

# Every Little Change



# Makes A Big Impact

2017 ANNUAL REPORT



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# SEC CORE VALUES

## EXCELLENCE

We go the extra mile to succeed, exceed our stakeholders' expectations and stretch our capabilities to achieve the best possible outcome every time.

## INNOVATION

We promote an innovative culture and attitude. We think differently and strive to apply innovative thinking and creativity to everything we do.

## INTEGRITY

We meet the highest ethical and professional standards in all of our organisational endeavours and in doing so, hold ourselves accountable to our mission and to the public.

## PASSION

We show pride, sincerity and dedication in our programmes, people and the environment, thereby delivering superior value to our stakeholders.

## TEAMWORK

We are supportive of each other's efforts, and work together to meet our common goals as a diverse, yet unified team. We respect all individuals and value their contributions.





# OUR VISION AND MISSION

## VISION

Our vision is to be a recognised and trusted leader in Singapore and internationally that enables environmental sustainability with passion.

## MISSION

To foster lasting environmental and societal values that encourage and achieve environmental sustainability by:

- Collaborating with people, industries and governments
- Setting sustainability standards for green consumerism
- Educating and empowering communities to lead green lifestyles
- Promoting biodiversity in the urban environment
- Recognising environmental excellence by individuals and organisations



# MESSAGE FROM OUR CHAIRMAN



## Dear Donors, Sponsors, Partners and Volunteers,

On behalf of the Board and the SEC secretariat, I would like to express my sincere gratitude for your continued support for a challenging year 2017. We greatly value your contributions and look forward to an exciting 2018 – the Year of Climate Action for Singapore.

2017 has been an eventful year, in which Singapore witnessed several historical milestones. In particular, Environment Minister Masagos Zulkifli shared Singapore's approach to sustainable development at the United Nations Environment Assembly in Nairobi, Kenya. In his speech, he designated 2018 as the Year of Climate Action to complement the steps Singapore is taking to build resilience against climate change. At Singapore Environment Council (SEC), we are pleased to share that the Council has been awarded accreditation by the United Nations Environment Programme in recognition for our environmental activities, events and eco-labelling programmes.

The Year of Climate Action nation-wide campaign has begun and certainly raised the level of national consciousness around the need to take individual and collective action to drive towards a sustainable Singapore. In alignment with this movement, SEC has environmentally engaged 1.1 million people in 2017 across our eco-programmes – a 12 per cent increase from 2016.

The work of SEC is an ongoing one and we are grateful for the contributions of our government partners, with whom we are working together to foster lasting environmental values among Singaporeans. I would also like to acknowledge our dedicated Earth Helpers, who have contributed greatly to our outreach efforts. With support from our stakeholders, we have also seen 770 companies join the Singapore Green Labelling Scheme to eco-certify their products.

We would like to thank our partners, who have endlessly supported SEC as we enhanced our efforts to encourage businesses, communities, schools and individuals to go green. Every little effort can make a big impact.

”

**‘Uberisation’ has created an on-demand culture and led to greater convenience for consumers, but it is contributing to an increase in waste. Let us work together towards reducing this exponential consumption, especially when it comes to simple things we use daily such as single-use plastics and packaging.**



SEC launched the new SEC Green Map mobile app with Environment Minister Masagos Zulkifli in December 2017.

### GREEN GOES DIGITAL

Riding on Singapore's Industry 4.0 movement, SEC embarked on a journey to digitalise all our green touch points. The very first initiative was launched through the new SEC Green Map mobile application in December 2017. This app helps people to embrace a greener lifestyle and reduce their carbon footprint by providing them with real-time information on Singapore's many green avenues to participate.

With the advent of the circular economy, the creation of value-added business models will boost industrial competitiveness and job creation, and change how consumers interact with the goods and services we buy. SEC plays an important role in facilitating this transition. We will develop more digital green initiatives – in the next coming months, consumers and organisations can look forward to a new carbon calculator application which can help them reduce their carbon emissions.

Technological and disruptive changes continue to put a strain on our quest to shrink Singapore's carbon footprint. 'Uberisation' has created an on-demand culture and led to greater convenience for consumers, but it is contributing to an increase in waste. Let us work together towards reducing this exponential consumption, especially when it comes to simple things we use daily such as single-use plastics and packaging.

Jen Teo, who joined us as Executive Director in 2017, has led this digitalisation movement for SEC. We look forward to building upon SEC's strategic development to further drive green consumerism among consumers, schools and organisations.

### PARTNERING THE 3P SECTORS FOR A GREEN CAUSE

As we continue our efforts, collective action from the People, Private and Public (3P) sectors is crucial in tackling climate change for a sustainable Singapore.

In August last year, we contributed to an important conservation on the green future of Singapore at the inaugural Partners for the Environment forum in August 2017. Organised by the Ministry of the Environment and Water Resources (MEWR), the forum brought together leaders from the public, private, NGO and academic sectors.

To help keep our marine ecosystems healthy, we partnered the Maritime and Port Authority of Singapore (MPA) to inspire youth to protect our marine environment, through efforts such as the MPA-SEC Waves of Change Poster Design Competition. We also worked with the National Environment Agency (NEA) and National Parks Board (NParks) to raise awareness on the importance of caring for our environment, through programmes such as Clean and Green Singapore and creation of biodiversity trails along Singapore's beautiful parks.

To further drive home the green message, North West Community Development Council (NWCDC) and SEC jointly organised the Green Homes @ North West initiative. The programme encourages residents in the North West district to embrace green living at home through eco-friendly practices and purchasing of energy efficient appliances.

## MESSAGE FROM OUR CHAIRMAN

Our volunteers also played a major role in reaching out to the individual. Over the past year, our dedicated Earth Helpers worked tirelessly – clocking over 5,600 hours of volunteer work, including the Citi-YMCA Youth For Causes programme.

### GREEN LABELLING RESPONSIBLE COMPANIES

We are also encouraged to see more companies taking responsibility for their impact on the environment in 2017. Through the enhanced Singapore Green Labelling Scheme (SGLS) for pulp and paper products, we are working to help more than 17 companies be assessed for risks and eco-certified for global markets. Consumer brands Kimberly-Clark, UPM and Fuji Xerox are among the first to come on board the enhanced SGLS, which requires certified companies to manage peatland and suppress fires when they occur. About 300 industry professionals attended our inaugural SEC Conference on ethical green consumerism, held in conjunction with the 20th Singapore Environmental Achievement Awards.

I am happy to share that the Singapore Green Labelling Scheme is also gaining recognition worldwide, having successfully met the ISO 14024 and ISO 17065 standards for the Global

Ecolabelling Network (GEN)'s Internationally Coordinated Ecolabelling System (GENICES). The scheme awarded more than 3,600 certified products from 770 companies, used in 43 countries including Malaysia, Indonesia, China, Eastern Europe, Russia, the Nordic Countries, the United Kingdom and the United States.

### GREENING OFFICES

We continued to collaborate with organisations in Singapore to work towards their eco goals. In 2017, a total of 176 offices, shops and food establishments – consisting of 765,513 sqm of space and 157,190 office tenants – have been eco-certified by SEC. This is a marked 54 per cent increase from 2016, a sign that more organisations are coming on board to incorporate eco-friendly practices in the workplace.

### EMPOWERING COMMUNITIES

The SEC-StarHub School Green Awards (SGA) programme, aimed at nurturing young environmental advocates, received a record number of 410 submissions from educational institutions in 2017. As many as 405,000 students took part to engage and empower 460,000 residents in their respective communities and educate them on various environmental issues. Through schools' collective efforts, we conserved



Ms Jen Teo, Executive Director of SEC, addressed guests at the inaugural SEC Conference Day in 2017.



SEC's diverse environmental outreach activities include talks, workshops, seminars, experiential trails and corporate social responsibility activities.



As many as 405,000 students took part in the SEC-StarHub School Green Awards 2017, aimed at nurturing young environmental advocates.

precious energy and water resources translating to enough electricity to power 13,130 four-room HDB flats for a month, and water to fill 52 Olympic-sized swimming pools. A total of 47.3 tonnes of e-waste was also collected for recycling.

**EXPERIENTIAL LEARNING**

SEC continues to build upon our efforts in experiential learning through the Training and Education arm. A total of 8,328 participants, including working adults and students, took part in environmental outreach activities, such as talks, workshops, seminars, experiential trails and corporate social responsibility activities.

