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Singapore
Institute of
Management
Society

**ANNUAL
REPORT
2024**



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Management Society

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About Singapore Institute of Management Society

The Singapore Institute of Management Society (SIM Society) is a not-for-profit professional membership organisation. It was incorporated and registered under the Societies Ordinance (Ch. 228) on 27 November 1964. SIM Society has its Constitution as its governing instrument.

SIM Society has a solid 60-year track record in supporting manpower development for Singapore's growth and is a leading advocate for professional development and lifelong learning with emphasis on skills upgrading, human capital development and networking opportunities for sharing industry best practices.

Today, SIM Society continues to build on its illustrious heritage and focus on renewing its engagements to stay relevant with the needs of members.

Corporate Information

Unique Entity Number
S64SS0050A

Registered Address
SIM Clementi Campus
461 Clementi Road, Singapore 599491

Auditor
Deloitte & Touche LLP
6 Shenton Way, UOE Downtown 2, #33-00,
Singapore 068809

Principal Banker
DBS Bank Ltd
12 Marina Boulevard, DBS Asia Central, Marina Bay
Financial Centre Tower 3, Singapore 018982



Chairman's Message



2024 marked the 60th anniversary of SIM Society. As I reflect on the end of another year and milestone for SIM Society, I find myself looking back with gratitude, and forward with anticipation. Milestones have a way of causing one to pause and reflect on the journey so far, to take stock of what we are thankful for, and to consider the path that lies ahead before we hit the next milestone.

In 2024, we also welcomed onboard Ms Gayle Wong, Mr Lim Zhi Wang and Ms Tay Lay Keow as newly elected Governing Council (GC) members. Other re-elected members of the GC include Mr Allen Lee (Secretary), Mr Stephen Yee (Treasurer), Mr Tan Swee Heng, and Ms Catherine Yeow.

I am very grateful to have an incredible team throughout my terms as Chairman. I have experienced some of the most personally and professionally rewarding moments of my life, as well as some of the most challenging.

Personally, it has been a privilege to be able to serve and contribute as an elected member of the GC towards fulfilling the mission of SIM Society, and to strengthen its value proposition for all members. While I have interacted mostly with the GC members and Interest Group (IG) leaders, I realised it is equally important for me and my fellow council members to engage with the broader membership – those who join SIM Society for different reasons and have varied expectations. I look forward to the opportunities to connect with all of you.

Professionally, I have always challenged myself, my team, and our IG leaders to look ahead and seek out fresh ideas, explore opportunities, and learn from the wider world around us. By scanning the external environment and examining challenges from new and diverse perspectives, we can fuel SIM Society with new opportunities that enable us to stay relevant, and mutually enrich the experience and interactions among and between members.

The GC and IG leaders are sustained by your support and engagement. I am grateful for the enduring participation from members who have contributed time, expertise and resources to enliven the learning and networking opportunities. Through organising, delivering valuable content and impactful events, they have not only facilitated members' professional development but also provided meaningful platforms that accentuate the Society's mission. My team and I look forward to your continued support to bring SIM Society beyond the achievements of the last six decades as we strive to create future milestones.

Dr Rosemary Tan
Chairman
SIM Society Governing Council



Professionally, I have always challenged myself, my team, and our IG leaders to look ahead and seek out fresh ideas, explore opportunities, and learn from the wider world around us. By scanning the external environment and examining challenges from new and diverse perspectives, we can fuel SIM Society with new opportunities that enable us to stay relevant, and mutually enrich the experience and interactions among and between members.





Corporate Governance

Assuming the overall governance of the SIM Society is the Governing Council. Comprising independent elected members, the Governing Council is responsible for the strategic direction of SIM Society, provides governance and oversight on all financial, remuneration, risk and audit matters, and closely monitors compliance with control measures.

SIM Society Governing Council Members

CHAIRMAN



Dr Rosemary Tan

TREASURER



Dr Stephen Yee

SECRETARY



Mr Allen Lee

MEMBERS



Mr Tan Swee Heng



Ms Catherine Yeow



Ms Tay Lay Keow

MEMBERS



Mr Lim Zhi Wang



Ms Gayle Wong

HONORARY CHAIRMAN



The late
Dr Richard Eu Keng Mun



Year In Review

Financial Highlights¹

(\$'000)	2024	2023
Income	845	833
Expenditure	590	605
Excess of income over expenditure after income tax	229	207

¹ For the year ended 31 December 2024.

