

A close-up photograph of a Bird of Paradise flower (Strelitzia reginae) with vibrant orange and blue petals and a green bract. The flower is the central focus of the cover, set against a dark green background. The overall design features green and white geometric accents.

SUSTAINABLE LIVING



Singapore
Environment
Council

ANNUAL REPORT
2021



DID YOU KNOW?

Named Flectofin©, the creation of this moving façade was spurred by the extraordinary hingeless flapping mechanism of the Bird-of-Paradise flower.

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OUR CORE VALUES



EXCELLENCE

We go the extra mile to succeed, exceed stakeholders' expectations and stretch our capabilities to achieve the best possible outcome, constantly raising the bar on our performance.

INTEGRITY

We meet the highest ethical and professional standards in our organisational endeavours and hold ourselves accountable to our mission and the public.



TEAMWORK

We support 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.

PASSION

We show pride, sincerity and dedication to our programmes, people and the environment.

INNOVATION

We promote a culture and attitude of innovation and strive to be creative and resourceful in our thinking.

OUR VISION

To be a trusted leader in
environmental sustainability



OUR 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





**Dear Donors,
Sponsors, Partners,
Industry Champions
and Friends.**

On behalf of the Board and the SEC secretariat, I can report that despite a challenging 2021, we have taken sustainability action in Singapore up several notches. This first set of numbers is just one indication - we succeeded in reaching out to more than 6,000 of our stakeholders including partners, companies, schools and over half a million people in the community at large. We have convinced many more to become sustainability believers and they now work with us in championing environmental care and collective action. This success is in no small measure due to the support from our donors, sponsors, partners and backers and I would like to thank all of you for your unstinting support.



CHAIRMAN'S MESSAGE

Focusing on the Future

But before I go any further - no report of 2021 would be complete without at least a cursory mention of the challenges brought upon us by 2nd year of Covid. Thank you for being with us in 2021!

During the last two years, survival was the order of the day for so many organisations. Digitalisation and new platforms have pivoted for operation despite disruption. Sustainability concerns were not a priority, surviving the pandemic was. Rather than invest in sustainability, many industries chose to bolster their resilience by increasing their cash reserves due to uncertainties.

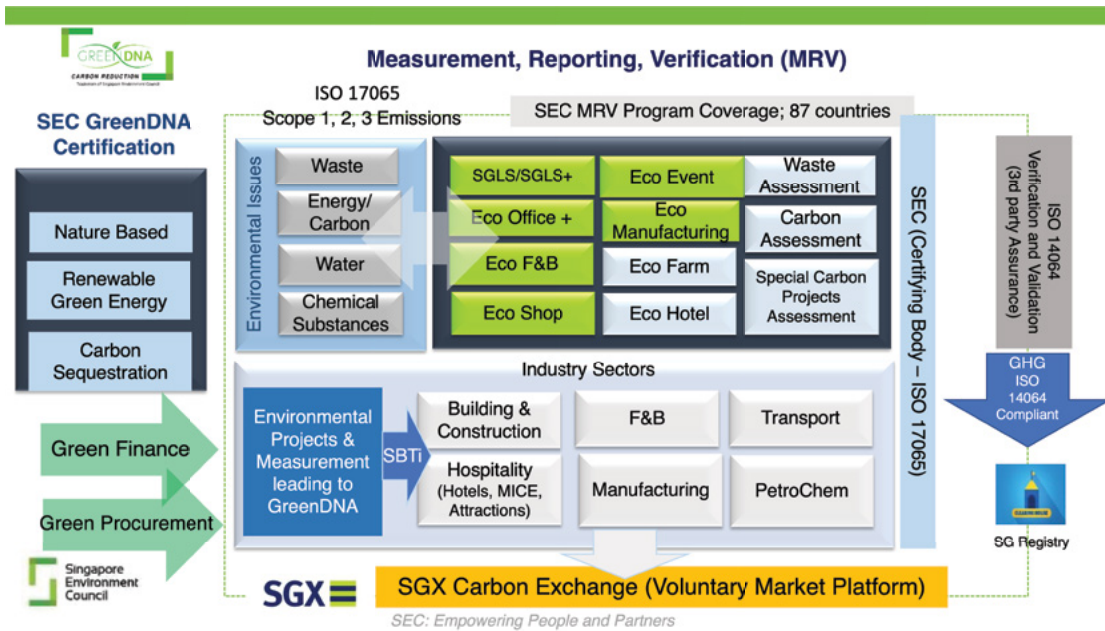
SEC was set back by Covid but there was a silver lining. Many businesses showed a greater urgency to transit towards reducing their carbon emissions especially after Budget 2022.

More local and regional service sector like hospitality, logistics and transport industries have been approaching us to assist them in their sustainability journey. Carbon emissions are of particular concern to them as Scope 3 emissions constitute more than 70 percent of the carbon footprint for many businesses. SEC can now assist in enabling scope 3 emissions reporting and validation. We offer a whole gamut of services ranging from helping to study the suppliers and sources of businesses to educating them on how their purchasing decisions and product designs can impact emissions.

Enabling Sustainable Growth

Presently, more than half of Singapore based businesses which operate regionally such as retail, food, hospitality, logistics, manufacturing and finance have yet to adopt the globally-accepted blended circular model or linear and circular model business model. Being a country with no natural resources, all businesses are linear and thus reducing waste is a must do. SEC focused on guiding businesses to inject innovations into their work places to reduce use of virgin materials and reduce waste.

SEC is now the Measurement, Reporting Verification (MRV) body providing the suite of services to enable sustainability



An increasing number of SMEs and MNCs are beginning to realise the value of securing certifications as it validates their sustainability journey to clients and consumers that their products are environmentally kosher and that their organisations are serious about sustainability (Incidentally, SGLS is a globally recognised environmental standard and certification label with over 4000 unique products certified across 52 countries).