We also look forward to working with media organisations and journalists to bring environmental issues to the forefront through the Asian Environmental Journalism Awards - the region's first environmental journalism awards programme.

Once again, we are deeply grateful for the continued support and enjoyed great working relationships with our partners, which include MEWR, NEA, Coca-Cola Singapore, NWDC, StarHub Ltd, City Developments Limited, SMRT Corporation,

Consumers Association of Singapore, NParks, Marina Bay Sands, MPA, Resorts World Sentosa, Central Singapore Community Development Council, Deloitte & Touche LLP, Public Utilities Board, Senoko Energy Pte Ltd, KPMG Singapore, Kimberly-Clark, Setsco Services Pte Ltd and CITIC Telecom International (SEA) Pte Ltd. This list is not exhaustive as there are many professionals who have contributed their time to volunteer with us.

On behalf of the Board and SEC Secretariat, I sincerely thank all Donors, Sponsors, Partners and Friends for your continued support.

Humblest Regards and Respectfully,

**Ms Isabella Loh**  
Chairman  
Singapore Environment Council

# BOARD OF DIRECTORS (2017/2018)

## CHAIRMAN

- 1. MS ISABELLA LOH**  
**Chairman**  
Practising Management Consultant Certification Board

## VICE CHAIRMAN

- 2. MR SEAH SENG CHOON**  
**Advisor to CASE**  
Consumer Association of Singapore
- 3. DR TEO HO PIN**  
**Mayor**  
North West District

## BOARD OF DIRECTORS

- 4. MS CHEN YEW NAH**  
**Managing Director**  
Zeles Pte Ltd
- 5. MR DALSON CHUNG**  
**Director**  
Industry Development & Promotion Office  
National Environment Agency
- 6. MR KONG CHI-NANG**  
**Managing Director & Head**  
PLAS South East Asia/Corporate  
Finance & Restructuring Services  
Deloitte & Touche  
Financial Advisory Services Pte Ltd
- 7. MR LAM JOON KHOI**  
**Senior Advisor**  
Concorde Security Pte Ltd

- 8. DR LEONG CHEE CHIEW**  
**Deputy Chief Executive Officer**  
(Professional Development and Services Cluster)  
National Parks Board

- 9. MR PHILIP SU POON GHEE**  
**Principal Consultant**  
Beluga Consultant

- 10. MR SIMON PATRICK BENNETT**  
**General Manager**  
Sustainable Development  
Swire Pacific Offshore Operations Pte Ltd

- 11. MR TAN NGUAN SEN**  
**Chief Sustainability Officer**  
Sustainability Office  
Public Utilities Board

- 12. MR TAN PUAY HIANG**  
**Chairman/CEO**  
Highvest Pte Ltd

- 13. MS RAHAYU BINTE MAHZAM**  
**Associate Director**  
Heng, Leong & Srinivasan

- 14. MR ZECHARIAH CHAN JIN HAN**  
**Partner**  
Lee & Lee

## BOARD OBSERVER

- 15. MS SELINA LIM**  
**Director**  
Communications & 3P Partnership Division  
Ministry of the Environment and Water Resources  
(Incoming June 2018)



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**FOUNDING MEMBERS OF THE COUNCIL**

**16. MR JOHN LIM**  
Immediate Past Chairman  
Singapore Institute of Directors

**17. PROF LEO TAN WEE HIN**  
Director (Special Projects)  
National University of Singapore

**18. PROF SU GUANING**  
President Emeritus  
Nanyang Technological University

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**IN APPRECIATION**

**19. MR LEE KHENG SENG**  
We would like to express our sincere appreciation to Mr Lee Kheng Seng (Board Observer, stepped down with effect from June 2018) for his guidance and contributions to SEC.

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**EXECUTIVE DIRECTOR OF SEC SECRETARIAT**

**20. MS JEN TEO**  
Executive Director  
Singapore Environment Council



# KEY ACCOMPLISHMENTS



## DONATIONS AND SPONSORSHIPS

Tax exempt donations and sponsorships

2017:

**\$225,633**

2016:

**\$270,466**

Non-tax exempt donations and sponsorships

2017:

**\$456,171**

2016:

**\$264,043**



## ECO-ESTABLISHMENTS



Total Certifications

2017: **176**    2016: **114**

Total space that has been eco-certified:

2017: **715,082** sqm

2016: **945,163** sqm

Total no. of employees and people reached out to:

2017: **157,190**



## SINGAPORE GREEN LABELLING SCHEME (SGLS AND SGLS+)

### SGLS

Products certified (as of 2017):    Products certified (as of 2016):

**3,600**

**3,444**

Companies (as of 2017):

**770**

Companies (as of 2016):

**650**

Recognised in (as of 2017):

**43**

countries,  
including Malaysia, Indonesia, China,  
Eastern Europe, Russia, the Nordic  
Countries, the UK and the US

Recognised in (as of 2016):

**24**

countries

### SGLS+

Products certified (to date):

**16**

Companies certified (to date):

**3**

with another

**12**

undergoing SGLS+  
evaluation process



## SEC-STARHUB SCHOOL GREEN AWARDS (SGA)

Submissions and award winners



2017: **410**  
2016: **405**

Estimated no. of students reached

2017: **405,000**  
2016: **406,000**

Schools that achieved the Lotus Sustained Achievement Award

2017: **146**    2016: **142**

Estimated no. of people in the community reached

2017: **460,000**  
2016: **320,000**

Preschools that achieved the Daisy Sustained Achievement Award

2017: **48**    2016: **25**



## SINGAPORE ENVIRONMENTAL ACHIEVEMENT AWARDS (SEAA)



No. of winners (since 1997)

2017: **96**    2016: **87**



## TRAINING AND EDUCATION

Activities held

2017: **160**  
2016: **140**

Participants

2017: **8,328**  
2016: **14,635**



## EARTH HELPERS



Registered Earth Helpers

2017: **1,135**    2016: **1,090**



Hours of volunteer work clocked

2017: **5,646**    2016: **2,000**

# DONORS AND SPONSORS' ROLL OF HONOUR (2016/2017)

In the following pages, Singapore Environment Council, a registered charity and Institution of Public Character, recognises the generosity of those who have supported our vision towards enabling environmental sustainability in Singapore. We express our sincere gratitude to those listed here and all those who prefer to remain anonymous.

We would particularly like to recognise the generosity of those who have given S\$20,000 and above in a financial year to Singapore Environment Council. We extend our deepest appreciation to the following major donors and sponsors.



**CITY  
DEVELOPMENTS  
LIMITED**



Ministry of the Environment  
and Water Resources

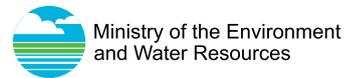


We acknowledge and thank the following individuals and organisations which have generously supported Singapore Environment Council's efforts and projects. Their contributions have supported efforts in conservation, research, outreach and education to further the environmental cause. We thank all other individuals and organisations who have supported us, one way or another.

Abbott Manufacturing Singapore Pte Ltd  
Archicom Singapore Pte Ltd  
Ardentec Singapore Pte Ltd  
ATMD Bird & Bird LLP  
Boral Plasterboard (Malaysia) Sdn Bhd  
Borneo Motors (Singapore) Pte Ltd  
Bukit View Secondary School  
Canon Singapore Pte Ltd  
Carrier Singapore Pte Ltd  
Chloros Solutions Pte Ltd  
CITIC Telecom International (SEA) Pte Ltd  
City Developments Limited  
Coca-Cola Far East Ltd  
Contrac-image Trading Pte Ltd  
Credit Suisse AG  
Dr Andre Klein  
Emix Industry (S) Pte Ltd  
Estee Lauder Travel Retailing Inc  
Formica (Thailand) Co., Ltd  
Give2Asia  
Glaxo Wellcome Manufacturing Pte Ltd  
Grand Hyatt Singapore  
Hansabay Pte Ltd  
Hydroemission Corporation Pte Ltd  
Industrial Floor & Systems Pte Ltd  
Interface Singapore Pte Ltd  
JPL Builders Pte Ltd  
Kimberly-Clark Singapore Pte Ltd  
Lee Foundation  
Lion Corporation (S) Pte Ltd  
Luxasia Pte Ltd  
Luxe Professional Pte Ltd  
Mandarin Orchard Singapore  
Marina Bay Sands Pte Ltd