SIM Society Membership Profiles

Category	Number of Members
Honorary Fellow	6
Ordinary	709
Associate	520
Silver (Retired)	28
Corporate	68
Total number of Members	1,331



1,331

SIM Society
Members

Honorary Fellows

Professor Cham Tao Soon

The late Dr Richard Eu Keng Mun

Mr Hochstadt Herman R.

Mr Hsieh Fu Hua








Mr Pillay J. Y.

Mr Shaw Vee Meng

Dr John Yip Soon Kwong



SIM Society Professional Interest Groups

Interest Group	President	Objective
 BUSINESS MANAGEMENT INTEREST GROUP	Mr Foo Yee Chor Chairman Sin Lian Fa Pte Ltd	To sharpen members' business management skills and help them optimise their professional performance and potential.
 HCS HUMAN CAPITAL & SUSTAINABILITY INTEREST GROUP	Pro-tem Committee	To be a platform for our members, human capital and organisational development practitioners to learn, share and grow their careers in an ever-changing business environment.
 INFORMATION TECHNOLOGY INTEREST GROUP	Mr Allen Lee Managing Director Genesis Networks	To promote the use of IT to achieve a competitive edge and seek out the latest trends, development, applications and implications for businesses, work and personal lives.
 INNOVATION & QUALITY MANAGEMENT INTEREST GROUP	Mr Chua Kok Leong Senior Marketing Director ERA Realty Network Pte Ltd	To be the premier network of practitioners to embrace quality and innovative concepts and methodologies among organisations and individuals in Singapore.
 ENTREPRENEURSHIP & STRATEGIC MANAGEMENT INTEREST GROUP	Mr Chen Siew Ik	To promote keen leadership, entrepreneurship and strategic skills for an edge in business.
 SIM II TOASTMASTERS CLUB	Ms Aileen Tan Associate Director, GenRiver Financial Pte Ltd	To help members sharpen communication, presentation, and leadership skills through enjoyable and interactive programmes.
 SIM MANDARIN TOASTMASTERS CLUB	Mr Low Hong Liang Global Product Manager, Rakuten Insight Singapore Pte Ltd	To help members sharpen communication, presentation, and leadership skills through enjoyable and interactive programmes.



Membership and Professional Interest Group Activities

SIM Society's professional Interest Groups (IGs) remain an integral part of continuing professional development for our members. They are aimed at cultivating a long-term network of like-minded individuals who are passionate about learning. They also provide invaluable opportunities for professional knowledge sharing and networking.

These IGs bring together professionals, business leaders and industry experts to delve deeper into the study of the various disciplines and promote best business practices and latest industry trends to members and the public at large.

Through regular talks, workshops, company visits (local and overseas) and networking events; these multifarious platforms are unique as these activities are organised by members for members, with the professional interests and needs of our members in mind.


The following are activities that were organised by the respective IGs in 2024:

▼ SIM Society Events ▼




 **5 June 2024**
SIM Society Annual General Meeting 2024




 **25 July 2024**
SIM Society x SIM Alumni Movie Night 2024



 **18 July 2024**
SIMS Learning Series 2024 - Embracing Sustainable Tech: Paving the Way for a Greener Future



 **9 November 2024**
SIM Society Learning Series 2024 - The Adulting Equation: Miles & Masterpieces

The Entrepreneurship & Strategic Management Interest Group & Business Management Interest Group



22 February 2024

TESM-BMG: Urban City Feng Shui & 12 Animal Zodiac Forecast 2024

Business Management Interest Group



16 March 2024

会员大会与讲座: 2024年东亚地缘经济和政治
AGM cum Talk: 2024 Geoeconomics and Politics of East Asia



28 September 2024

讲座: 创思跃动 - 启发企业创新力, 应用AI发展商业创新

Talk: Creative Thinking - Inspiring Corporate Innovation & Applying AI to Develop Business Innovation