The SGLS label is an avenue for businesses to certify that their products meet the required global standards. Also, by embarking on SEC’s suite of green labels and eco certificates, businesses can be successful going forward to meet the requisite ESG (environmental, social and governance) standards that the world is increasingly moving towards as programmes such as our certifications, carbon advisory and MPR (Mandatory Packaging Reporting) can help them work towards net tangible targets that are aligned with Singapore's Green Plan 2030.

Enabling Sustainable Education - SGA

The enthusiasm that the latest School Green Awards (the annual flagship student outreach programme of the Singapore Environment Council), now in its 20th edition received is indeed exciting. The awards attracted more than 370 entries from across the various educational institutions in Singapore. As Singapore’s only non-governmental organisation accredited by the United Nations Environment Programme, this encouraging response is an endorsement of SEC’s environmental programmes of which the SGA is a UNEP recognised event.

Sustainable Community

I thank the 1100 Earth Helpers that have stepped in to help us engage for SGA reaching 610 000 in the community through NTUC and the various platforms.

Through participation from the different levels, including preschool, primary, secondary, junior college and international schools the SGA has had a cumulative impact on more than one million students, teachers and members of the community. Aligned to the Education Ministry's Eco Stewardship Programme, the SGA will continue to play an important role in complementing the national initiative for driving students' interest in environmental sustainability.

Sustainable - Capability Development

In 2021 we have the privilege to be chosen as a partner with Enterprise Singapore for The Enterprise Sustainability Programme which Minister Gan Kim Yong, Minister for Trade and Industry launched in October. The programme supports Singapore businesses on sustainability initiatives and captures new opportunities in the green economy.

In line with this, enterprises can now look forward to SEC's course "Putting Sustainability into Business Practices" to build knowledge of sustainability and access relevant tools and resources to develop a clear plan for capacity building over the longer term. The focus will be on helping MNCs and SMEs to transit to a cleaner and more efficient way of doing business. It will include our Mandatory Packaging Waste program. These programs are aligned with the 2030 Green Plan on reskilling our workforce so that they are enabled for green innovations and new opportunities soon. They serve to guide businesses that want to incorporate sustainable practices into their operations.

Sustainable - Green Finance

The HSBC SME Green Loan will provide small and medium enterprises with finance to develop sustainable projects by utilising existing 'green' certifications. The Green Loan will draw on existing certifications from the Singapore industry authorities, including SEC's Singapore Green Labelling Scheme (SGLS)¹ and eco-certification schemes to certify the validity of specific green projects or assets, instead of the externally-reviewed bespoke Green Finance Frameworks used by corporates.

The SEC is also a partner and advisor with SGX working toward a green financial hub with the Climate Impact Exchange (CIX), working together toward Singapore's climate change ambition as a global carbon exchange and marketplace to scale the voluntary carbon credits market. CIX aims to provide organisations with high-quality carbon credits to address hard-to-abate emissions. Singapore should aspire to be a global leader in the research and development of renewable technologies as this will boost our economy by creating jobs and attracting investment.

May the Sustainable Green Force be with you!

SEC is fully aware that Singapore's success in sustainability heavily depends on our SMEs and MNCs at the national and global levels. Taking the necessary action to reduce impactful carbon emissions will be a journey that we can be alongside you.

With the support from the Secretariat and the Board, SEC will continue to work closely with key industry stakeholders, business partners, trade associations and government agencies. We stay optimistic and committed to this exciting journey towards sustainability. We would like to thank once again our donors, sponsors and partners for being with us and wish you all the very best for 2022!

A handwritten signature in black ink that reads "Isabella" followed by a stylized flourish.

**Ms Isabella Huang-Loh PBM
FSEng, FCMI.**

*Chairman
Singapore Environment Council*



MOU signed in January 2022. SEC and the Singapore Water Association will collaborate to improve the sustainability of the water sector, and look at environmental indicators across the food, energy and water nexus. This will be achieved through sharing sessions at SEC's Eco Certifications and Green Financing as well as sustainability training workshops.



BOARD OF DIRECTORS

CHAIRMAN



MS ISABELLA HUANG-LOH, PBM

PMC Cert Board,
Board Director, SBACC
Former Chairman, Shell
Marine Products
Founding Chairman and Life
Member Waste Management
and Recycling Association of
Singapore



MR CHEW CHEE BIN

Director,
Singapore Agro-Food
Enterprises Federation
Limited

VICE CHAIRMAN



MR SEAH SENG CHOON, PBM

Immediate Past President of FAST



MR DALSON CHUNG

Director
(Industry Development and
Promotion Division) till 30
June 2022
Senior Specialist (Joint
Operations and Technology
Group) from 1 July 2022
National Environment Agency



DR TEO HO PIN

Senior Adviser
Surbana Jurong Pte Ltd,
(Managed Services Division)



MR KONG CHI-NANG

Senior Managing
Director - Capital
Strategies Asia
Pepper Global

BOARD OF DIRECTORS



DR AHMAD MAGAD, JP

Non-Executive Chairman,
Second Chance Ltd
Lead Independent Director,
Propnex Ltd
Principal Consultant,
Dynavision Advisory



DR LEONG CHEE CHIEW

Deputy Chief Executive
Officer and Commissioner
of Parks & Recreation;
Executive Director; National
Parks, Gardens & Nature
Reserves Cluster/ National
Parks Board



MR ZECHARIAH JIN HAN CHAN

Partner – Intellectual Property
Lee & Lee



MR RALPH FOONG

Deputy Chief Executive,
Energy Market Authority



**PROF LIM
SUN SUN**

Professor of
Communication and
Technology and Head of
Humanities,
Arts and Social Sciences,
Singapore University of
Technology and Design



**MS JOAN
PEREIRA**

Member of Parliament
Tanjong Pagar GRC



**MR TAN
PUAY HIANG**

Chairman/ CEO
Highvest Pte Ltd
A Contemporara Holdings



**MR MICHAEL
TOH**

Director,
Industry and Technology
Collaboration Department
PUB, Singapore's National
Water Agency