Maritime and Port Authority of Singapore  
Mitsubishi Electric Asia Pte Ltd  
Nippon Paint Singapore Co Pte Ltd  
North West Community Development Council  
Novotel Singapore Clarke Quay  
NSL Ltd  
NTUC Fairprice Co-operative Ltd  
OOCL (Singapore) Pte Ltd  
Pan-United Concrete Pte Ltd  
Ricoh Asia Pacific Pte Ltd  
Samwoh Corporation Pte Ltd  
Scanpap (Asia Pacific) Pte Ltd  
Sembcorp Marine Ltd  
Senoko Energy Pte Ltd  
Setsco Services Pte Ltd  
Shell Eastern Petroleum Pte Ltd  
SKK (S) Pte Ltd  
Sky Creation Design Pte Ltd  
SMRT Corporation Ltd  
StarHub Ltd  
Syntech Chemicals Pte Ltd  
SystemNix Technologies Pte Ltd  
Temasek Foundation Ecosperity CLG Limited  
The Salvation Army  
The Singapore Contractors Association Limited  
Thome Ship Management Pte Ltd  
Times Software Pte Ltd  
Toyota Motor Asia Pacific Pte Ltd  
Universal Sovereign Trading Pte Ltd  
Urban Habitat Design Pte Ltd  
USG Boral Pte Ltd  
U-Training Centre Pte Ltd  
Volvo East Asia Pte Ltd  
Wallenius Wilhelmsen Logistics

# OUR STRATEGIC PARTNERS



SAMWOH



SETSCO



# Programme Highlights



# Singapore Green Labelling Scheme (SGLS and SGLS+)



SEC launched an enhanced pulp and paper product criteria in January 2017 which required companies to improve peatland management and commit to the suppression of forest fires.

## LABELLING FOR A GOOD CAUSE

The Singapore Green Label is Singapore’s most established local and international certification standard for sustainable products. With strong credibility and affirmation from its stakeholders, SEC has eco-certified more than 3,600 products from 770 companies, used in 43 countries including Malaysia, Indonesia, China and the United States.

SEC is recognised as a member of the Global Ecolabelling Network (GEN), a non-profit association of leading ecolabelling organisations worldwide. The SGLS successfully met the ISO 14024 and ISO 17065 standards for the GEN’s

Internationally Coordinated Ecolabelling System (GENICES) accreditation.

In January 2017, the enhanced SGLS, or SGLS+, was introduced for pulp and paper products. The programme requires companies to meet some of the world’s toughest environmental standards, including zero-burning on plantations and the ability to quickly detect and suppress fires when they occur. A new risk-based evaluation system was also introduced to complement the more extensive qualification criteria for the enhanced SGLS pulp and paper product criteria.

### Benefits of joining SGLS



#### Reduce Environmental Impact

Certify products that minimise impact to the environment



#### Differentiation

SGLS makes it easy to procure eco-friendly products



#### Credibility

Certified products meet stringent environmental standards



#### Recognition

SGLS is recognised internationally and in Singapore by ministries, government agencies and industry professionals

# Eco-Establishments



SEC held the inaugural Eco-Certifications Appreciation Lunch in December 2017 to celebrate the environmental achievements of our partners under SEC’s eco-certification programmes.

## GETTING MORE TO GO GREEN WHILE THEY WORK, SHOP AND DINE

Sustainability is more than just being eco-friendly. We can help make a difference through key aspects of our daily living – how we work, shop and dine.

Project: Eco-Office was launched in 2002 and is a joint initiative between SEC and City Developments Limited (CDL). Its main aim is to assist offices in Singapore to implement effective environmentally-friendly practices by increasing awareness among staff.

Launched in 2013, Project: Eco-Shop is a joint effort between SEC and SMRT Corporation Ltd. It

seeks to guide and encourage shop owners to fit out their shops in an environmentally-sustainable manner, as well as to adopt and implement green practices in their daily operations.

Project: Eco-F&B is a certification programme that assesses the environmental management system of a food establishment. It facilitates the adoption of ethical practices by addressing the establishment’s environmental policies, air quality, as well as its water, energy and waste management. Operators learn how to further reduce their carbon footprint by incorporating cost-efficient measures into their business practices.

Achieving an eco-certification signifies an important milestone for the organisations, which contribute to Singapore’s journey towards sustainability.

# Singapore Environmental Achievement Awards (SEAA)



SEC celebrated the environmental excellence demonstrated by our SEAA winners together with Minister for the Environment and Water Resources Mr Masagos Zulkifli, who graced the awards ceremony as the Guest-of-Honour. Shipping and logistics company Orient Overseas Container Line (OOCL) received two awards, including the Outstanding Environmental Achievement Award, for excellence in environmental practices.

## RECOGNISING BUSINESSES THAT SUPPORT SUSTAINABILITY

The Singapore Environmental Achievement Awards (SEAA) is one of the most prestigious green awards in Singapore and the region. Launched in 1997, the programme has recognised and awarded a total of 96 companies for their environmental stewardship.

Companies that are recognised by the SEAA join an elite pool of organisations from the region that have affirmed their commitment to environmental

excellence and protection of the natural environment.

In 2017, SEC launched the inaugural SEC Conference. Themed “Ethical Green Consumerism – Our Responses”, the conference sought to raise awareness of ethical consumerism and how businesses can respond to support long-term ecological balance. It also aimed to facilitate the sharing of best practices, and encourage cross-sector collaboration.

Winners of the SEAA 2017 include Orient Overseas Container Line, Pan United Concrete Pte Ltd, SystemNix Technologies Pte Ltd, Sunseap Group Pte Ltd, Dunman High School, North West Community Development Council, Housing & Development Board, Hydroemission Corporation Pte Ltd and Chemfab Alkalis Ltd.

For more information on SEAA, please visit [www.sec.org.sg/seaa](http://www.sec.org.sg/seaa).



The key highlights of the inaugural SEC Conference included a full day conference focusing on ethical green consumerism, panel discussions and workshops to help participating business professionals integrate sustainability in the supply chain.

# SEC-StarHub School Green Awards (SGA)

## NURTURING YOUNG ECO-WARRIORS OF THE FUTURE

The SEC-StarHub School Green Awards (SGA) continues to strive to be a platform for youth to put their green ideas into action. Students who participate in the programme gain a better understanding of Singapore’s environmental landscape and in their own way, contribute to the nation’s vision of a sustainable and liveable Singapore.

With StarHub Ltd as the title sponsor, SEC is able to further our outreach and education efforts to more students across different education levels. Their steadfast belief in the programme has been instrumental in helping us reach new milestones. In 2017, a record number of 410 submissions were received from educational institutions.

SGA 2017 concluded with the School Green Day, held at ITE College East on 8 November 2017. The event was attended by close to 1,000 school principals, teachers, students and non-academic staff representing 311 schools. Mr Ng Chee Meng, Minister for Education (Schools), officiated the awards ceremony as Guest-of-Honour to present the awards and visit the booth exhibition put up by schools participating in the SGA.

Having reached new milestones, SEC looks forward to strengthening the SGA by introducing more enhancements to the programme. With the enhanced SGA, we seek to partner with the people, public and private sectors to develop our youth and community into a nation that cares for and protects our environment.

For more information on SGA, please visit [www.sec.org.sg/sga](http://www.sec.org.sg/sga).



Mr Ng Chee Meng, Minister for Education (Schools), graced School Green Day 2017 as Guest-of-Honour and visited the booth exhibition put up by participating schools.



SGA 2017 concluded with the School Green Day, which was attended by close to 1,000 school principals, teachers, students and non-academic staff representing 311 schools.

# Training and Education (T&E)



SEC's diverse environmental outreach activities include talks, workshops, seminars, experiential trails and corporate social responsibility activities.

## EMPOWERMENT THROUGH KNOWLEDGE

*"In the end, we conserve only what we love. We will love only what we understand. We will understand only what we are taught." (Baba Dioum, 1968)*

It is with this philosophy that SEC's Training and Education (T&E) arm set out on its mission to empower the man on the street to join us as fellow advocates of the environmental cause.

Established in 2014, T&E develops outreach activities to cater to schools, government bodies such as Community Development Councils and National Environment Agency, and companies like L'Oréal Singapore and Deloitte & Touche LLP. The team's diverse programmes include talks, workshops, seminars, experiential trails and corporate social responsibility activities.

Since its inception, T&E has seen tremendous growth year on year. 2017 saw T&E reaching out to a total of 8,328 participants through 160 environmental outreach activities.