Human Capital & Sustainability Interest Group



29 May 2024

HCS Circle: Embracing Sustainability & Pivotal Role of HR

Innovation & Quality Management Interest Group



19 January 2024

Innovation in Real Estate - Transforming the Industry



29 August 2024

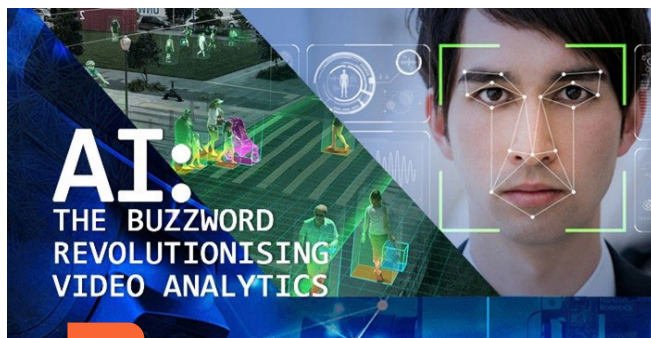
AGM cum Visit to Hyundai Motor Group Innovation Centre Singapore

Information Technology Interest Group



7 - 9 June 2024

3D2N Milky Way Photography in Mersing, Johor, Malaysia



21 June 2024

AGM cum Talk: AI: The Buzzword Revolutionising Video Analytics



3 August 2024

Capture the Magic of Fireworks Like a Pro!



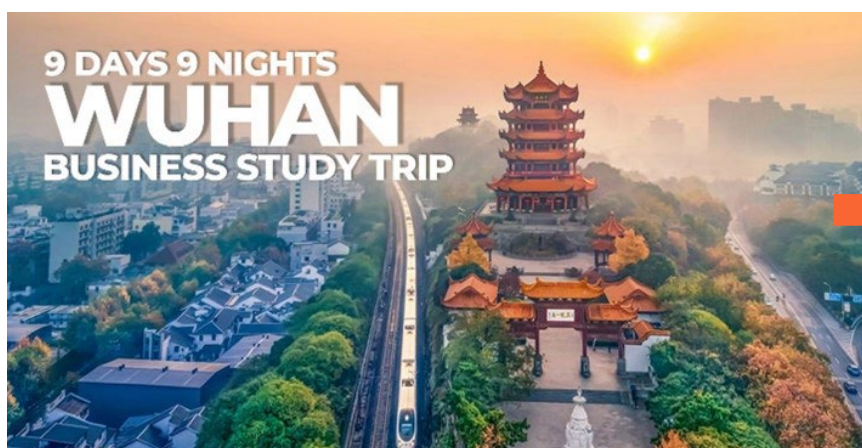
11 October 2024

HoST & Partners' Day @ Suntec Exhibition and Convention Centre



27 November 2024

Data Centre Tour at Genesis Networks



8 - 16 September 2024

9D8N Business Study Trip to Wuhan, China

The Entrepreneurship & Strategic Management Interest Group



20 March 2024

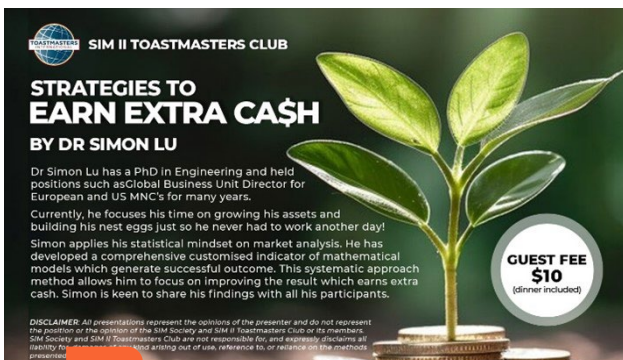
AGM cum Talk: Gaza's Impact on the World

SIM II Toastmasters Club



23 April 2024

Introduction to Personal Branding for Working Professionals



6 September 2024

Talk: Strategies to Earn Extra Cash

SIM Mandarin Toastmasters Club



25 May 2024

解锁AI的力量

Talk: Unlock the Power of AI



8, 15, 22 October and 2 November 2024

演讲训练班

Workshop: Speechcraft



7 December 2024

AI短视频工作坊

Talk: AI Video Generator

SIM Society

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2024





**SINGAPORE INSTITUTE OF
MANAGEMENT SOCIETY**
(Registration No. S64SS0050A)

**GOVERNING COUNCIL'S STATEMENT
AND FINANCIAL STATEMENTS**

YEAR ENDED 31 DECEMBER 2024

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

GOVERNING COUNCIL'S STATEMENT AND FINANCIAL STATEMENTS

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SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