**MR GERALD
YONG**

CEO,
Singapore Press
Holdings Ltd

BOARD OBSERVER



**MS SELINA
LIM**

Director,
Communications
& 3P Partnership Division
Ministry of Sustainability
and the Environment



MR JOHN LIM

Chairman,
Boustead Projects Ltd



**PROF LEO TAN
WEE HIN**

Director (Special Projects)
National University of
Singapore
c/o Dean's Office
Faculty of Science



**PROF SU
GUANING**

President Emeritus
Nanyang Technological
University

**EXECUTIVE DIRECTOR
OF SEC SECRETARIAT**



MS JEN TEO

Executive Director,
Singapore Environment
Council

DONORS AND SPONSORS

As a registered charity and Institution of Public Character (IPC), the Singapore Environment Council relies on the generosity of many donors towards our environmental causes. We want to extend our deepest appreciation to these companies listed below and others who have contributed but wish to remain anonymous, for supporting our programmes and projects.

We are deeply grateful for sponsors and partners. Our utmost gratitude to the following who were major donors and sponsors in 2020:



CHARLES
&
KEITH



STATS
Specialist Testing and Technical Services

We also acknowledge and thank the organisations listed below which have generously supported the Singapore Environment Council's efforts and projects in 2021. Their contributions have supported our ventures in conservation, research, outreach and education to further the environmental cause.

ABC Cooking Studio
Carl Zeiss Pte. Ltd.
GAC (Singapore) Pte. Ltd.
GIVE.asia
Hard Rock Cafe Pte. Ltd.
Jim & Hall's Pte. Ltd.

UK Online Giving Foundation
Ooshopoo International Pte. Ltd.
Singapore Pools (Private) Limited
SBS Transit Ltd
The North of England P&I Association
Vertiv (Singapore) Pte. Ltd.
YMCA of Singapore

OUR STRATEGIC / SUPPORTING PARTNERS



ABOUT THE SINGAPORE ENVIRONMENT COUNCIL

Established in 1995, the Singapore Environment Council ("SEC" or "the Council") is an independently managed, non-profit, non-governmental organisation (NGO) that is principally engaged in nurturing, facilitating and coordinating environmental 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 natural environment, and to encourage members of the public to be more environmentally conscious.

SEC is 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. SEC 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 Sep 2021 to 31 August 2023.



GEN
Member

The Council is recognised as a member of the Global Ecolabelling Network (GEN), an association of third-party, environmental performance recognition, certification and labelling organisations to improve, promote, and develop the "ecolabelling" of products and services.

Since 2018, SEC has been awarded accreditation to the United Nations Environment Programme (UNEP), the first environmental NGO in Singapore to be UNEP accredited. SEC will use its expertise and knowledge to inform the world of Singapore's needs and opinions on environmental matters, in addition to playing a role in UN Environment's policy decisions.



KEY ACCOMPLISHMENTS

TOTAL OUTREACH IN

2020
1.6 million

TOTAL OUTREACH IN

2021
2.1 million

DONATIONS AND SPONSORSHIPS

DONATIONS
(Tax exemption & Non-Tax exemption)

\$107,450 IN 2020	\$104,419 IN 2021
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SPONSORSHIPS

\$206,542 IN 2020	\$366,594 IN 2021
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TOTAL

\$313,992 IN 2020	\$471,013 IN 2021
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ECO ESTABLISHMENTS

TOTAL CERTIFICATIONS SINCE 2004

1193 IN 2020	1300 IN 2021
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TOTAL SPACE THAT HAS BEEN ECO CERTIFIED (SQM) SINCE 2004

4,391,081 IN 2020	4,450,000 IN 2021
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OUTREACH - NUMBER OF PEOPLE

(Total no. of employees and people reached out to)

39,000 people IN 2020	40,000 people IN 2021
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GREENDNA

NO. OF ORGANISATIONS

- IN 2020	12 IN 2021
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NO. OF CERTIFICATIONS

- IN 2020	21 IN 2021
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SINGAPORE GREEN LABELLING SCHEME (SGLS)

NO. OF PRODUCTS CERTIFIED		NO. OF COMPANIES	
4,000 IN 2020	4,300 IN 2021	840 IN 2020	880 IN 2021

EARTH HELPERS

REGISTERED EARTH HELPERS	COMMUNITY OUTREACH
1009 IN 2020	570,000 IN 2020
1100 IN 2021	610,000 IN 2021

SGLS+ FOR PULP & PAPER

NO. OF PRODUCTS CERTIFIED		NO. OF COMPANIES	
90 IN 2020	96 IN 2021	13 IN 2020	12 IN 2021

TRAINING AND EDUCATION

NO. OF ACTIVITIES HELD	
64 IN 2020	75 IN 2021
NO. OF CORPORATES REACHED	
5454 IN 2020	6470 IN 2021

SEC-STARHUB SCHOOL GREEN AWARDS (SGA)

NO. OF SUBMISSIONS	
260 IN 2020	375 IN 2021
STUDENTS	OUTREACH
395,000 IN 2020	485,000 IN 2020
395,000 IN 2021	500,000 IN 2021



TESTIMONIALS

United Cement:

“We are pleased that this highly valued SEC scheme (Green Label certification) has enabled United Cement to raise the environmental standards of cement products and reinforced our reputation as a supplier of sustainable, high quality cement in Singapore’s built environment sector.

SEC showed its far-sighted approach by certifying green construction products. In doing so, it has created strong industry buy-in and changed mindsets to embrace sustainability.”



Konica Minolta Business Solutions Asia Pte. Ltd.

“We received clear directions from SEC towards fulfilling our duty as a green certified organization that produces innovative, sustainable multifunction printers that meet our customers’ needs without compromising the future generations.

The entire certification process was well guided and hassle-free, and through it, we learned the importance of a low carbon manufacturing process as well as responsible consumption of materials to preserve a sustainable environment for the society!”



