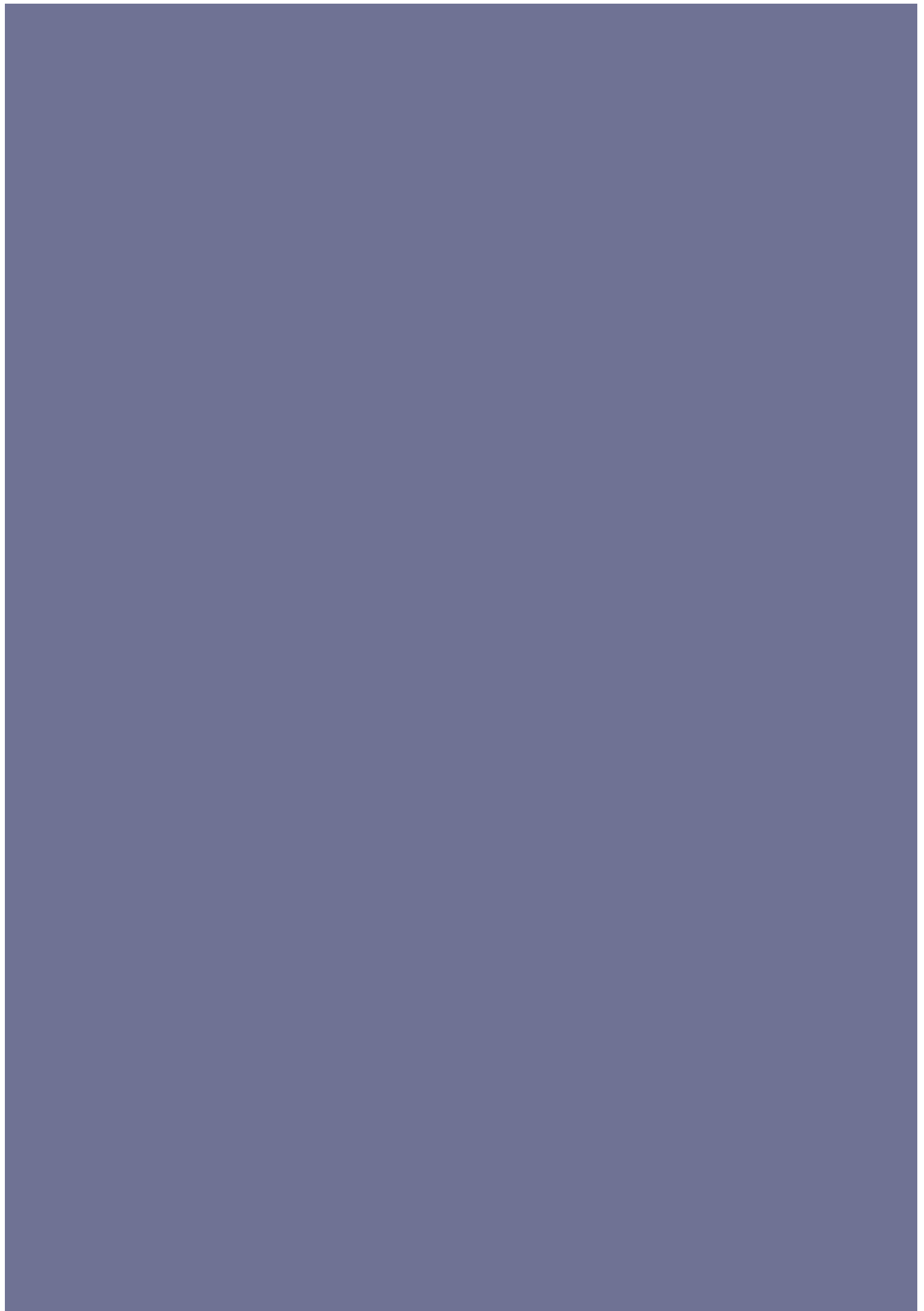
INVESTMENT MANAGEMENT  
ASSOCIATION OF SINGAPORE

Annual Report

**2005/2006**

nurturing  
excellence  
**realising**  
**ambitions**







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# chairman's statement

## Industry

Singapore's fund management industry continues to grow strongly. The 2004 Singapore Asset Management Industry Survey by MAS showed that total assets under management (AUM) recorded 23 % growth to S\$ 572.6 billion, up from S\$465.2 in 2003.

Investments into the Asia Pacific region accounted for 46% of total AUM in 2004. This compares with 52% of total AUM in 2003. Investments in Europe and the US reached 24% of total AUM, up from 15% in 2003.

The survey also reported significant new fund sources from the Middle East (up 76% p.a.) and South Asia (53% p.a.). Asia Pacific remained the main markets for Singapore based managers and accounted for 46% of all funds sourced.

There are presently 111 indigenous fund management companies. These employ 1,135 investment professionals, an increase of 15% p.a. from a year ago.

## IMAS Matters

This year the Committee decided to re-structure the various Sub Committees to better meet the challenges of the industry. We now have four teams focused on Management, Regulatory, Educational and Developmental issues.

The Management Committee is responsible for the oversight and governance of the various sub-committees and their work. Revisions to the Constitution and its Bye Laws (including Discipline and the operation of the Professional Conduct Committee) have been prepared. The Association appointed Wong Partnership to assist in this work. Members will be asked to approve the changes to the Constitution at the Annual General Meeting.

The Regulatory Committee has completed the revision to the Guidelines for the Calculation of Total Expense Ratios. These revisions cover the introduction of various new products which are being marketed here. Work-in-progress includes changes to the IMAS Code of Ethics and Standards for Professional Conduct and the Guidelines on Corporate Governance. This Committee will also begin work to draft the Practice Notes to the MAS Code of Advertising CIS.