SEC's Training and Education arm develops outreach activities catering to schools, corporations and government bodies, empowering participants to be advocates for the environment.

# Earth Helpers



Our Earth Helpers took part in Central Singapore CDC’s ‘The UP Market’, an upcycling event to teach the public about the benefits of using discarded items to create useful things.

## EVERY VOLUNTEER MAKES A DIFFERENCE

In 2017, our Earth Helpers gave back to society in a green way through many platforms. More than 1,000 volunteers put in over 5,600 hours of volunteer work to the green cause; from the Green Homes at North West home audits, assisting in the SEC Eco-Certifications Appreciation Lunch and

Singapore Environmental Achievement Awards and School Green Awards ceremonies, facilitating workshops for participants, to Central Singapore CDC’s ‘The UP Market’ upcycling event.

### CITI-YMCA YOUTH FOR CAUSES

Citi-YMCA Youth For Causes (YFC) was started by CitiBank and the YMCA of Singapore in 2003 to promote social entrepreneurship and community leadership development among Singapore youths.



Our Earth Helpers put in over 5,600 hours of volunteer work to give back to society in a green way.



SEC held the Earth Helpers' Appreciation Day in April 2017 in recognition of our volunteers' contributions towards the environment.

Youths from Faith in Humanity Restored (FIHR) and more than 800 volunteers garnered close to 7,000 pledges for SEC's environmental cause.

#### THE UP MARKET

The UP Market was started by Central Singapore CDC in December 2015, an event cumulating months of upcycling workshops and green activities.



# **Corporate Governance and Financial Statements**



# Corporate Governance

Singapore Environment Council (SEC) has been registered as a charity under the Charities Act, (Cap. 37) since 5 March 1996.

The SEC's Board comprises of 14 Directors with corporate and public sector experience and is chaired by Ms Isabella Loh. Board Directors are appointed and hold office for a term commencing from the date of appointment and expiring at the conclusion of the second Annual General Meeting after the appointment, guided by the principles of SEC's governing instrument.

## RESPONSIBILITY OF THE BOARD

The Board ensures that the charity is run responsibly, according to its governing instrument. SEC's strategic growth plan, vision and mission statements are reviewed from time to time so that the charity stays relevant in an ever-changing environment. The Board ensures that SEC is meeting its goals and objectives as an environmental charity. It ensures that effective and efficient systems are in place for managing SEC's financial and human resources. Another important role is to maintain adequate reporting to all SEC stakeholders regarding our strategic plan and status of our programmes.

## INTERNAL CONTROLS

- **Fundraising practices**

All fundraising practices are transparent and ethical, with proper accounting to donors on how funds are utilised.

- **Programme Management**

All programmes and activities conducted by SEC are carefully planned, tracked and reviewed to ensure that they are relevant to the mission and vision of SEC. Each programme is evaluated for its effectiveness and the progress is reported to both the Board and programme donor.

- **Budget Planning and Monitoring**

The Board approves an annual budget for SEC's programmes. There is close monitoring of the expenditure for each programme. A mid-year review of budget is conducted to compare and adjust the financial projections.

- **Disclosure and Transparency**

SEC seeks financial management advice from the Board and complies with all applicable laws and regulations. Annual external audits are conducted to ensure that its resources are used responsibly and are accountable. Updated information about its mission, structure, programmes, activities and finances are publicly displayed on SEC's website.

## SEC BOARD, ADVISORY COMMITTEE AND SUB-COMMITTEES

### SEC BOARD

SEC Board provides independent objective guidance to SEC and acts in the best interests of the Council. The Board periodically reviews and approves the objectives of SEC to ensure that its programmes and operations are managed and directed towards achieving SEC's objectives. It acts as advocates and enthusiastic communicators of SEC's mission and vision, and to play an integral role in SEC's fundraising activities. It supports and guides SEC's programmes and fundraising plans and hence assists the Council in achieving its long term strategic plans.

#### **The Board held three meetings in 2017.**

The 52<sup>nd</sup> Board of Directors' Meeting was held on 21 April 2017. It was attended by the following members:

Ms Isabella Loh  
Prof Leo Tan  
Mr Dalson Chung  
Mr Philip Su  
Mr Zechariah Chan  
Ms Chen Yew Nah  
Mr Lam Joon Khoi  
Mr Tan Nguan Sen  
Mr Kong Chi-Nang

The 53<sup>rd</sup> Board of Directors' Meeting was held on 6 September 2017. It was attended by the following members:

Ms Isabella Loh  
Dr Teo Ho Pin  
Mr Seah Seng Choon  
Dr Leong Chee Chiew  
Mr Philip Su  
Mr Zechariah Chan  
Mr Tan Puay Hiang  
Mr Dalson Chung  
Mr Kong Chi-Nang  
Mr Lee Kheng Seng (Board Observer)

The 54<sup>th</sup> Board of Directors' Meeting was held on 4 December 2017. It was attended by the following members:

Ms Isabella Loh  
Mr Seah Seng Choon  
Dr Leong Chee Chiew  
Ms Chen Yew Nah  
Mr Tan Nguan Sen  
Mr Tan Puay Hiang  
Mr Dalson Chung  
Mr Kong Chi-Nang  
Mr Lam Joon Khoi  
Mr Lee Kheng Seng (Board Observer)

## SEC SUB-COMMITTEES

### EXECUTIVE COMMITTEE

Oversees the SEC secretariat's overall performance and operational delivery. It focuses on strategic leadership, management and direction, ensuring the most effective prioritisation of resources.

It is a decision-making body on operational performance and delivery by the SEC secretariat, under the delegated authority from the Board.

#### **The Executive Committee held 12 meetings in 2017.**

##### **Chairman**

Mr Lam Joon Khoi

##### **Members**

Mr Zechariah Chan

Mr Dalson Chung

Mr Lee Kheng Seng (Board Observer)

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### AUDIT COMMITTEE

The Audit Committee reviews the financial information provided by SEC to the Board, in particular, the critical accounting policies and practices, the effectiveness of the internal controls over financial reporting and budgeting to identify, assess, manage and disclose financial risks. It also makes recommendations to the Board on the selection and appointment of the external auditor(s), reviews the external auditor's audit independence, and evaluates the audit findings.

#### **4 Audit Committee meetings were held in 2017.**

##### **Chairman**

Mr Philip Su

##### **Members**

Ms Chen Yew Nah

Mr Kong Chi-Nang (joined wef 1 Dec 2016)

## COMPLIANCE COMMITTEE

The Compliance Committee monitors the level of compliance by SEC, with reference to its governing instrument and all relevant laws and regulations. It assists the Board in identifying and reviewing compliance matters which require action or improvement and makes recommendations to be taken.

### **Chairman**

Mr Seah Seng Choon

### **Members**

Mr Philip Su

Ms Chen Yew Nah

Mr Tan Puay Hiang

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## GREEN LABEL STEERING COMMITTEE

The Green Label Steering Committee provides professional advice on creating and maintaining the Green Label certification process. The Committee assists to guide new category developments and monitor the impartiality of the certification process. It helps to guide the development of service delivery mechanisms related to lab testing, applications and assessment, initiates and guides programme evaluations, and recommends mechanisms for recertification.

**The Green Label Steering Committee convenes as and when necessary.**

### **Chairman**

Mr Zechariah Chan

### **Member**

Mr Lam Joon Khoi

Mr Tan Nguan Sen

Mr Dalson Chung

Mr Simon Patrick Bennett

Mr Seah Seng Choon

Mr Lee Kheng Seng (Board Observer)

## NOMINATION COMMITTEE

The Nomination Committee identifies, facilitates and recommends potential candidates to the Board to serve as Board Directors. It ensures that the Board consists of independent members from varied industry sectors, with the capacity to contribute their expertise, knowledge and skills.

Potential candidates are identified and contacted for their interest and availability for serving on the Board. The Committee will then make recommendations for these candidates to be elected as Directors of the Board. Re-nomination will be subject to the individuals' contribution and performance.

### **The Nomination Committee held two meetings in 2017.**

#### **Chairman**

Ms Isabella Loh

#### **Members**

Dr Teo Ho Pin

Ms Rahayu Binte Mahzam

Mr Kong Chi-Nang

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## REMUNERATION COMMITTEE

The Remuneration Committee assists the Board in establishing equitable remuneration and human resource policies and practices. It enables SEC to attract, retain and develop talent by ensuring its employees are fairly and responsibly rewarded according to performance and the external remuneration environment. The Committee also reviews and makes recommendations to the Board on SEC's compliance with legislative requirements such as the Employment Act.