Governing Council's statement

In the opinion of the Governing Council, the financial statements of Singapore Institute of Management Society (the "Society") are drawn up so as to give a true and fair view of the financial position of the Society as at 31 December 2024, and of the financial performance and changes in reserves and funds and cash flows of the Society for the financial year then ended and at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts when they fall due.

On behalf of the Governing Council

Dr Rosemary Tan

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Dr Rosemary Tan

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.....
Dr Stephen Yee

24 April 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Institute of Management Society (the "Society"), which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in reserves and funds and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 5 to 17.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act 1966 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Society as at 31 December 2024 and of the financial performance, changes in reserves and funds and cash flows of the Society for the year ended on that date.

Basis for Opinion

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

Other Matter

The financial statements of the Society for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on 18 April 2024.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

Responsibilities of Management and the Governing Council for the Financial Statements

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

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

The Governing Council is responsible for overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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



Public Accountants and
Chartered Accountants
Singapore

24 April 2025

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Income			
Service income		700	700
Membership fees		110	108
Interest income		35	25
Total income	4	845	833
Expenditure			
Operating expenses	5	555	571
Administrative expenses	6	35	34
Total expenditure		590	605
Excess of income over expenditure before income tax		255	228
Income tax expense	7	(26)	(21)
Excess income over expenditure after income tax, representing total comprehensive income for the year		229	207

See accompanying notes to financial statements.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

STATEMENT OF FINANCIAL POSITION
31 December 2024

	Note	2024 \$'000	2023 \$'000
<u>ASSETS</u>			
Current assets			
Other receivables	8	20	5
Prepayments		9	9
Cash and bank balances	9	1,258	1,071
Total current assets		1,287	1,085
Total assets		1,287	1,085
<u>LIABILITIES AND FUND BALANCES</u>			
Current liabilities			
Trade and other payables	10	118	140
Income tax payable		26	21
Total current liabilities		144	161
Non-current liability			
Trade and other payables	10	-	10
Fund balances			
General fund:			
Accumulated surplus		1,143	914
Total liabilities and fund balances		1,287	1,085

See accompanying notes to financial statements.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

STATEMENT OF CHANGES IN RESERVES AND FUNDS
Year ended 31 December 2024

	<u>Accumulated surplus</u> \$'000
Balance as at 1 January 2023	707
Excess of income over expenditure after income tax for the year, representing total comprehensive income for the year	<u>207</u>
Balance at 31 December 2023	914
Excess of income over expenditure after income tax for the year, representing total comprehensive income for the year	<u>229</u>
Balance at 31 December 2024	<u>1,143</u>

See accompanying notes to financial statements.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

STATEMENT OF CASH FLOWS Year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Operating activities			
Excess of income over expenditure before income tax		255	228
Adjustment for:			
Interest income		(35)	(25)
Operating cash flows before changes in working capital		220	203
Other receivables		-	32
Prepayments		-	(2)
Trade and other payables		(32)	65
Cash flows generated from operations		188	298
Income tax paid		(21)	(16)
Net cash from operating activities		167	282
Investing activities			
Placement of fixed deposits	9	(86)	(14)
Interest received		20	23
Net cash (used in)/generated from investing activities		(66)	9
Net increase in cash and cash equivalents		101	291
Cash and cash equivalents at beginning of year		657	366
Cash and cash equivalents at end of year	9	758	657

See accompanying notes to financial statements.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS

31 December 2024

1. General information

The Society (Registration No. S64SS0050A) is incorporated in Singapore with its principal place of business and registered office at 461 Clementi Road, Singapore 599491.

The principal activity of the Society is the provision of membership services to its members.