Membership fees were raised with effect from 1 July 2005. The Committee had previously decided to phase in fee subscriptions annually to meet higher expenses arising from the employment of full-time association staff and the increased commitment to various projects. The final adjustment which will come into effect in July 2006 will see a more equitable basis for membership subscriptions, with a tiered structure based on assets under management and subject to a minimum and maximum fee. IMAS would like to assure members that we will endeavor to keep our member subscriptions as low as possible, consistent with the need to fund the Association's expanding work. Even with the increase, IMAS' fee will remain one of the lowest in the region and globally.

The Educational Committee continues to be active in providing investor education. This year we completed the Chinese translation of the booklet "Introduction to Personal Investing". In September, IMAS will launch another booklet "Making Sense of Unit Trusts". This is a collaboration between IMAS, the Association of Banks and the Monetary Authority of Singapore, and is part of the national financial education project, MoneySense.

In 2003, IMAS was delighted to have provided a scholarship fund to four students of the 1<sup>st</sup> cohort of the Wealth Management Institute. In July 2005 at the SMU Commencement 2005, these students received their Master of Science (Wealth Management) degrees.



IMAS is now the official country sponsor for the Global Investment Performance Standards (GIPS). GIPS is the gold standard for performance measurement reports, and IMAS is pleased to endorse it.

Our work with other Associations has also increased. We are pleased to announce another collaboration with the Life Insurance Association in sponsoring the Funds Flows Report. Together, we have appointed Lippers to source funds information from our members. The collated report will identify investment trends by asset classes, themes and geographical preferences. This is the second joint project with LIA. Previously, we collaborated to appoint Standards & Poors to create [www.fundsingapore.com](http://www.fundsingapore.com). The intention with both these projects is to provide retail fund investors and financial advisors with more information to make better investment decisions.

On August 16 2005, the industry announced an MOU to adopt ISO 20022 as the standard for electronic messaging. This will be one of several steps towards funds automation and saw the collaboration of several organizations. Supporting this initiative are Spring Singapore, IDA, ABS, AFA, IMAS, LIA, SGX and SWIFT. There is the potential benefit for CPF's planned Master Administrator and MAS's Universal Processing Centre for funds.

Another industry project which IMAS continues to play a key role is the Financial Industry Competencies Standards (FICS) initiative. The first phase has been completed and a briefing forum for members was held in May 2005. This project seeks to clearly define the job families within the industry and to map out training programmes to raise the competencies of professionals who work in our member firms. IMAS will be working with IBF, WMI and tertiary institutions to cater to the training needs of our members.

One of the key projects for the Developmental Committee is to look into lowering the costs of retail investing, especially for retirement funds. An identified hurdle to investments is the relatively high sales charges that come with fund purchases, as well as total expenses of funds. This project will involve work with distributors, fund managers, regulators and other industry associations and the investor public. At the International Conference on Social Security 2005, Dr. Ng Eng Hen, Minister for Manpower, mentioned the issue of funds costs in his keynote address. He had asked the CPF to take on a more active role to help CPF members "invest their retirement funds prudently, with sufficient diversification and at minimal cost".

There is much that the Association is working on, and I would like to personally thank all Committee members for generously donating their time away from their busy schedules to join in IMAS work on a purely voluntary basis. I would also like to express the Committee's thanks to our members for their strong support to IMAS which is dedicated to our industry's continued growth and development, and to our full-time Secretariat staff for their dedicated work and contributions.

Greg Seow  
Chairman



# committee report

## for the financial year ended 30 June 2005

### Executive Committee

**Chairman**

Mr Greg Seow  
DBS Asset Management Ltd

**Deputy Chairman**

Mr Hon Cheung  
State Street Global Advisors Singapore Ltd

**Secretary**

Mr Lindsay Mann  
First State Investments (Singapore)

**Treasurer**

Mr Murray Coble  
Schroder Investment Management (Singapore) Ltd

**Committee Members**

Mr Lawrence Wong  
OCBC Asset Management Ltd

Mr Joseph Tern  
Legg Mason Asset Management Asia

Mr Andrew Jenkins  
Fidelity Investments (S) Ltd

Mr Roy Diao  
Fischer Francis Trees & Watts (S) Pte Ltd

Ms Hazel McNeilage  
Principal Global Investors (S) Ltd

Mr Rajiv Vij  
Franklin Templeton Asset Management Ltd

Dr Tan Chong Koay  
Pheim Asset Management (S) Pte Ltd

Mr Tay Soo How  
Citigroup Asset Management Ltd

**Ex-Officios**

Dr Joseph Lim  
Singapore Society of Financial Analysts

Mr Rama Pillai  
Singapore Exchange Ltd

### Directors & Officers

**Executive Director**

Mr Andrew Kwek

**Associate Director**

Ms Jeanne Chow

### Secretariat

Ms Veronica Chee  
Boardroom Limited

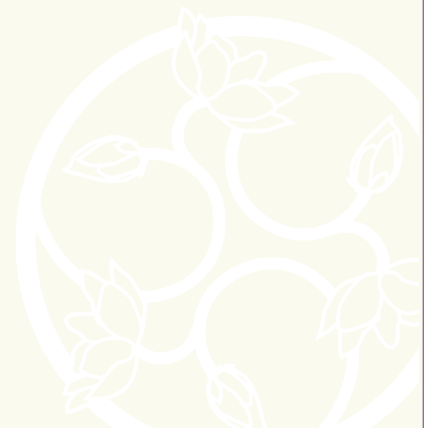
Ms Chan Yin Ling  
Boardroom Limited

### Registered Office

10 Collyer Quay  
#19-08 Ocean Building  
Singapore 049513

### Auditors

PricewaterhouseCoopers  
8 Cross Street  
#17-00 PWC Building  
Singapore 048424





		◀ Deputy Chairman Mr Hon Cheung	
▲ Chairman Mr Greg Seow		▶ Secretary Mr Lindsay Mann	
			◀ Member Mr Lawrence Wong
▶ Treasurer Mr Murray Coble			▼ Member Mr Roy Diao
	◀ Member Mr Joseph Tern		
	▶ Member Mr Andrew Jenkins		
		◀ Member Mr Rajiv Vij	
		▶ Member Dr Tan Chong Koay	
▲ Member Ms Hazel McNeillage			◀ Ex-Officios Dr Joseph Lim
			▼ Associate Director Ms Jeanne Chow
▶ Member Mr Tay Soo How			
	◀ Ex-Officios Mr Rama Pillai		
	▶ Executive Director Mr Andrew Kwek		