### **The Remuneration Committee held three meetings in 2017.**

#### **Chairman**

Ms Isabella Loh

#### **Members**

Dr Teo Ho Pin

Ms Rahayu Binte Mahzam

## STRATEGIC MARKETING AND COMMUNICATIONS COMMITTEE

The Strategic Marketing and Communications Committee provides advice on managing stakeholder relationships and marketing strategies to maximise the branding and revenue opportunities for SEC. The Committee provides a forum for an initial review of new SEC's programmes and corresponding communications and outreach proposals that are brought forward. It helps to identify potential partnership and sponsorship opportunities for SEC's programmes through a combination of professional connections and networks. It also acts as a resource in formulating, promoting and delivering communications and outreach strategies and makes recommendations to the Board on these matters.

**The Strategic Marketing and Communications Committee held three meetings in 2017.**

### Chairman

Ms Chen Yew Nah

### Members

Ms Isabella Loh  
Dr Leong Chee Chiew  
Ms Rahayu Binte Mahzam  
Mr Simon Patrick Bennett

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## TENDER COMMITTEE

The Tender Committee advises SEC on procurement matters to ensure that the process is transparent and competitive. It reviews conflict of interest, if any, during the procurement process. The Committee decides on the approval or waiving of the tender requirements for procurement of services or goods, according to SEC's Financial Policies and Procedures. It also guides and periodically reviews the procurement strategies, guidelines and policies.

**The Tender Committee convenes as and when necessary.**

### Chairman

Mr Philip Su

### Members

Ms Isabella Loh  
Ms Chen Yew Nah  
Mr Tan Puay Hiang

## CONFLICT OF INTEREST POLICY AND RELATED PARTY TRANSACTIONS

The conflict of interest policy and related party transactions shall apply to all staff, volunteers and the Executive Director of SEC. They include, but are not limited to, the following situations:

- Personal interest in business transactions or contracts in which SEC may enter
- Vested interest in organisations that have dealings with SEC
- Recruitment of individuals who have personal relationships with staff, volunteers and the Executive Director of SEC

When a potential conflict of interest situation arises, the affected staff and volunteers shall immediately make a declaration of interest to the Executive Director and abstain from discussion and decision-making on the matter. When a potential conflict of interest situation relates to the Executive Director, she shall declare her interest to the Chairman for escalation to the Board and if deemed necessary, she shall abstain from discussion and decision-making on the matter.

The conflict of interest policy and reporting requirements for board members are dealt with in the Memorandum of Articles and Association.

### Reserve Policy

The Council is mindful that charities or Institutions of a Public Character (IPCs) should avoid raising excessive funds and keeping them as reserves for public accountability reasons. The Council aims to maintain a reasonable level of reserves to ensure that the operational activities could continue during a period of unforeseen difficulty.

The Council aims to maintain a reserve ratio of at least two times the annual operating expenditure.

The Board shall review or re-assess the reserve ratio periodically or as and when the need arises.

In the review and determination of the reserve ratio, the Board will consider the following (but is not limited to):

- Past trends
- Forecast levels of income and expenditure of planned activities
- Analysis of future needs, opportunities and contingencies

### Definitions

Reserve refers to unrestricted funds that can be expended at the Council's discretion in furtherance of its objectives (commonly referred to as "Accumulated Funds" in the balance sheet).

Annual operating expenditure refers to fixed or recurrent expenditure and major recurrent programme expenses.

**SINGAPORE ENVIRONMENT COUNCIL**

(Company Registration No.: 199507762R)

# Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

TOGETHER WITH DIRECTORS' STATEMENT  
AND AUDITOR'S REPORT

**Singapore Environment Council  
Directors' Statement  
For the financial year ended 31 December 2017**

The directors submit their statement to the members together with the audited financial statements of Singapore Environment Council (the "Council") for the financial year ended 31 December 2017.

**Opinion of the directors**

In the opinion of the Board of Directors,

- (i) the accompanying financial statements of the Council are drawn up so as to give a true and fair view of the financial position of the Council as at 31 December 2017 and of the financial performance, changes in accumulated fund and cash flows of the Council for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due.

**Directors**

The directors of the Council in office at the date of this statement are: -

Isabella Loh Wai Kiew @Isabella Loh @Loh Wai Kiew  
Seah Seng Choon (Appointed on 17/07/2017)  
Dr Teo Ho Pin  
Chan Jin Han  
Su Poon Ghee  
Chen Yew Nah  
Dr Leong Chee Chiew  
Tan Puay Hiang  
Simon Patrick Bennett  
Kong Chi-Nang (Kuang Zineng)  
Chung Dalson  
Rahayu Binte Mahzam  
Tan Nguan Sen  
Lam Joon Khoi

**Arrangements to enable directors to acquire shares and debentures**

The Council is a public company limited by guarantee and has no share capital.

**Directors' interests in shares and debentures**

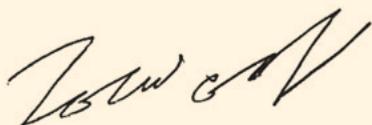
As the Council is a public company limited by guarantee, it has no share capital.

**Singapore Environment Council  
Directors' Statement  
For the financial year ended 31 December 2017**

**Auditor**

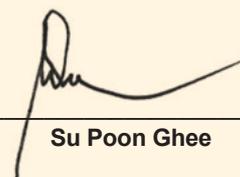
REANDA ADEPT PAC have expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,



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**Isabella Loh Wai Kiew @Isabella  
Loh @Loh Wai Kiew**  
Director



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**Su Poon Ghee**  
Director

Singapore, 01 June 2018

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Singapore Environment Council

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of Singapore Environment Council (the "Council"), which comprise the statement of financial position as at 31 December 2017, the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Companies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Council as at 31 December 2017 and of the financial performance, changes in accumulated fund and cash flows of the Council 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 Council in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 3 and 4.

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.

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

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

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

Those charged with governance comprises the directors and the governing board. Their responsibilities include overseeing the Council's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Singapore Environment Council  
(Continued)

### *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 assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

During the course of our audit, nothing has come to our attention that causes us to believe that during the year:

- a. The use of donation moneys was not in accordance with the objectives of the Council as required under Regulation 11 of the Charities (Institutions of a Public Character) Regulations; and
- b. The Council has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.



**REANDA ADEPT PAC**  
Public Accountants and  
Chartered Accountants

Singapore, 01 June 2018

**Singapore Environment Council  
Statement of Financial Position  
As at 31 December 2017**

	Note	2017 \$	2016 \$
<b>ASSET</b>			
<b>Non-current assets</b>			
Plant and equipment	4	43,855	49,822
<b>Current assets</b>			
Trade and other receivables	6	464,067	282,576
Prepayments		26,994	56,026
Cash and cash equivalents	5	2,313,542	1,391,486
		<u>2,804,603</u>	<u>1,730,088</u>
<b>Total Assets</b>		<u><u>2,848,458</u></u>	<u><u>1,779,910</u></u>
<b>FUNDS AND LIABILITIES</b>			
<b>Unrestricted funds</b>			
Accumulated general fund		1,776,969	1,195,484
<b>Current liabilities</b>			
Trade and other payables	7	481,745	272,112
Income received in advance		589,744	312,314
		<u>1,071,489</u>	<u>584,426</u>
<b>Total Funds and Liabilities</b>		<u><u>2,848,458</u></u>	<u><u>1,779,910</u></u>

See accompanying notes to the financial statements

**Singapore Environment Council  
Statement of Comprehensive Income  
For the financial year ended 31 December 2017**

	2017	2016
	\$	\$
Note		
<b>Income</b>		
<b>Income from generated funds</b>		
Voluntary income	8	901,799
Activities for generating funds		685,165
- Program receipts		<u>2,179,471</u>
		<u>2,051,432</u>
	3,081,270	2,736,597
Other income	9	62,462
		117,495
<b>Total income</b>		<u><u>3,143,732</u></u>
		<u><u>2,854,092</u></u>
<b>Expenditures</b>		
Costs of generating funds	10	(547,874)
Governance costs	11	(64,630)
Other expenditures	12	(1,949,743)
		<u>(2,069,893)</u>
<b>Total expenditures</b>		<u><u>(2,562,247)</u></u>
		<u><u>(2,582,674)</u></u>
<b>Net surplus for the financial year</b>		<u><u>581,485</u></u>
		<u><u>271,418</u></u>