The financial statements of the Society for the year ended 31 December 2024 were authorised for issue by the Governing Council on 24 April 2025.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Societies Act 1966 (the "Act") and Financial Reporting Standards in Singapore ("FRSs"). The financial statements are expressed in Singapore dollars ("S\$"), which is the functional currency of the Society and all values in the tables are rounded to the nearest thousand ("S\$'000"), except when otherwise indicated.

1.2 Adoption of new and revised standards

In the current year, the Society has applied all the new and revised FRSs that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

1.3 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Society has not applied the following FRS pronouncements relevant to the Society that have been issued but are not yet effective:

Effective for annual periods beginning on or after 1 January 2026

- Amendments to FRS 109 and FRS 107: *Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to FRSs–Volume 11

Effective for annual periods beginning on or after 1 January 2027

- FRS 118: *Presentation and Disclosure in Financial Statements*

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS

31 December 2024

Management anticipates that the adoption of the above new/revised FRS pronouncements in future periods will not have a material impact on the financial statements of the Society in the period of their initial adoption except for the following:

FRS 118: *Presentation and Disclosures in Financial Statements*

FRS 118 replaces FRS 1 *Presentation of Financial Statements*, carrying forward many of the requirements in FRS 1 unchanged and complementing them with new requirements. In addition, some FRS 1 paragraphs have been moved to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and FRS 107 *Financial Instruments: Disclosures*. Furthermore, minor amendments to FRS 7 *Statement of Cash Flows* and FRS 33 *Earnings per Share* have been made.

FRS 118 introduces new requirements to:

- present specified categories and defined subtotals in the statement of income or expenditure.
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.
- improve aggregation and disaggregation.

An entity is required to apply FRS 118 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to FRS 7 and FRS 33, as well as the revised FRS 8 and FRS 107, become effective when an entity applies FRS 118. FRS 118 requires retrospective application with specific transition provisions.

2. Material accounting policy information

2.1 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Society takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of FRS 116 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS

31 December 2024

2.2 Financial instruments

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

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets.

Classification of financial assets

The Society classifies its financial assets based on the Society's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets (comprising other receivables and cash and bank balances) are subsequently measured at amortised cost as they are held within a business model whose objective is to collect the contractual cash flows which are solely payments of principal and interest on the principal amount outstanding ("SPPI").

Impairment of financial assets

The Society recognises a loss allowance for expected credit losses ("ECL") on other receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Society in accordance with the contract and all the cash flows that the Society expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Society derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS 31 December 2024

Financial liabilities

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Society derecognises financial liabilities when, and only when, the Society's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in income or expenditure.

2.3 Income

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Society recognises income when it transfers control of a product or service to a customer. The Society has generally concluded that it is the principal in its income arrangements and records income on a gross basis because it typically controls the goods or services before transferring them to the customer.

Service income

Service income is recognised over the duration of the service rendered on a straight-line basis.

Membership fees

Membership fees are recognised over the membership term.

Interest income

Interest income is recognised on an accrual basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.4 Income Tax

Income tax expense represents the sum of current and deferred tax and is recognised in income or expenditure.

Current tax

Current tax payable represents the amount expected to be paid to the taxation authority on taxable excess of income over expenditure for the year, using tax rate enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS

31 December 2024

Deferred tax

Deferred tax is the tax expected to be payable or recoverable 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 excess of income over expenditure. 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 excess of income over expenditure will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable excess of income over expenditure, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable excess of income over expenditure will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rate that is expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rate that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Society expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Society's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Critical judgements in applying the Society's accounting policies

In the process of applying the Society's accounting policies, management is of the opinion that there is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

In the process of key assumptions concerning the future and other uncertainty at the end of the reporting period, management is of the opinion that there is no instance of application of estimation uncertainty which is expected to have a significant effect on the amounts recognised in the financial statements.