**Chairman**

Mr Greg Seow

**Deputy Chairman**

Mr Hon Cheung

**Secretary**

Mr Lindsay Mann

**Treasurer**

Mr Murray Coble

**Executive Director**

Mr Andrew Kwek

## Management Committee

This Committee oversees the Secretariat, and is responsible for the oversight and governance of the various Sub-Committees. The Regulatory, Educational, Developmental and Professional Conduct Committees report into the IMAS Executive Committee. All decisions on matters of discipline of members will be made at this level.

The Association is taking on more self-regulatory roles and responsibilities. This Committee commissioned work to look at our Constitution and the various Codes which the Association has drawn up over the years.

Mr Lindsay Mann, the Honorary Secretary, took on the task of reviewing the IMAS Constitution and its Bye Laws. We appointed Wong Partnership to help in this work. The completed documents will be presented to the members in September 2005 for their consultation and feedback.

The review of the various Codes which govern our members has been conducted under the Regulatory Committee, chaired by Mr Lawrence Wong.

This year will see a modest increase in membership fees. This is necessary to meet the rising costs of having full-time staff at the Secretariat and increased budget allocations to the Sub-Committees to carry out projects identified by IMAS which will serve the needs of the industry members. Under the sponsorship of Mr Murray Coble, the Honorary Treasurer, the Association will move to a tiered fee structure in July 2006. The tiered structure will better reflect the membership profile of the various industry participants and will result in changes to the fees of Regular Members. Membership fees for Associate and Affiliate members are not proposed to change in 2006. The Committee would like to assure all members that IMAS is committed to ensuring that fees will be kept as low as possible, while ensuring a good level of service to our members. The Association has conducted extensive benchmarking of fee levels of industry associations in Asian and developed markets and the Committee is pleased to say that our fee structure will remain amongst the lowest of its peer group.



**Chairman**

Mr Lawrence Wong

**Co-Chairman**

Mr Hon Cheung

**Member**

Mr Rama Pillai

## Regulatory Committee

In 2005, this Committee has completed the review and revision of the Guidelines for the Disclosure of Expense Ratios.

Work in Progress:

- a) To develop Practice Notes to the MAS Code of Advertising Guidelines for CIS. We are collaborating with LIA, and with the guidance of MAS to draft this "living" document which will be useful for advertisers of Unit Trusts or Investment Linked Products.
- b) The Committee is also working to review and revise the Code of Ethics & Standards of Professional Conduct.

Together with the work done/being done on IMAS Constitution, these revisions will clarify the issues on which self-regulation will be implemented.

In June 2005, we are pleased to announce that IMAS is now the recognised Country Sponsor of GIPS for Singapore. We will seek to encourage our members to comply with this standard when reporting investment performance. Likewise we will engage institutional sponsors to require GIPS as a best practice standard when evaluating and differentiating fund managers.

This Committee is committed to upholding high levels of professionalism and encourages best practices among member companies so that they continue to give quality service to our investor clients.





**Chairman**

Mr Andy Jenkins

**Co-Chairman**

Mr Joseph Tern

**Members**

Mr Lindsay Mann  
Dr Joseph Lim

## Educational Committee

This Committee absorbs the previous Training and Investor Education sub-committees.

This Committee plans programmes to cater to the following groups:

- a) Retail Investor Education
- b) Institutional Investor Education
- c) Training Needs for our professionals

In 2005, in collaboration with the Association of Banks and the Monetary Authority of Singapore, we will be producing a new booklet entitled "Making Sense of Unit Trusts". The printing will begin in July and copies will be available at bank branches from August 2005. This educational booklet is part of our contribution to the MoneySense initiative.

IMAS has also completed the translation of "Introduction to Personal Investing" into Chinese. Copies of this booklet together with the English version are available for sale from the IMAS Secretariat.

For institutional investors, IMAS with ACI, SSFA and the GIC organises the Singapore Investor Forum. These forums are held once every quarter and feature senior practitioners and specialists who deliver keynote addresses combined with panel sessions that discuss subjects of topical interest to the fund management world.

Monthly luncheon briefings are good networking member forums. We invite speakers to give presentations on a wide range of subjects. Recently concluded events included Financial Industry Competency Standards briefing, How GIC measures the performance of Private Equity managers, How Temasek selects Alternative Managers, A Fund Consultant's perspective in manager selection etc. We intend to cover a spectrum of interests from portfolio management to operations and look forward to members encouraging their staff to attend. These luncheon briefings are advertised on our website [www.imas.org.sg](http://www.imas.org.sg) and email alerts are sent to registered members of our website.

The Annual IMAS Conference for this year is scheduled for 20 September 2005. This event is under the capable stewardship of Mr. Lindsay Mann and this year's theme is "Successful fund management in a period of low investment returns". This event invites experts in their respective fields to share their thoughts with us and brings together investment professionals, fund sponsors, regulators and regional representatives for a day long intellectual stimulation and networking.



**Chairman**

Mr Roy Diao

**Co- Chairman**

Ms Hazel McNeillage

**Members**

Mr Rajiv Vij

Mr Murray Coble

Ms June Chua

Mr Philip Hsin



## Developmental Committee

The former Subcommittees of PR and Membership and Special Projects were reformed under this Committee.