KONICA MINOLTA

Boehringer Ingelheim

“At Boehringer Ingelheim, we truly believe in sustainability. Through our global sustainability program - Sustainable Development For Generations - we aim to reduce across the organization our environmental impact.

We are proud to support the efforts of the Singapore Environment Council, and are grateful for the opportunity to give back to society. Together, we can work towards a better and greener future.”



SuperSteam Asia Pacific Pte. Ltd.

“At SuperSteam, we are constantly on the lookout for sustainable solutions for a cleaner environment, such as chemicals which show superior cleaning performance and are environmentally safe. The Green Label guidelines are clear and we can carefully select the suitable raw materials for our research and development. Thanks to SEC we have approved a number of our green products so we can serve the market better!”



FUJIFILM

FujiFilm Business Innovation Singapore Pte. Ltd.

“As an organisation that cares about the environment and the carbon footprint of our products, we are very proud to have FUJIFILM Business Innovation Multifunction Printers (MFPs) certified with the highest environmental standards by the SEC. We hope that this partnership will lead to positive action that will give strength and direction to the climate change movement in Singapore.”



Merci Marcel

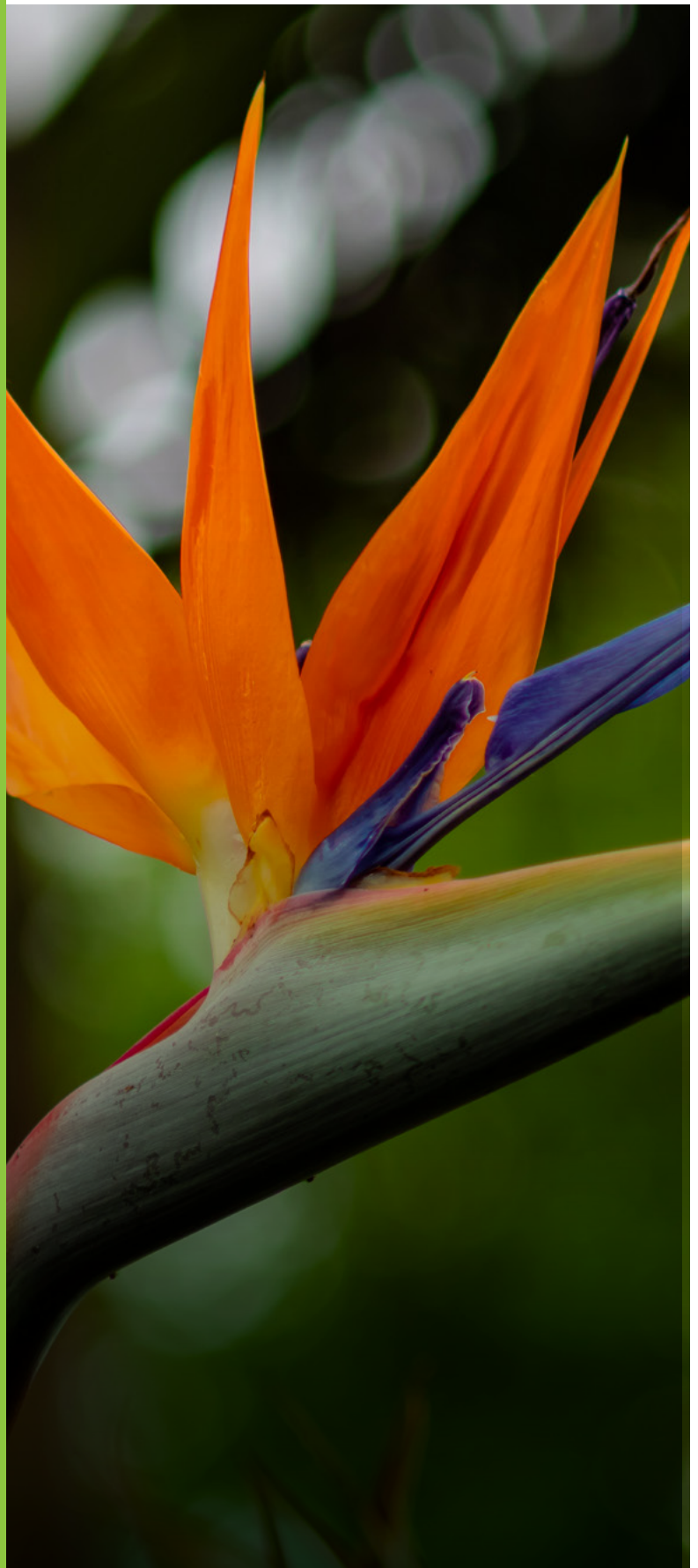
“We have always wanted to give back to the community as Merci Marcel is supported by a strong and wide community in Singapore and eco-responsibility, fair trade and sustainability are part of our DNA.

We contacted SEC to be part of their program and we discovered it had different programs including one on Eco certification. We were very keen to participate to assess our business and be able to identify more axes of development to improve our performance.

With support and guidance from stakeholders like the SEC, we can improve our business and meet our corporate objectives.

SEC helps us to establish accurate metrics in terms of carbon footprint emission and our environmental impact so we can have clear milestones which we can share with our team members and reach our target of reducing our emissions by 20 percent by end of the year. We have already reduced our chemical consumption by more than 80 percent with our equipment based on hydrolysis, suppressing water bottles previously imported from Europe while contributing to reforestation programs in Sumatra and it is beautiful to see the commitment and pride people have to be part of those projects.”





PROGRAMME HIGHLIGHTS

PROGRAMME HIGHLIGHTS

Singapore Green Labelling Scheme



The Singapore Green Labelling Scheme (SGLS) is a type 1 eco-label and adopts a life-cycle approach that addresses the environmental footprint of a product.

The Singapore Green Label helps the public identify environmentally friendly products that meet certain eco-standards. It encourages eco-consumerism, and responds to the growing demand for greener products in the market. The scheme also hopes to influence manufacturers to design and produce with the environment in mind.