See accompanying notes to the financial statements

**Singapore Environment Council  
Statement of Changes in Accumulated Fund  
For the financial year ended 31 December 2017**

	<b>Accumulated general fund</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>Balance as at 1 January 2016</b>	924,066	924,066
Net surplus for the financial year	271,418	271,418
<b>Balance as at 31 December 2016</b>	<b>1,195,484</b>	<b>1,195,484</b>
Net surplus for the financial year	581,485	581,485
<b>Balance as at 31 December 2017</b>	<b>1,776,969</b>	<b>1,776,969</b>

See accompanying notes to the financial statements

**Singapore Environment Council**  
**Statement of Cash Flows**  
**For the financial year ended 31 December 2017**

	Note	2017 \$	2016 \$
<b>Cash flows from operating activities</b>			
Surplus for the financial year		581,485	271,418
<b>Adjustment for:</b>			
Depreciation of plant and equipment		28,378	38,944
<b>Net cash inflow from operating activities</b>		<u>609,863</u>	<u>310,362</u>
Changes in working capital:			
Trade and other receivables		(181,491)	77,436
Prepayments		29,032	(41,383)
Trade and other payables		209,633	27,273
Income received in advance		<u>277,430</u>	<u>(37,436)</u>
Cash generated from operations		<u>334,604</u>	<u>25,890</u>
<b>Net cash inflow from operating activities</b>		<u>944,467</u>	<u>336,252</u>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		<u>(22,411)</u>	<u>(34,557)</u>
<b>Net cash outflow from investing activities</b>		<u>(22,411)</u>	<u>(34,557)</u>
<b>Net increase in cash and cash equivalents</b>		922,056	301,695
<b>Cash and cash equivalents</b>			
- At beginning of the financial year		<u>1,391,486</u>	<u>1,089,791</u>
- At end of the financial year	5	<u><u>2,313,542</u></u>	<u><u>1,391,486</u></u>

See accompanying notes to the financial statements

**Singapore Environment Council**  
**Notes to the Financial Statements**  
**For the financial year ended 31 December 2017**

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

**1. Corporate information**

Singapore Environment Council (the "Council") was incorporated in Singapore as a company limited by guarantee whereby each member of the Council undertakes to meet the debts and liabilities of the Council in the event of its liquidation, to an amount not exceeding \$1 per member.

The Council's registered office and principal place of operation is at:

1 Kay Siang Road,  
#04-02 Singapore 248922

The Council has been registered as a charity under the Charities Act, (Cap. 37) since 5 March 1996 and is accorded the status of Institution of a Public Character (IPC) from 1 May 2017 to 30 April 2018. It is an independently managed, non-profit, non-government organisation that is principally engaged in the nurturing, facilitating and coordinating of environment causes and groups in and outside Singapore, working hand-in-hand with both government and private sectors.

The Council's objective is the promotion of greater public awareness of and concern for the living and natural environment, and to encourage members of the public to be more environmentally conscious.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

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

The financial statements are presented in Singapore Dollar ("S\$"), which is also the functional currency of the Council.

***Interpretations and amendments to published standards effective in 2017***

On 1 January 2017, the Council adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Council's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Council and had no material effect on the amounts reported for the current or prior financial years.

**2.2 Financial instruments**

**(a) Classifications**

*(i) Financial instruments at fair value through profit or loss*

Held for trading ("HFT") – acquired for the purpose of selling or repurchasing in the near term and includes derivatives that are not designed as hedging instruments.

Designated at inception as fair value through profit or loss ("FVTPL") – group of financial assets or liabilities, or both, is managed and its performance is evaluated on a fair value basis.

*(ii) Held-to-maturity investments ("HTM")*

Non-derivative financial instruments with fixed or determinable payments and fixed maturity, and management has the intention and ability to hold to maturity.

2. Summary of significant accounting policies (Continued)

2.2 Financial instruments (Continued)

(a) Classifications (Continued)

(iii) *Loans and receivables / non-trading financial liabilities*

Non-derivative financial instrument with fixed or determinable payments and are not quoted in an active market.

(iv) *Available-for-sale financial assets ("AFS")*

Non-derivative financial assets that are not HFT, FVTPL, HTM or loans and receivables. AFS include equity and debt securities that are intended to be held for an indefinite period of time and which may be sold in response to changes in the market conditions.

(b) Recognition and derecognition

A financial instrument is recognised in the statement of financial position when the Council becomes a party to the contractual provisions of the instrument. With respect to regular way purchase and sale, the instrument is recognised on trade date.

A financial asset is derecognised when then contractual rights to receive cash flows from the asset have expired or have substantially transferred the risks and rewards of ownership of the asset.

A financial liability is derecognised when the contractual obligation is discharged, cancelled or expired.

(c) Initial measurement

All financial instruments are initially recognised at fair value plus directly attributable transaction costs except for HFT and FVTPL, transaction costs are expensed.

(d) Subsequent measurement

Subsequent to initial recognition, financial instruments are measured as follows:

<u>Categories of financial instruments</u>	<u>Subsequent measurement</u>	<u>Assessment for impairment</u>
<b><i>Financial assets:</i></b>		
HFT and FVTPL	(A)	Not applicable
HTM	(B)	Yes
Loans and receivables	(B)	Yes
AFS	(C)	Yes
<b><i>Financial liabilities:</i></b>		
HFT and FVTPL	(A)	Not applicable
Non-trading financial liabilities	(B)	Not applicable

(A) At fair value. Any gains or losses arising from changes in fair value are recognised in statement of comprehensive income.

**2. Summary of significant accounting policies (Continued)**

**2.2 Financial instruments (Continued)**

**(d) Subsequent measurement (Continued)**

- (B) At amortised cost using the effective interest rate method. Gains or losses are recognised in the statement of comprehensive income. In account of financial instruments with a short realisation period of less than one year, the carrying values are assumed to approximate the values using this measurement basis.
- (C) At fair value. Gains or losses from changes in fair value are recognised in other comprehensive income, except that the effects of foreign exchange on such changes are recognised in statement of comprehensive income. The cumulative fair value gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of comprehensive income when the financial asset is derecognised. Investments in equity instruments whose fair value cannot be reasonably determined are measured at cost ("Financial assets carried at cost").

Interest income and dividends are recognised in statement of comprehensive income.

**(e) Impairment of financial assets**

At the date of the statement of financial position, the Council assesses whether there is any objective evidence that a financial asset is impaired. Impairment loss (if any) is recognised as follows:

*(i) HTM and loans and receivables*

The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the impairment loss is recognised in the statement of comprehensive income.

*(ii) AFS*

The amount of the impairment loss comprising the difference between its acquisition cost and its current fair value, less any impairment loss previously recognised in the statement of comprehensive income, is transferred from other comprehensive income and recognised in the statement of comprehensive income. In respect of equity instruments, for any subsequent increase in fair value over the carrying (after impairment) value, the resulting reversal of impairment loss shall not be reversed through the statement of comprehensive income, but are recognised directly in other comprehensive income. However, impairment loss in respect of debt instruments is reversible in statement of comprehensive income subject to condition.

*(iii) Financial assets carried at cost*

Impairment losses, measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current rate, shall not be reversed.

**2. Summary of significant accounting policies (Continued)**

**2.3 Plant and equipment**

**(a) Owned assets**

The cost of an item of plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably.

Plant and equipment are recorded at cost, which includes expenditure that is directly attributable to the acquisition of the assets, less accumulated depreciation and impairment losses. Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

The carrying amount of plant and equipment is reviewed annually to determine whether it is impaired at the date of the statement of financial position.

An impairment loss is recognised immediately in the statement of comprehensive income.

**(b) Component of costs**

The cost of an item of plant and equipment initially recognised includes the purchase price and any cost that is directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management.

**(c) Subsequent expenditure**

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the plant and equipment when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Council. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

**(d) Disposals**

Gain or loss arising from the retirement or disposal of plant and equipment is determined as the difference between the estimated net disposal proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income on the date of retirement or disposal.

Any revaluation surplus included in the revaluation reserve in respect of an asset that is disposed or retired is transferred directly to retained earnings.