As its name would suggest, this group looks into projects which will see significant developments within the funds industry. This year the Committee is looking at several initiatives:

- a) Lowering the Cost of Retail Investing
- b) Engaging the CPF Board and Ministry of Manpower on matters related to retirement investing
- c) Mutual recognition and distribution of mutual funds in the region

These initiatives will pose challenges as it would entail going beyond our members to bring about successful implementation. The challenge is to rally all stakeholders to work together, aspiring to the higher objectives of investor interests. The group will be looking to the members for support and inviting ideas to achieve win-win for all parties.

The group will also look into the branding of IMAS to better serve the needs of all member firms which include the various classifications of fund managers (e.g. retail, institutional and boutique), service providers and individual members.

As with the other Committees, member support is critical.



# imas membership

## Regular Membership

### A

Aberdeen Asset Management Asia Limited  
ABN AMRO Asset Management(Singapore) Ltd  
AGF Asset Management Asia Limited  
AIG Global Investment Corporation (S) Ltd  
Alliance Capital Management (S) Ltd  
Allianz Global Investors Singapore Limited  
Aman Capital Management Ltd  
APS Asset Management Pte Ltd  
Aquarius Investment Advisors Pte Ltd  
Arisaig Partners (Asia) Pte Ltd  
ARN Investment Partners Pte Ltd  
Asia Genesis Asset Management Pte Ltd  
AXA Rosenberg Investment Management Ltd  
AXA Wealth Management Singapore Pte Ltd

### B

Bank Sarasin-Rabo (Asia) Limited  
Barclays Global Investors Southeast Asia Ltd  
BCV Investment Asia (S) Pte Ltd  
Blackhorse Asset Management Pte Ltd  
BNP Paribas Asset Management Singapore Limited

### C

Capital International Research & Management Inc  
Chartered Asset Management Pte Ltd  
Citibank N.A.  
Citigroup Asset Management  
City of London Investment Management Company Ltd  
Clariden Asset Management (S) Pte Ltd  
Commerzbank Asset Management Asia Ltd  
Commerz Capital International Pte Ltd  
Credit Agricole Asset Management Singapore Limited

### D

Daiwa Asset Management (Singapore) Ltd  
Daiwa SB Investments (Singapore) Ltd  
DBS Asset Management Ltd  
DBS Vickers Research (Singapore) Pte Ltd  
DBS Vickers Securities (Singapore) Pte Ltd  
Deutsche Asset Management (Asia) Limited  
Dryden Wealth Management (Singapore) Limited





**F**

Ferrell Asset Management Pte Ltd  
Fidelity Investments (Singapore) Limited  
First State Investments (Singapore)  
Fischer Francis Trees & Watts (S) Pte Ltd  
Fullerton Fund Management Company Ltd

**G**

GK Goh Research Pte Ltd  
GMO Singapore Pte Limited  
Goldman Sachs (Singapore) Pte  
Guoco Investment Services Pte Ltd

**H**

Henderson Global Investors (S) Ltd  
HSBC Investments (Singapore) Limited  
HVB Asset Management Asia Limited

**I**

iFast Financial Pte Ltd  
ING Investment Management Asia Pacific (Singapore) Ltd  
International Mezzanine Fund Management Limited  
Invesco Asset Management Singapore Ltd  
IXIS Asset Management Asia Ltd

**J**

JF Asset Management (Singapore) Ltd  
JP Morgan Investment Management

**L**

Legg Mason Asset Management (Asia) Pte Ltd  
Lehman Brothers Inc.  
Lloyds TSB Merchant Bank Limited

**M**

Matterhorn Advisory Singapore Pte Ltd  
Merrill Lynch International Bank Ltd  
Merrill Lynch Investment Managers (Asia Pacific) Limited  
Morgan Stanley Investment Management Company

**N**

Navigator Investment Services Limited  
Nexus Asia Investment Management Pte Ltd  
Nikko Global Asset Management (S) Ltd  
Nomura Asset Management Singapore Limited  
NTUC Income Insurance Cooperative Limited



**imas**

INVESTMENT MANAGEMENT  
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**O**

OCBC Asset Management Ltd  
OCBC Securities Pte Ltd

**P**

Pacific Asset Management (S) Pte Ltd  
Pheim Asset Management (Asia) Pte Ltd  
Phillip Capital Management (S) Ltd  
Phillip Securities Research Pte Ltd  
Pictet Asia Pte Ltd  
PIMCO Asia Pte Ltd  
Pioneer Investment Management Limited (Singapore Branch)  
Principal Global Investors (Singapore) Limited  
Prudential Asset Management (Singapore) Limited  
Pramerica Fixed Income (Asia) Ltd  
PrimePartners Asset Management Pte Ltd

**R**

Royal Bank of Canada (Asia) Ltd

**S**

Schroder Investment Management (Singapore) Ltd  
SG Asset Management (S) Limited  
Singapore Consortium Investment Management Ltd  
Singapore Exchange Ltd  
Singapore Society of Financial Analysts  
Singapore Unit Trusts Ltd  
State Street Bank and Trust Company  
State Street Global Advisors Singapore Limited  
Straits Lion Asset Management  
Swiss-Asia Financial Services Pte Ltd

**T**

Templeton Asset Management Ltd  
The Global Value Investment Portfolio Management Pte Ltd

**U**

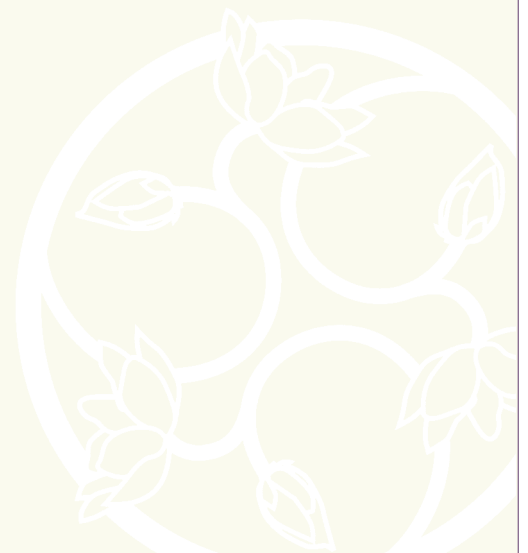
UBS Global Asset Management (Singapore) Ltd  
UOB Asset Management Ltd  
UOB Kay Hian Advisors Limited