Choose green
Live Green

This year, we launched an awareness-building campaign titled “Green Label Heroes” to spotlight various brands that received certification for their products and which encouraged consumers to play their part in making a difference for the environment. The campaign was shared on various social media channels and reached more than 1 million people in just the 4th Quarter alone.



Enhanced Singapore Green Labelling Scheme



After receiving the ISO/IEC 17065 accreditation by the Singapore Accreditation Council (SAC) for our enhanced Singapore Green Labelling Scheme for the Pulp & Paper category, SEC continues to work with notable brands to ensure that pulp and paper products are produced at the highest sustainability standards and environmentally-friendly practices.

The enhanced SGLS uses comprehensive risk management profiling to complement its more extensive qualification criteria, especially in the areas of fire and peatland management. Brands such as Double A have shown their commitment to producing not only premium paper known for its superior performance but also its sustainable production.



Eco Certifications

SEC administers a family of eco certifications to drive corporate sustainability efforts and reduce the carbon footprint of businesses and corporations.

While the respective certifications have their different areas of focus, they share a common goal which is to inculcate environmentally-friendly behaviour in businesses and help them reduce waste generation and become more energy efficient.

Eco Office



The Eco Office certification guides offices in implementing effective environmentally-friendly practices by increasing eco-consciousness among staff, which in turn, helps organisations manage waste by reducing the usage of paper, water and electricity.

The programme provides applicants with new tools and approaches to begin their certification journey. This includes a greater focus on change management and driving behavioural changes amongst employees.

Eco Shop



Intended for retail businesses, this programme aims to encourage business owners to fit out their shops in an environmentally sustainable manner and adopt green practices in their daily operations. This has the effect of reducing energy consumption and utilities bills in the long run.

Eco Shop is based on a scoring system which evaluates the environmental performance of retail shops in the areas of Environmental Management & Awareness, Purchasing & Operations, Air Quality, Energy Conservation, Waste Management and Water Conservation.

Eco F&B



Eco F&B assesses the environmental management system of a food establishment. It facilitates the adoption of environmentally sustainable 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 environmentally-friendly measures into their business practices.



Eco Events



Eco Events aims to bring event organisers on board the sustainability journey by providing a report of environmental initiatives and certifying events which meet our sustainability criteria.



GreenDNA



An internationally recognised accreditation system that endorses and guides corporations in their sustainability journey, SEC's GreenDNA was launched in 2020. The programme emphasises the adoption of three simple attributes: **One Less; Low Carbon Lifestyle; and Responsible Consumption & Production.** Essentially it means adopting a Low Carbon Lifestyle, incorporating a green mindset of using One Less, and practising Responsible Consumption and Production for effective changes in green resources.



GreenDNA helps businesses and organisations optimise resources, lower carbon emissions and achieve positive climate action by encoding green practices into the organisation's DNA and employees. It is reinforced by our Eco Certification and Green Label programmes that lay down clear goals and measurable targets using metrics that track energy/ carbon reduction, water efficiency and waste management amongst other indicators.

Other requirements to attain the GreenDNA certification include the completion of customised training programmes, demonstrated improvements on resource efficiency and consumption, and meeting of clearly defined indicators.

SEC-StarHub School Green Awards (SGA)



The SEC-StarHub School Green Awards (SGA) continues to be a platform for youths to put their green ideas into action. In support of the Singapore Green Plan 2030, the SGA seeks to empower every young person to do their part for the nation's sustainability journey. Through participation in the programme, students 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.





Despite the challenges and disruptions brought about by COVID-19, a total of 375 schools took part in SGA 2021. It concluded with an awards ceremony at Suntec Convention Centre on 20 Sept 2021. While only a small number were able to join us at the physical awards ceremony, more than 300 school principals, teachers, students and non-academic staff tuned in online to the live streaming of the ceremony. Guest-of-Honour at the ceremony was Education Minister Chan Chun Sing who presented the awards and visited the projects that were showcased by some of the schools.



3pm today! Remember to tune in this afternoon to see how the supermarket retailer makes lives better through its sustainability pillars: Serving Our Customers, Supporting Livelihoods, Wellbeing, Promoting a Circular & Low Carbon Economy

FAIRPRICE SUSTAINABILITY LEARNING JOURNEY **AUG 26**

Reminder to tune in at 3pm
Check your Emails for the Link

We are extremely grateful to StarHub Ltd which has been supporting the SGA as its title sponsor since 2014 and it saddens us that this is the final year of the fruitful SEC-StarHub SGA partnership. Starhub's unwavering support has enabled the SGA to grow over the years in scale and impact, furthering the outreach and education efforts to more students across different education levels. We would also like to express our heartfelt appreciation to our supporting partners – the FairPrice Group, OVOL Singapore, the Ministry of Sustainability and the Environment (MSE), the National Environment Agency (NEA), National Parks Board (NParks) and Public Utilities Board (PUB). Their steadfast belief in the programme has been instrumental in helping us to reach new milestones.

Singapore Environment Council Recognised as a Partner for Enterprise Singapore's Enterprise Sustainability Programme



Singapore Environment Council (SEC) has been recognised as one of Enterprise Singapore's training partners to develop enterprises' capabilities in sustainability which caters to the different stages of their journey. To support Singapore businesses on sustainability initiatives and to capture new opportunities in the green economy, Enterprise Singapore has launched the Enterprise Sustainability Programme (ESP). The ESP will incorporate partnerships with Trade Associations and Chambers, other government agencies and corporates including the Singapore Environment Council (SEC), who will play a key role in supporting domestic companies at different stages of their sustainability journey.

Launched by Mr Gan Kim Yong, Minister for Trade and Industry, on 1 October 2021, the ESP is expected to benefit more than 6,000 enterprises over the next four years, and will support training workshops, capability and product development projects, and key enablers such as certification and financing.