SINGAPORE INSTITUTE OF MANAGEMENT SOCIETY

NOTES TO FINANCIAL STATEMENTS 31 December 2024

4. Income

	2024	2023
	\$'000	\$'000
Service income	700	700
Membership fees	110	108
Interest income	35	25
	<u>845</u>	<u>833</u>

5. Operating expenses

	2024	2023
	\$'000	\$'000
Membership service expenses	523	523
Others	32	48
	<u>555</u>	<u>571</u>

6. Administrative expenses

	2024	2023
	\$'000	\$'000
Professional fees	12	12
Membership system license and maintenance	14	16
Others	9	6
	<u>35</u>	<u>34</u>

7. Income tax expenses

	2024	2023
	\$'000	\$'000
Current tax expense	<u>26</u>	<u>21</u>

The income tax is calculated at 17% (2023 : 17%) of the estimated assessable excess of income over expenditure for the year. The total charge for the year can be reconciled to the excess of income over expenditure before income tax as follows:

	2024	2023
	\$'000	\$'000
Excess of income over expenditure before income tax	<u>255</u>	<u>228</u>
Income tax expense calculated at 17% (2023 : 17%)	43	38
Tax effects of:		
Partial tax exemption and tax relief	(17)	(17)
	<u>26</u>	<u>21</u>

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8. Other receivables

	2024	2023
	\$'000	\$'000
Other receivables	20	5

9. Cash and bank balances

	2024	2023
	\$'000	\$'000
Cash at bank	158	229
Fixed deposits:		
- With maturity period of up to 3 months	600	428
- With maturity period between 3 to 12 months	500	414
	1,258	1,071

Cash at bank earns interest at floating rates based on the daily bank deposit rates and are denominated in Singapore dollars.

Fixed deposit are interest bearing at average rates ranging from of 2.63% to 3.60% (2023 : 3.93% to 4.03%) per annum and are for a tenure of 365 days (2023 : 92 days to 367 days).

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise of cash at bank and short-term fixed deposits with 3 months to maturity.

	2024	2023
	\$'000	\$'000
Cash at bank	158	229
Fixed deposit with maturity period of up to 3 months	600	428
	758	657

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10. Trade and other payables

	2024	2023
	\$'000	\$'000
Trade payables	9	12
Other payables	91	110
GST payables, net	7	4
Membership fees received in advance	11	24
Total trade and other payables	118	150

Trade and other payables are unsecured, non-interest bearing and are normally settled on 30 (2023 : 30) days' term.

Membership fees received in advance

Membership fees received in advance primarily relate to the Society's obligation to transfer services to members for which the Society has received advance payment for membership services and are recognised as income as the Society performs under the contract.

As at 1 January 2023, membership fees received in advance amounted to \$Nil.

11. Financial instruments, financial risks and capital management

11.1 Categories of financial instruments

The following table sets out the categories of financial instruments as at the end of the reporting period:

	2024	2023
	\$'000	\$'000
<u>Financial assets</u>		
Financial assets at amortised cost	1,278	1,076
<u>Financial liabilities</u>		
Financial liabilities at amortised cost	100	122

11.2 Fair value of financial assets and financial liabilities

The carrying amounts of other receivables, cash and bank balances and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In 2023, the carrying amount of non-current trade and other payables approximated their fair values.

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NOTES TO FINANCIAL STATEMENTS **31 December 2024**

11.3 Financial risk management policies and objectives

The Society's activities expose it to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. There has been no change to the Society's exposure to these financial risks or the manner in which these risks are managed and measured.

11.3.1 Foreign currency risk management

The Society is not exposed to foreign currency risks as transactions are primarily denominated in Singapore dollar.

11.3.2 Interest rate risk management

The Society's interest rate exposures arise mainly from cash and bank balances.

No sensitivity analysis is prepared as the Society does not expect any material effect on the Society's income or expenditure arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

11.3.3 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Society.

The Society's maximum exposures to credit risk, which will cause a financial loss to the Society due to failure to discharge an obligation by the counterparties is represented by the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

The credit risk of liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Society's other receivables are considered to have low risk of default.

11.3.4 Liquidity risk management

Liquidity risk is managed by matching the payment and receipt cycle. The Society finances its working capital requirements through funds generated from service income and membership fees.

All financial liabilities in 2024 and 2023 are repayable on demand or due within 1 year from the end of the reporting period, except for non-current trade and other payables in 2023.

11.4 Capital management policies and objectives

The Society manages its capital to ensure that it will be able to continue as a going concern. The Society's overall strategy remains unchanged from 2023.

The capital structure of the Society consists of the reserves and funds of the Society.

The Company is not subject to any externally imposed capital requirements.



SIM SOCIETY

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