**V**

Vanguard Investments Singapore Pte Ltd  
Vertex Management (II) Pte Ltd

**W**

Wellington International Management Company Pte Ltd





## Associate Membership

### A

Allen & Gledhill

### B

Boardroom Limited

### C

Clifford Chance Wong Pte Ltd

### D

Dexia Trust Services Singapore Limited

### E

Ernst & Young  
Executive Leasing Pte Ltd

### H

HSBC Institutional Trust Services (Singapore) Limited

### L

Lipper Services Pte Ltd

### M

Moody's Singapore Pte Ltd

### P

PricewaterhouseCoopers

### R

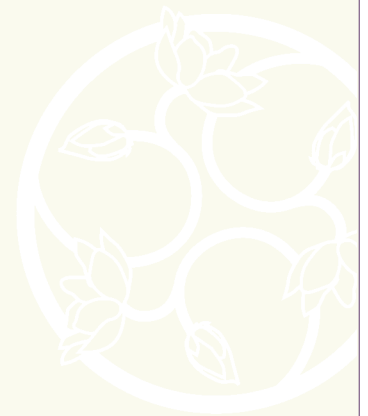
Rodyk & Davidson Advocates & Solicitors

### S

Standard & Poor's LLC, Singapore Branch

## Affiliate Membership

Angela Wong  
Khoo Teng Lau  
Prasert Thapimkuna  
Raymond Clement  
Tan Peter  
Teo Choon Huat





# **consolidated** financial statements

from 1 july 2004 to 30 June 2005

## **Statement** by Executive Committee

In the opinion of the Executive Committee,

- (a) the financial statements as set out on pages 15 to 25 are drawn up so as to present fairly the state of affairs of the Association as at 30 June 2005, its surplus, changes in funds, and cash flows of the Association for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

On behalf of the Executive Committee

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Greg Seow  
Chairman

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Murray Coble  
Treasurer



## **Auditors' Report**

to the members of the investment management association of singapore

We have audited the accompanying financial statements of the Investment Management Association of Singapore (the "Association") set out on pages 16 to 25, for the year ended 30 June 2005. These financial statements are the responsibility of the Executive Committee of the Association. 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 plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Executive Committee, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- i) the financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards and so as to present fairly the state of affairs of the Association as at 30 June 2005, its surplus, changes in funds, and cash flows of the Association for the year ended on that date; and
- ii) the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Association have been properly kept in accordance with those regulations.

PricewaterhouseCoopers  
Certified Public Accountants

Singapore

**Income and Expenditure Account**  
for the financial year ended 30 June 2005

	Note	2005 \$	2004 \$
<b>Income</b>			
Entrance fees		33,000	44,000
Subscription fees		199,933	40,580
Sponsorship for Investor Education Program		400	192,308
Grant received/receivable for Investor Education Program		18,000	302,500
Less: Expenses for Investor Education Program		(24,084)	(605,000)
		(5,684)	(110,192)
Sales of Handbook		1,312	38,518
Grant received/receivable for Handbook		-	13,500
Less: Cost of sales – Handbook		(765)	(27,876)
Gain on sales of Handbook		547	24,142
Conferences registration fees		115,024	119,357
Less: Expenses of conferences		(114,186)	(110,309)
		838	9,048
CPFIS funds performance tracking fees		464,999	463,825
Less: Expenses of performance tracking fees		(94,412)	(93,131)
		370,587	370,694
Interest income		-	951
Other income		-	434
		599,221	379,657
<b>Expenditure</b>			
Conference and seminar fees		3,703	17,264
Maintenance of IMAS web-site		15,411	38,635
Printing and stationery		4,996	9,230
Professional fees		119,663	130,408
IMAS fund performance website fees		57,831	111,624
Travelling expenses		2,161	4,610
Auditors' remuneration		6,796	5,500
Staff costs		336,378	178,618
Write-back of doubtful debts		(577)	-
Bad debts written off		305	-
Donation		300	48,100
Office set-up		-	12,156
Insurance		6,049	4,576
Exchange loss (realised)		(1,254)	1,005
Postage and courier		280	2,723
Miscellaneous expenses		34,916	11,304
		586,958	575,753
Surplus/(Deficit) for the year before taxation		12,263	(196,096)
Tax refund	7(a)	258	-
Net surplus/(deficit) for the year after taxation transferred to General Fund		12,521	(196,096)

There were no other recognised gains or losses other than those presented above.

*The accompanying notes form an integral part of these financial statements.  
Auditors' Report – Page 15*



## Balance Sheet

as at 30 June 2004

	Notes	2005 \$	2004 \$
<b>Current assets</b>			
Bank balances	3	453,140	502,018
Trade receivables	4	25,350	32,477
Grant receivable	5	18,900	351,118
Other receivables		18,840	57,103
Inventories		19,067	1,607
Prepayments & deposit		26,916	15,537
		<u>562,213</u>	<u>959,860</u>
<b>Current liabilities</b>			
Other payables		4,701	20,179
Deferred revenue	6	-	319,500
Accrued expenses		35,885	111,075
Current tax	7(b)	1,910	1,910
		<u>42,496</u>	<u>452,664</u>
<b>Net assets</b>		<u>519,717</u>	<u>507,196</u>
<b>Representing:</b>			
General Fund		519,717	507,196