Training and Education

TRAINING & EDUCATION



SEC's Training & Education arm aims to educate, engage and empower individuals and organisations to foster lasting environmental and societal values. This includes a range of environmental programmes such as seminar talks, workshops, experiential trails, tours, site visits, and the SEC Eco Ambassador Training Programme (EATP).

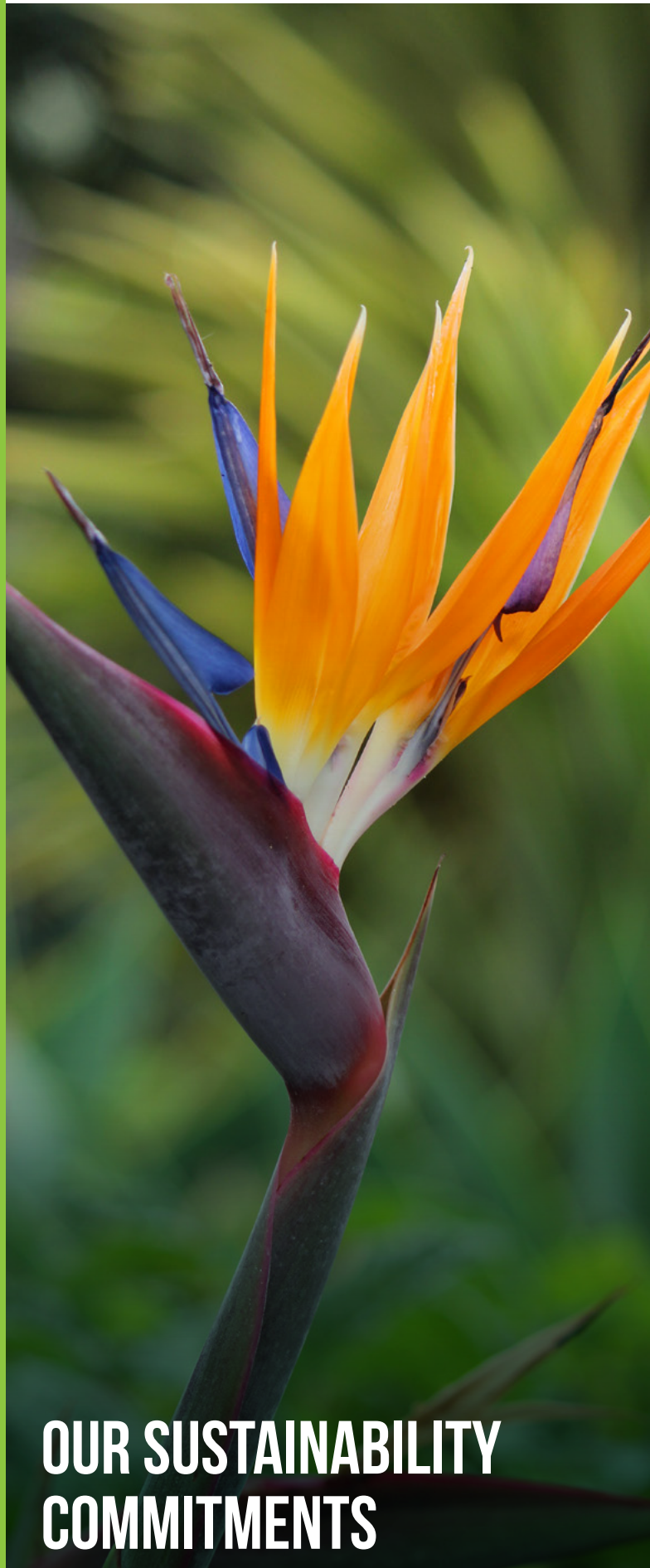


Our flagship programme, Seminar Series Talk, focuses on the following themes: 1) Climate Change and Carbon Management; 2) Green Energy and Energy Management; 3) Circular Economy and Waste Management; and 4) Green Supply Chains and Eco-labelling. This programme aims to build awareness, shift attitudes and to eventually drive positive climate actions for the green cause.

This was complemented by the Eco Ambassador Training Programme organised in conjunction with Temasek Polytechnic and a series of talks titled Greenhouse Gas (GHG) Emission, Carbon Tax and Energy Efficiency, and initiating Environmental Sustainability in Corporates with Temasek Polytechnic.

SEC is also launching a new programme titled “Putting Sustainability into Practice for Business” in March 2022. The course will be organised in conjunction with Enterprise Singapore’s Enterprise Sustainability Programme (ESP), and is intended to help business owners, senior executives and management gain a better understanding of sustainability related risks and impacts as well as the need to integrate sustainable processes into the organisation. This will enable businesses to raise their sustainability profile while embarking on their respective sustainability journey.





**OUR SUSTAINABILITY
COMMITMENTS**

OUR SUSTAINABILITY COMMITMENTS

ALIGNING OUR EFFORTS WITH THE SUSTAINABLE DEVELOPMENT GOALS

In September 2015, world leaders adopted a set of 17 Sustainable Development Goals (SDGs) – a shared blueprint for advancement of a sustainable, inclusive and just society by 2030.

As a leading environmental NGO in Singapore, SEC believes we have a part to play in contributing to progress of the goals through programmes which span standards-setting, consumer awareness & action, and training & education. In support of the movement, SEC has aligned our initiatives with the following SDGs.

Driving Awareness of Sustainability Issues

Educating and empowering communities to lead green lifestyles through our Training & Education initiatives.

#4: By 2030, substantially increase the number of youths and adults to have relevant substantial skills so as to prepare them for green jobs and opportunities.



Empowering Business and Consumer Action

Setting sustainability standards for consumerism through the Singapore Green Label and Eco-Certifications.

#6: By 2030, improve water quality by halving the proportion of untreated water and substantially increase recycling. To increase water-use efficiency across all sectors.

#12: By 2030, implement sustainable procurement practices and procedures. To assist companies to adopt sustainable reporting.