**(e) Depreciation**

Depreciation is computed on a straight-line basis so as to write off the cost or the carrying amount over the estimated useful lives.

The carrying amount, residual value and useful lives are reviewed and adjusted as appropriate at the end of each reporting period with changes in estimates accounted for on a prospective basis.

**2.4 Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents are comprised of cash on hand and deposits with financial institutions which are subject to insignificant change in value.

**2.5 Income taxes**

As the Council is registered as a charity under the Charities Act, it is exempted from income tax in accordance with the provisions of the Income Tax Act.

**2. Summary of significant accounting policies (Continued)**

**2.6 Goods and services tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax except: -

- (i) Where the goods and services tax incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the goods and services tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- (ii) Receivables and payables are stated with the amount of goods and services tax included.

The net amount of goods and services tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**2.7 Leases**

The Council leases office space and office equipment under operating lease from a non-related party.

*Lessee – Operating Lease*

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in the statement of comprehensive income on a straight-line basis over the period of the lease.

Contingent rentals are recognised as an expense in the statement of comprehensive income when incurred.

**2.8 Related party**

A related party is defined as follows :-

- (a) A person or a close member of that person's family is related to the Council if that person:-
  - (i) Has control or joint control over the Council;
  - (ii) Has significant influence over the Council; or
  - (iii) Is a member of the key management personnel of the Council or of a parent of the Council.
- (b) An entity is related to the Council if any of the following conditions apply:-
  - (i) The entity and the Council are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Council or an entity related to the Council. If the Council is itself such a plan, the sponsoring employers are also related to the Council;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a); or

**2. Summary of significant accounting policies (Continued)**

**2.8 Related party (Continued)**

- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

**2.9 Accumulated general fund**

The Council is prohibited by its Memorandum and Articles of Association from distributing any of its income and property by way of dividend, bonus or otherwise to members of the Council.

**2.10 Fund structure**

**(i) Unrestricted funds**

Unrestricted funds are funds that are expendable at the discretion of the Council for achieving their overall objective.

**(ii) Restricted funds**

Restricted funds are funds that are set up for specific purposes which may be imposed by the donor or have specific restriction on the management's discretion regarding the utilization of the funds.

The Council does not have any restricted funds.

**2.11 Income recognition**

Income is recognised in the statement of comprehensive income when:

- The Council becomes entitled to the income;
- The management is virtually certain that the Council will receive the income; and
- The value of income can be measured with sufficient reliability.

Voluntary income

**(i) Cash donations and sponsorship**

These are recognised when they have been received and when the Council has unconditional entitlement to receive them.

**(ii) Grants**

Government grants, subsidies and other institutional funding are recognised at their fair value when there is reasonable assurance that the grant/subsidy/funding will be received and all attached conditions will be complied with. When the grant or subsidy or funding relates to an expense item, it is recognised as income over the periods necessary to match them on a systematic basis to the costs which it is intended to compensate.

Program receipts

Fees and charges in connection with programs and activities conducted by the Council are recognised as income in the period in which the event takes place. For programs and activities involving the provision of services by the Council, the fees are recognised as income when the services are rendered.

**2. Summary of significant accounting policies (Continued)**

**2.12 Expenditures**

Costs of generating funds

These are costs associated with generating income from all sources other than from undertaking charitable activities. The costs in this category comprise costs on generating voluntary income and costs arising from program receipts.

Governance costs

Governance costs comprise all costs attributable to the general running of the Council in providing governance infrastructure and ensuring public accountability.

Other expenditures

Other expenditures include staff costs, administrative expenses, and payment of any expenditure that the Council has not been able to analyse within the main expenditure categories.

**2.13 Employee benefits**

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

**Defined contribution plans**

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of financial activities as incurred.

**Short-term benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Accrual is made for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Council has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Employees' entitlements to annual leave are recognised when they accrue to employees. Such accrual is made for the estimated liability for leave as a result of services rendered by employees up to the date of the statement of financial position.

**2.14 Income received in advance**

Income received in advance represent sponsorships made by certain sponsors to the Council that have not been recognised as voluntary income for the current reporting period.

**3. Critical accounting estimates, assumptions and judgements**

The preparation of the Council's financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The Council does not have any material key sources of estimation uncertainty and assumptions at the end of the financial year that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year.

In the process of applying the company's accounting policies, management is not aware of any judgement that have significant effect on the amounts recognised in the financial statements.

**Singapore Environment Council  
Notes to the Financial Statements  
For the financial year ended 31 December 2017**

**4. Plant and equipment**

	Office equipment	Furniture and fittings	Renovation	Total
	\$	\$	\$	\$
<b>Cost</b>				
As at 1 January 2016	119,235	24,607	125,065	268,907
Additions	34,557	-	-	34,557
As at 31 December 2016	<u>153,792</u>	<u>24,607</u>	<u>125,065</u>	<u>303,464</u>
Additions	22,411	-	-	22,411
As at 31 December 2017	<u>176,203</u>	<u>24,607</u>	<u>125,065</u>	<u>325,875</u>
<b>Accumulated depreciation</b>				
As at 1 January 2016	101,836	24,184	88,678	214,698
Charge for the financial year	14,124	423	24,397	38,944
As at 31 December 2016	<u>115,960</u>	<u>24,607</u>	<u>113,075</u>	<u>253,642</u>
Charge for the financial year	20,883	-	7,495	28,378
As at 31 December 2017	<u>136,843</u>	<u>24,607</u>	<u>120,570</u>	<u>282,020</u>
<b>Carrying amount</b>				
As at 31 December 2017	<u>39,360</u>	<u>-</u>	<u>4,495</u>	<u>43,855</u>
As at 31 December 2016	<u>37,832</u>	<u>-</u>	<u>11,990</u>	<u>49,822</u>

**5. Cash and cash equivalents**

	2017	2016
	\$	\$
Cash at bank	1,290,603	379,075
Fixed deposits	1,022,939	1,012,411
Cash and cash equivalents per statement of cash flows:	<u>2,313,542</u>	<u>1,391,486</u>

**6. Trade and other receivables**

	2017	2016
	\$	\$
Trade receivables (non-related parties)	433,499	252,008
Deposits	30,568	30,568
	<u>464,067</u>	<u>282,576</u>

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represents their fair values on initial recognition.

**Singapore Environment Council**  
**Notes to the Financial Statements**  
**For the financial year ended 31 December 2017**

**6. Trade and other receivables (Continued)**

The Council has unsecured trade receivables from non-related parties amounting to \$433,499 (2016: \$252,008) that are not impaired and the aging at the date of the statement of financial position is as follows:-

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Not past due	192,918	227,986
Past due 1 - 30 days	55,987	24,022
Past due 31 to 60 days	21,130	-
More than 60 days	163,464	-
	<u>433,499</u>	<u>252,008</u>

**7. Trade and other payables**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Trade payables	157,782	93,037
GST payable	38,771	33,386
Other payables	8,525	11,372
Accrued operating expenses	276,667	134,317
	<u>481,745</u>	<u>272,112</u>

Trade and other payables are non-interest bearing. Trade payables are normally settled on 30 to 60 days' terms while other payables have an average term of 6 months.

**8. Voluntary income**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Donations	47,700	132,073
Sponsorships	634,104	402,436
Grant income	-	57,566
Program recovery	219,995	93,090
	<u>901,799</u>	<u>685,165</u>

**9. Other income**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Wage credit scheme	33,933	94,252
Interest income	10,528	12,134
Sundry income	18,001	11,109
	<u>62,462</u>	<u>117,495</u>

**Singapore Environment Council**  
**Notes to the Financial Statements**  
**For the financial year ended 31 December 2017**

**10. Costs of generating funds**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Advertisement and promotion expenses	12,056	4,803
Consultancy and professional fee	260,178	192,778
Event setup and management	82,516	47,676
Food and catering	46,173	50,595
Gifts and awards	20,486	15,785
Insurance	-	947
Postage, printing and stationery	43,792	21,092
Subscriptions	12,704	10,737
Transport and travelling	27,033	28,774
Temporary staffs and volunteers	33,130	14,192
Website development and maintenance	9,806	23,735
	<u>547,874</u>	<u>411,114</u>

**11. Governance costs**

These include the following significant items:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Legal and professional fees	<u>48,303</u>	<u>93,512</u>

**12. Other expenditures**

These include the following significant items:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Corporate communication	98,146	24,843
Depreciation of plant and equipment	28,378	38,944
Staff salaries and bonuses	1,340,715	1,515,777
CPF contribution	174,727	200,318
Other short-term employee benefits	27,259	35,288
Rental	<u>138,104</u>	<u>138,141</u>

**13. Commitments**

Operating lease commitments – as lessee

The Council leases an office premise and office equipment under operating lease arrangement.