The accompanying notes form an integral part of these financial statements.  
Auditors' Report – Page 15





## Statement of Changes in General Fund for the financial year ended 30 June 2005

	General Funds \$
Balance at 1 July 2004	507,196
Surplus of income over expenditure transferred from statement of income and expenditure	<u>12,521</u>
Balance at 30 June 2005	<u>519,717</u>
Balance at 1 July 2003	703,292
Deficit of income over expenditure transferred from statement of income and expenditure	<u>(196,096)</u>
Balance at 30 June 2004	<u>507,196</u>

*The accompanying notes form an integral part of these financial statements.  
Auditors' Report – Page 15*



## Cash Flow Statement

for the financial year ended 30 June 2005

	2005 \$	2004 \$
Cash flows from operating activities		
Surplus/(deficit) before taxation	12,263	(196,096)
Adjustments for:		
Interest income	-	(951)
Surplus/(deficit) before changes in operating assets and liabilities	12,263	(197,047)
Change in operating assets and liabilities		
Inventories	(17,460)	(904)
Trade and other receivables	366,229	(333,376)
Trade and other payables	(410,168)	(60,495)
Cash outflow from operations	(49,136)	(591,822)
Income tax refund/(paid)	258	(52,311)
Net cash outflow from operating activities	(48,878)	(644,133)
Cash flows from financing activities		
Interest income	-	951
Net cash inflow from financing activities	-	951
Net decrease in cash and bank balances held	(48,878)	(643,182)
Cash and bank balances at the beginning of the financial year	502,018	1,145,200
Cash and bank balances at the end of the financial year	453,140	502,018

The accompanying notes form an integral part of these financial statements.  
Auditors' Report – Page 15



## Notes to the Financial Statement for the financial year ended 30 June 2005

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

### 1. General

The Association is domiciled and registered in Singapore. The registered address of the Association is 10 Collyer Quay, #19-08 Ocean Building, Singapore 049315.

The Association has been formed to promote professionalism and exemplary practice by Members in the conduct of its business as investment and fund managers and to represent Members and/or their interests collectively to any Government, Government representative, advisory or supervisory authority whether local or foreign which are concerned with the investment and fund management industry.

### 2. Significant accounting policies

#### (a) Basis of accounting

The financial statements, expressed in Singapore dollars, are prepared in accordance with and comply with Singapore Financial Reporting Standards ("FRS"). The financial statements are prepared under the historical cost convention.

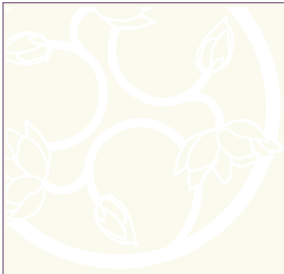
#### (b) Revenue recognition

Entrance and subscription fees are payable from time to time as determined by the Committee and are recognised on request for payment. Any net surplus or deficit for the year after taxation is transferred to the General Fund.

Conference registration fees are recognised upon receipt of the registration fees. Revenue on sales of handbooks are recognised upon delivery to the customer.

Sponsorship income is recognised when the right to receive has been established.

CPFIS funds performance tracking fees are recognised over the period to which the service is rendered.



## Notes to the Financial Statement for the financial year ended 30 June 2005

### 2. Significant accounting policies (continued)

#### (c) Deferred income taxes

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

#### (d) Trade Debtors

Trade debtors are carried at anticipated realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at the year-end. Bad debts are written off during the financial year in which they are identified.

#### (e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is primarily determined on a first-in first-out basis and includes all costs in bringing the inventories to their present location and condition. Inventories comprise the IMAS Code of Ethics and Handbook on Investing.

#### (f) Deferred revenue

Deferred revenue represents CPFIS Funds performance tracking fees received in advance for services to be rendered over the period stated within the CPFIS Funds performance tracking agreement and advance subscription fees received.

#### (g) Grants

Grants are recognised as revenue upon the fulfilment of all the conditions for the award of the grants.

#### (h) Provisions

Provisions are made when the Association has a present and legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.



## Notes to the Financial Statement for the financial year ended 30 June 2005

### 3. Bank balances

	2005 \$	2004 \$
Cash at bank	453,140	502,018

### 4. Trade receivables

	2005 \$	2004 \$
Trade debtors	25,350	33,054
Less: Provision for doubtful debts	-	(577)
	<u>25,350</u>	<u>32,477</u>

Movements in provision for doubtful debts are as follows:

	2005 \$	2004 \$
At the beginning of the financial year	577	577
Write-back made during the financial year	(577)	-
At the end of the financial year	<u>-</u>	<u>577</u>

### 5. Grants received/Receivable

Grants received/receivable for the year ended 30 June 2005 is for co-sponsoring of the production of the Unit Trust Investment Guide under the Financial Sector Development Fund Investor Education Scheme.

Grants received/receivable is for co-sponsoring of the IMAS Funds Performance website, IMAS Handbook of Investing and Investor Education Program under the Financial Sector Development Fund Investor Education Scheme.



## Notes to the Financial Statement for the financial year ended 30 June 2005

### 6. Deferred revenue

	2005 \$	2004 \$
Balance at the beginning of the financial year	319,500	386,300
Amortisation during the financial year	(319,500)	(66,800)
Balance at the end of the financial year	-	319,500

Deferred revenue relates to invoices issued in advance in respect to services rendered after the financial year.