#13: By 2030, provide training for 40% of companies in Singapore on climate change mitigation, adaptation and impact reduction.



Fostering Strategic 3P Collaborations

Collaborating with people, industries and governments through our Campaigns and Outreach initiatives.

#17: By 2030, increase the partnerships for sustainable development by 40% through knowledge sharing, data analytics and technology.



We recognise that sustainability challenges are multi-faceted and require an integrated system-wide response drawing on effective public-private-people (3P) collaboration. By exercising our authority as an eco-labelling and certification body, SEC contributes to climate action by nudging businesses and consumers towards greener consumption and production choices. This is underscored by our thought leadership on waste issues forged through the studies we have embarked on, as well as our outreach efforts to engage value chain actors to take action for a circular future.

Take Personal Action





CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

The 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 15 Directors with corporate and public sector experience and is chaired by Ms Isabella Huang-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, of which three board members have served more than 10 years for reasons of strategic contribution and community outreach.

The Executive Director heads the SEC secretariat, reporting to the Chairman of the Board who holds a non-executive appointment. The SEC Board 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. The Executive Director holds executive-level responsibility for economic, environmental and social topics.

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's 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 the Board.



• 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. The staff are employed based on individual merit, ability, skill and we have a non-discriminatory policy.

SEC BOARD AND COMMITTEES

SEC BOARD

The SEC's 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 4 meetings in 2021

Attendees	67th BOD 26th Mar 2021	68th BOD 28th May 2021	69th BOD 5th Oct 2021	70th BOD 15th DEC 2021
Ms Isabella Loh	✓	✓	✓	✓
Dr Teo Ho Pin	✓	✓	✓	✓
Mr Seah Seng Choon	✓	✓	✓	✓
Dr Leong Chee Chiew	✗	✓	✓	✓
Mr Zechariah Chan	✓	✓	✓	✓
Mr Tan Puay Hiang	✓	✓	✓	✓
Mr Dalson Chung	✓	✓	✓	✓
Mr Gerald Yong	✓	✗	✓	✓
Mr Kong Chi-Nang	✗	✓	✓	✓
Dr Ahmad Magad	✓	✓	✓	✓
Ms Joan Pereira	✓	✗	✗	✓
Professor Lim Sun Sun	✓	✓	✓	✗
Mr Chew Chee Bin	✓	✓	✗	✗
Mr Michael Toh	✓	✓	✗	✓
Mr Ralph Foong	*	*	✓	✓

✓ (Present) ✗ (Absent with Apologies) * (Appointed on 26th June 2021)

SEC SUB-COMMITTEES

AUDIT and RISKS COMMITTEE

The Audit and Risks Committee oversees the financial information provided by SEC to the Board, in particular, the 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.

The Audit Committee held 4 meetings in 2021

Chairman

Mr Kong Chi-Nang

Members

Mr Ralph Foong
Mr Chew Chee Bin

FINANCE & TENDER COMMITTEE

The Finance & Tender Committee reviews the financial information provided by SEC to the Board. The Committee is familiar with applicable accounting standards and keep abreast of changes in accounting standards and issues which have a direct impact on SEC's financial and risk management. In addition, The 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 Finance & Tender Committee held 4 meetings in 2021

Chairman

Dr Ahmad Bin
Mohamed Magad

Members

Mr Chew Chee Bin
Mr Tan Puay Hiang

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 recommends actions to be taken.

The Compliance Committee held 1 meeting in 2021

Chairman

Mr Seah Seng Choon

Members

Mr Tan Puay Hiang
Mr Michael Toh

GREEN LABEL STEERING COMMITTEE

The Green Label Steering Committee provides professional advice on creating and maintaining the Green Label certification process. The Committee guides new category developments and monitors the impartiality of the certification process. It also guides 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 held 2 meetings in 2021

Chairman

Mr Zechariah Chan

Members

Ms Isabella Huang-Loh
Mr Dalson Chung
Mr Seah Seng Choon
Mr Christopher Tan
Ms Selina Lim
Mr Michael Toh

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 2 meetings in 2021

Chairman

Ms Isabella
Huang-Loh

Members

Dr Teo Ho Pin
Mr Kong Chi-Nang
Ms Joan Pereira

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 Singapore Employment Act.

The Remuneration Committee held 1 meeting in 2021

Chairman

Ms Isabella
Huang-Loh

Members

Dr Teo Ho Pin
Ms Joan Pereira

STRATEGIC MARKETING AND FUNDRAISING COMMITTEE

The Strategic Marketing and Fundraising 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 Fundraising Committee held 2 meetings in 2021

Chairman

Dr Leong
Chee Chiew

Members

Ms Isabella Huang-Loh
Ms Rahayu Binte Mahzam
Mr Simon Patrick Bennett
Ms Joan Pereira
Prof Lim Sun Sun
Mr Chew Chee Bin
Mr Gerald Yong

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.



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 would be able to 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.





FINANCIAL STATEMENTS

**AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION**

SINGAPORE ENVIRONMENT COUNCIL

(Incorporated in Singapore)
Company Registration Number : 199507762R

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

SINGAPORE ENVIRONMENT COUNCIL

(Incorporated in Singapore)

AUDITED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

DIRECTORS

Isabella Loh Wai Kiew
Seah Seng Choon
Dr Teo Ho Pin
Chan Jin Han
Leong Chee Chiew
Tan Puay Hiang
Kong Chi-Nang (Kuang Zineng)
Chung Dalson
Ahmad Bin Mohamed Magad
Lim Sun Sun (Lin Shanshan)
Chew Chee Bin
Pereira Cheng Sim Joan
Yong Choon Miao, Gerald
Michael Toh Kim Hock
Foong Weng Loong

(Appointed on 17 August 2021)

REGISTERED OFFICE

1 Kay Siang Road
#07-01
Singapore 248922

SECRETARY

Seah Gek Huang Sandra

AUDITOR

Reanda Adept PAC
138 Cecil Street
#06-01 Cecil Court
Singapore 069538

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SINGAPORE ENVIRONMENT COUNCIL

Directors' Statement for the financial year ended 31 December 2021

The directors are pleased to present their statement to the members together with the audited financial statements of Singapore Environment Council (the "Council") for the financial year ended 31 December 2021.