Future minimum lease payable under non-cancellable operating leases contracted for as at the date of the statement of financial position but not recognised as liabilities, are as follows:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Within 1 year	27,946	130,711
After 1 year but within 5 years	<u>14,723</u>	<u>35,278</u>
	<u>42,669</u>	<u>165,989</u>
Lease expense for the year	<u>138,104</u>	<u>130,324</u>

**Singapore Environment Council**  
**Notes to the Financial Statements**  
**For the financial year ended 31 December 2017**

**14. Significant related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, significant transactions with related parties at terms agreed between the parties are as follows:

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
(a) Income from related entities	<u>51,579</u>	<u>76,826</u>
Expenses charged by related entities	<u>160,928</u>	<u>111,032</u>

Certain directors of the Council have significant influence over the related entities

(b) Key management personnel compensation

Salaries, bonuses and other short-term benefits	132,189	361,617
CPF Contribution	<u>9,244</u>	<u>27,245</u>
Total short-term employee benefits:	<u>141,433</u>	<u>388,862</u>

The details of remuneration and benefits of employees (including key management personnel) are as follows:

Number of employees in bands:

\$50,001 to \$100,000	2	5
More than \$100,000	<u>2</u>	<u>2</u>
	<u>4</u>	<u>7</u>

**15. Donations and sponsorships**

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Tax exempt donations and sponsorships	225,633	270,466
Non-tax exempt donations and sponsorships	<u>456,171</u>	<u>264,043</u>
	<u>681,804</u>	<u>534,509</u>

**16. Financial risk management**

The Council is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

*Financial risk management objectives and policies*

Risk management is integral to the whole business of the Council. The Council has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Council's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Council's activities.

Singapore Environment Council  
Notes to the Financial Statements  
For the financial year ended 31 December 2017

16. Financial risk management (Continued)

(a) Summary of financial instruments

	Loans and receivables	Non- trading financial liabilities	Non- financial instruments	Total
	\$	\$	\$	\$
<b>As at 31 December 2017</b>				
Plant and equipment	-	-	43,855	43,855
Trade and other receivables	464,067	-	-	464,067
Prepayments	-	-	26,994	26,994
Cash and bank balances	2,313,542	-	-	2,313,542
<b>Total assets</b>	<b>2,777,609</b>	<b>-</b>	<b>70,849</b>	<b>2,848,458</b>
Trade and other payables	-	481,745	-	481,745
Income received in advance	-	-	589,744	589,744
<b>Total liabilities</b>	<b>-</b>	<b>481,745</b>	<b>589,744</b>	<b>1,071,489</b>
<b>As at 31 December 2016</b>				
Plant and equipment	-	-	49,822	49,822
Trade and other receivables	282,576	-	-	282,576
Prepayments	-	-	56,026	56,026
Cash and cash equivalents	1,391,486	-	-	1,391,486
<b>Total assets</b>	<b>1,674,062</b>	<b>-</b>	<b>105,848</b>	<b>1,779,910</b>
Trade and other payables	-	272,112	-	272,112
Income received in advance	-	-	312,314	312,314
<b>Total liabilities</b>	<b>-</b>	<b>272,112</b>	<b>312,314</b>	<b>584,426</b>

**16. Financial risk management (Continued)**

**(b) Credit risk**

Credit risk is the potential financial loss resulting from the failure of a client or a counterparty to settle its financial and contractual obligations to the Council, as and when they fall due. The Council's exposure to credit risk arises primarily from bank deposits and other receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all clients requiring credit over a certain amount. The Council does not require collateral in respect of receivables.

As the Council does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position. Information regarding receivables is disclosed in Note 6.

There is no financial asset that is either past due or impaired as at the end of the reporting period.

Cash and bank balances are placed with reputable financial institutions.

**(c) Liquidity risk**

Liquidity risk is the risk that the Council will not be able to meet its financial obligations as they fall due. The Council's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

The Council monitors its liquidity risk and maintains a level of cash and cash equivalents and trading facilities deemed adequate by management to finance the Council's operations and to mitigate the effects of fluctuations in cash flows.

The following table analyses the Council's non-derivative financial liabilities into relevant maturity groupings based on the remaining period from the date of statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	<b>Within 1 year</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>
<b>At 31 December 2017</b>		
Trade and other payables	481,745	481,745
<b>At 31 December 2016</b>		
Trade and other payables	272,112	272,112

**(d) Foreign currency risk**

The Council is not exposed to any significant foreign currency risk on its financial instruments.

**(e) Market price risk**

The Council is not exposed to any significant market price risk on its financial instruments.

**(f) Interest rate risk**

The Council is not exposed to any significant interest rate risk on its financial instruments.

16. Financial risk management (Continued)

(g) Capital management

The Council's capital is represented by its Accumulated Fund (unrestricted funds). The Council's objectives when managing its fund is to safeguard the Council's ability to continue as a going concern.

The Council is a charity and thus, it is dependent on donations, sponsorships and grants to fund its activities for charitable purposes. The accumulated fund is primarily in the form of cash and cash equivalents to ensure adequate liquidity to meet the expenditure needs of the Council.

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

(h) Fair values of financial instruments

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year (including cash and cash equivalents, trade and other receivables and trade and other payables) are assumed to approximate their fair values because of their short-term nature.

17. New or revised accounting standards and interpretations

The Council has not adopted the following standards and interpretations that have been issued but not yet effective:

Effective date (annual periods beginning on or after)	New or revised accounting standards and interpretations
1 Jan 2018	<ul style="list-style-type: none"> <li>· FRS 115 Revenue from Contracts with Customers</li> <li>· FRS 109 Financial Instruments</li> <li>· Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers</li> <li>· Amendments to FRS 102: Classification and Measurement of Share-based Payment Transactions</li> <li>· Amendments to FRS 40: Transfers of Investment Property</li> </ul>
1 Jan 2019	<ul style="list-style-type: none"> <li>· FRS 116 Leases</li> </ul>

Except for FRS 115 and FRS 116, the directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 116 are described below.

FRS 115 Revenue from Contracts with Customers

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. The core principle of FRS 115 is that revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new standard will supersede all current revenue recognition requirements under FRS. Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted.

**17. New or revised accounting standards and interpretations (Continued)**

FRS 115 Revenue from Contracts with Customers (continued)

Management is currently assessing the effects of applying the new standard on the Council's financial statements and has identified the following potential key issues for the Council:

- (i) Transfer of control – FRS 115 requires revenue to be recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service; and
- (ii) Disclosures – FRS 115 requires disclosure of comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the Council's contracts with customers.

FRS 116 Leases

FRS 116 requires lessees to recognise most leases on the statement of financial position to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short-term leases which do not contain any purchase options.

The Council is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Council expects the adoption of the new standard to result in an increase in total assets and total liabilities.

At this stage, the Council is not able to estimate the impact of the new requirements on the Council's financial statements. The management will make more detailed assessment of the impact over the next twelve months and plans to adopt the new standard on the required effective date.

**18. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 01 June 2018 .

**Singapore Environment Council**  
**Other expenditures**  
**For the financial year ended 31 December 2017**  
*(For management purpose only)*

	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>
Bank charges	4,868	4,218
Car park fees	2,068	2,075
Corporate communications	98,146	24,843
Depreciation of plant and equipment	28,378	38,944
Donations	1,000	2,675
Entertainment and refreshment	5,895	7,241
Gifts & representations	1,249	2,455
IT support and maintenance	33,296	27,287
Insurance	13,238	14,325
Staff salaries and bonuses	1,340,715	1,515,777
CPF contributions	174,727	200,318
Other short-term benefits	27,259	35,288
Postage, printing and stationery	15,871	14,323
Recruitment expenses	1,816	2,319
Rental	138,104	138,141
Repair & maintenance	9,432	5,161
Subscriptions	3,831	3,814
Telephone & internet	18,804	18,809
Transportation and travel	22,792	4,334
Utilities	8,254	7,546
	<b><u>1,949,743</u></b>	<b><u>2,069,893</u></b>

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