### 7. Tax

#### (a) Tax expense

	2005 \$	2004 \$
Income tax expense attributable to profit is made up of:		
Refund of tax	258	-

The tax expense on surplus of expenditure over income differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	2005 \$	2004 \$
(Deficit)/surplus before tax	12,263	(196,096)
Tax calculated at a tax rate of 20% (2004: 20%)	2,453	(39,219)
Utilisation of previously unrecognised tax losses	(2,453)	-
Refund of tax	258	-
Deferred tax asset not recognised	-	39,219
	258	-





**imas**

INVESTMENT MANAGEMENT  
ASSOCIATION OF SINGAPORE

ANNUAL REPORT  
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## Notes to the Financial Statement for the financial year ended 30 June 2005

### 7. Tax (continued)

#### (b) Movements in provision for current tax

	2005 \$	2004 \$
Balance at the beginning of the financial year	1,910	54,221
Income tax paid	-	(52,311)
Balance at the end of the financial year	1,910	1,910

### 8. Fair values of financial assets and financial liabilities

The fair values of the financial instruments comprising bank balances, trade receivables, other receivables and other liabilities approximate their carrying amounts at the balance sheet date.

### 9. Staff costs

	2005 \$	2004 \$
Wages and salaries	312,652	165,237
Central Provident Fund	23,726	13,381
	336,378	178,618

The Association has two employees as at the end of the financial year (2004: one).



## Notes to the Financial Statement for the financial year ended 30 June 2005

### 10. Commitments

#### (a) Operating lease commitments

The future minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as payables are as follows:

	2005 \$	2004 \$
Not later than one year	4,200	4,200
Later than one year but not later than five years	10,500	14,700
Later than five years	14,700	18,900

#### (b) Other commitments

The future minimum repayments under non-cancellable service agreements contracted for at the reporting date but not payable, are as follows:

	2005 \$	2004 \$
Not later than one year	111,217	-
Later than one year but not later than five years	202,212	-
Later than five years	-	-
	313,429	-

### 11. Financial risk management

The Association has no significant exposure to price, credit or liquidity risk.

### 12. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Executive Committee on 25 August 2005.





# notice of the annual general meeting

**NOTICE** IS HEREBY GIVEN that the Eighth Annual General Meeting of the INVESTMENT MANAGEMENT ASSOCIATION OF SINGAPORE will be held at 4.30 p.m. on Tuesday, 20 September 2005 at The Grand Copthorne Waterfront Hotel Singapore, for the the following purposes:

## AS ORDINARY BUSINESS

- To receive and adopt the Accounts and the Committee Report for the year ended 30 June 2005 together with the Auditors' Report thereon. (Resolution 1)
- That the following Budget be approved for the year ending 30 June 2006. (Resolution 2)

Revenue	S\$	Expenses	S\$
Annual Member Fees:		Annual Conference	80,000
98 Regulars @ \$3,000	294,000	Auditors', Professional and Taxation Fees	14,000
Annual Member Fees:		Entertainment Expenses	10,000
6 Affiliates @ \$100	600	Fundsingapore.com Website Maintenance & Hosting	55,000
Annual Member Fees:		Annual CPF Funds Performance Tracking Fees Expenses	100,000
12 Associates at \$2,000	24,000	Educational Committee	38,000
Annual Gala Dinner	80,000	Regulatory Committee	20,000
Annual CPF Funds		Developmental Committee	20,000
Performance Tracking	518,700	IMAS Website Maintenance	20,000
IMAS Annual Conference	100,000	Annual Gala Dinner Expenses	80,000
Training – Seminars	12,000	Secretariat Expenses	502,920
		Project – Lipper Funds Flow Data	10,000
		Office maintenance & miscellaneous expenses	34,700
		Training – Seminars & Member Forum	20,000
		Travel Expenses	32,000
		WMI/SIF Forum	20,000
		Deficit	(27,320)
<b>TOTAL</b>	<b>1,029,300</b>	<b>TOTAL</b>	<b>1,029,300</b>





# notice of the annual general meeting

3. That Pricewaterhouse Coopers be re-appointed as the auditors of IMAS for the financial year ending 30 June 2006. (Resolution 3)
4. To elect Committee Members pursuant to Clause 38(a), Clause 39 and Clause 40 of the Constitution. (Resolution 4)
5. To transact any other business which may be transacted at an Annual General Meeting. (Resolution 5)

## **AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. Amendments to the Constitution (attached hereto as the Appendix) be approved (Resolution 6)
7. The Association be directed to amend the Constitution in accordance with resolution (6) to be made with effect subject to receiving the prior written approval of the Registrar of Societies and from such date, as the Association may consider appropriate to implement the said amendments to the Constitution. (Resolution 7)

For and On Behalf of The Committee

Mr Lindsay Mann  
Secretary

Singapore, 26 August 2005

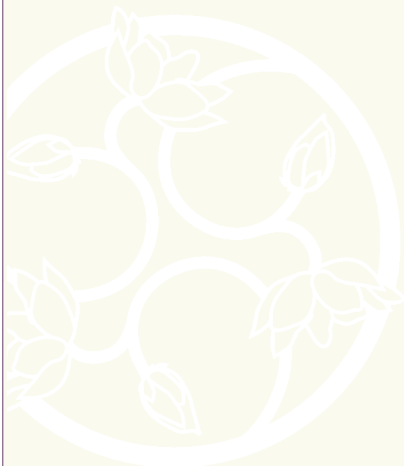




# notice of the annual general meeting

Notes:

- (i) A Member Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote in its place. The instrument appointing the proxy together with the document evidencing the authority of the appointor must be deposited at the Secretariat's office at 10 Collyer Quay, #19-08 Ocean Building, Singapore 049351 by 4.00pm on 15 September 2005.
- (ii) Representative from the Member Company attending must also bring along the document evidencing the authority of the appointer.
- (iii) Pursuant to Clause 10 and 10B of the Constitution, Affiliate Members and Associate Members are not entitled to vote, participate in discussions or move resolutions at the Annual General Meeting.





# appointment of representative

Pursuant to Clause 32 of the Constitution of the Investment Management Association of Singapore:

We, \_\_\_\_\_

[name of Member Company]

of \_\_\_\_\_

[address of Member Company]

a Regular Member of the Investment Management Association of Singapore, hereby authorise :

\_\_\_\_\_

\_\_\_\_\_

[name of senior managerial officer]

to be our representative; and \_\_\_\_\_

[name of senior managerial officer],

to be our alternate representative, at the Eighth Annual General Meeting of IMAS to be held on 20 September 2005 and at any adjournments thereof and to exercise all powers entitled to be exercised by us at the Annual General Meeting.

Member Company \_\_\_\_\_

Company Stamp \_\_\_\_\_

Name of Representative \_\_\_\_\_

Designation \_\_\_\_\_

Date \_\_\_\_\_

*The authorisation is to be completed only by Regular Members and must be left at 10 Collyer Quay, #19-08, Ocean Building, Singapore 049315 not less than 48 hours before the time appointed for holding the Annual General Meeting.*



# **nomination** form for election to the imas committee



## **NOMINATION** PARTICULARS OF MEMBER COMPANY

Name of Member Company: \_\_\_\_\_  
Full Address of Member Company: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Membership No: \_\_\_\_\_  
Name of Representative: \_\_\_\_\_  
Full Address of Representative: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Designation: \_\_\_\_\_  
NRIC/PP No: \_\_\_\_\_  
Nationality: \_\_\_\_\_  
Race/Dialect: \_\_\_\_\_  
Date of Birth: \_\_\_\_\_  
Sex: \_\_\_\_\_ M/F  
Marital Status: \_\_\_\_\_ Single/Married/Divorced/Widowed  
Date: \_\_\_\_\_



**PROPOSER<sup>1</sup>**

We hereby propose the above Member Company to be a Committee Member of IMAS. We hereby certify that the appointed Representative is a person of good character and integrity.

Member Company: \_\_\_\_\_

Full Address of Member Company: \_\_\_\_\_  
\_\_\_\_\_

Name of Representative: \_\_\_\_\_

Full Address of Representative: \_\_\_\_\_  
\_\_\_\_\_

Designation: \_\_\_\_\_

NRIC/Passport No: \_\_\_\_\_

Nationality: \_\_\_\_\_

Race/Dialect: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

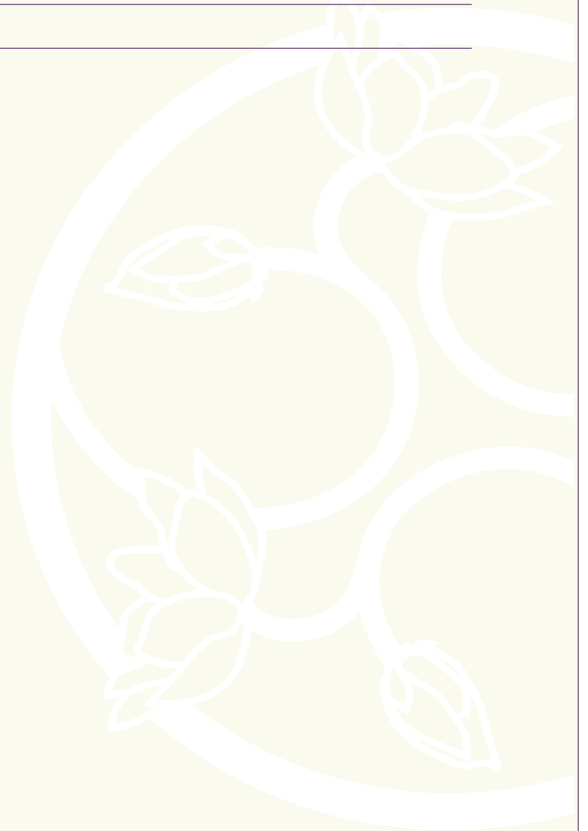
Sex: \_\_\_\_\_

M/F

Marital Status: \_\_\_\_\_

Single/Married/Divorced/Widowed

Date: \_\_\_\_\_





**SECONDER<sup>1</sup>**

We hereby propose the above Member Company to be a Committee Member of IMAS. We hereby certify that the appointed Representative is a person of good character and integrity.

Member Company: \_\_\_\_\_  
 Full Address of Member Company: \_\_\_\_\_  
 \_\_\_\_\_  
 Name of Representative: \_\_\_\_\_  
 Full Address of Representative: \_\_\_\_\_  
 \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 NRIC/Passport No: \_\_\_\_\_  
 Nationality: \_\_\_\_\_  
 Race/Dialect: \_\_\_\_\_  
 Date of Birth: \_\_\_\_\_  
 Sex: M/F \_\_\_\_\_  
 Marital Status: Single/Married/Divorced/Widowed \_\_\_\_\_  
 Date: \_\_\_\_\_

**NOMINEE<sup>1</sup>**

We hereby consent to our nomination by the Proposer and the Secunder. We agree that the Committee shall have the discretion to determine whether we are eligible to be elected as a Committee Member and that the Committee need not assign any reason for its determination. If elected, we hereby agree to be a Committee Member of IMAS, to act in the best interests of IMAS and to be bound by the Constitution. We declare that all the particulars given in this nomination form are true and accurate.

Company: \_\_\_\_\_  
 Company Stamp: \_\_\_\_\_  
 Signed: \_\_\_\_\_  
 Date: \_\_\_\_\_

<sup>1</sup> Proposer, Secunder & Nominee must be a Regular Member.

*Note: The Proposer, Secunder and Nominee must not be the same member firms.  
 The duly completed and executed nomination form must be left at 10 Collyer Quay, #19-08,  
 Ocean Building, Singapore 049315 by 3.00 p.m. on 15 September 2005.*



# imas

INVESTMENT MANAGEMENT  
ASSOCIATION OF SINGAPORE

10 Collyer Quay  
#19-08 Ocean Building  
Singapore 049315

Tel : 65 6230 9678/555  
Fax : 65 6536 1360  
Email : [enquiries@imas.org.sg](mailto:enquiries@imas.org.sg)