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 2021 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	Chairman
Seah Seng Choon	Vice Chairman
Dr Teo Ho Pin	Vice Chairman
Chan Jin Han	Board of Director
Leong Chee Chiew	Board of Director
Tan Puay Hiang	Board of Director
Kong Chi-Nang (Kuang Zineng)	Board of Director
Chung Dalson	Board of Director
Ahmad Bin Mohamed Magad	Board of Director
Lim Sun Sun (Lin Shanshan)	Board of Director
Chew Chee Bin	Board of Director
Pereira Cheng Sim Joan	Board of Director
Yong Choon Miao, Gerald	Board of Director
Michael Toh Kim Hock	Board of Director
Foong Weng Loong	Board of Director

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

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

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

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

SINGAPORE ENVIRONMENT COUNCIL

Directors' Statement

for the financial year ended 31 December 2021

AUDITOR

Reanda Adept PAC has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,



Isabella Loh Wai Kiew
Director



Kong Chi-Nang (Kuang Zineng)
Director

Singapore

24 May 2022

SINGAPORE ENVIRONMENT COUNCIL

Independent Auditor's Report for the financial year ended 31 December 2021

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 2021, the statements of comprehensive income, changes in accumulated fund and cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Council are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "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 2021 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 1 to 2.

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.

SINGAPORE ENVIRONMENT COUNCIL

Independent Auditor's Report

for the financial year ended 31 December 2021

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.

Auditor's Responsibility 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

SINGAPORE ENVIRONMENT COUNCIL

Independent Auditor's Report for the financial year ended 31 December 2021

Auditor's Responsibility for the Audit of the Financial Statements (cont'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 Council'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 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 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:

- The use of donation monies 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
- 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

SINGAPORE ENVIRONMENT COUNCIL

Statement Of Financial Position as at 31st December 2021

	Note	2021 \$	2020 \$
ASSETS			
Non-current assets			
Intangible assets	5	-	14,594
Property, plant and equipment	4	372,044	151,582
		<u>372,044</u>	<u>166,176</u>
Current assets			
Trade and other receivables	7	455,230	495,481
Prepayments		23,939	26,333
Cash and cash equivalents	6	2,459,140	3,187,667
		<u>2,938,309</u>	<u>3,709,481</u>
Total assets		<u>3,310,353</u>	<u>3,875,657</u>
EQUITY AND LIABILITIES			
Unrestricted fund			
Accumulated general fund		2,484,137	2,680,872
Non-current liabilities			
Lease liabilities	9	162,972	-
Current liabilities			
Trade and other payables	8	526,305	868,745
Lease liabilities	9	127,239	33,619
Income received in advance		9,700	292,421
		<u>663,244</u>	<u>1,194,785</u>
Net current assets		<u>2,275,065</u>	<u>2,514,696</u>
Total liabilities		<u>663,244</u>	<u>1,194,785</u>
Net assets		<u>2,647,109</u>	<u>2,680,872</u>
Total equity and liabilities		<u>3,310,353</u>	<u>3,875,657</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SINGAPORE ENVIRONMENT COUNCIL

Statement Of Comprehensive Income for the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Income			
Voluntary income	10	1,171,804	303,744
Activities for generating funds			
- Program receipts	11	1,842,204	2,845,918
		<u>3,014,008</u>	<u>3,149,662</u>
Other income	12	231,596	409,214
Total income		<u>3,245,604</u>	<u>3,558,876</u>
Expenditures			
Cost of generating funds	13	(802,517)	(445,648)
Governance costs	14	(4,166)	(39,990)
Other expenses	15	(2,630,024)	(2,760,745)
Finance cost	16	(5,632)	(1,634)
Total expenditures		<u>(3,442,339)</u>	<u>(3,248,017)</u>
Net (deficit)/surplus for the financial year		<u>(196,735)</u>	<u>310,859</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SINGAPORE ENVIRONMENT COUNCIL

Statement Of Changes In Accumulated Fund for the financial year ended 31 December 2021

	Accumulated general fund \$	Total \$
Balance as at 1 January 2020	2,370,013	2,370,013
Net surplus for the financial year	310,859	310,859
Balance as at 31 December 2020	2,680,872	2,680,872
Balance as at 1 January 2021	2,680,872	2,680,872
Net deficit for the financial year	(196,735)	(196,735)
Balance as at 31 December 2021	2,484,137	2,484,137

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SINGAPORE ENVIRONMENT COUNCIL

Statement Of Cash Flows

for the financial year ended 31 December 2021

	Note	2021 \$	2020 \$
Cash flows from operating activities			
(Deficit)/Surplus for the financial year		(196,735)	310,859
Adjustments for:			
Amortisation of intangible assets	5	14,594	36,412
Depreciation of property, plant and equipment	4	169,268	178,616
Interest expense		5,632	1,634
Allowance for impairment of doubtful debts	7	-	22,750
Operating cash flow before working capital changes		(7,241)	550,271
Changes in working capital:			
Decrease/(Increase) in trade and other receivables		40,251	(126,823)
Decrease in prepayments		2,394	4,883
(Decrease)/Increase in trade and other payables		(342,440)	66,339
(Decrease)/Increase in income received in advance		(282,721)	206,542
Net cash (used in)/generated from operating activities		(589,757)	701,212
Cash flow from investing activity			
Purchase of property, plant and equipment		(5,876)	(27,005)
Net cash used in investing activity		(5,876)	(27,005)
Cash flows from financing activities			
Interest paid		(5,632)	(1,634)
Payment of principal portion of lease liabilities		(127,262)	(133,186)
Net cash used in financing activities		(132,894)	(134,820)
Net (decrease)/increase in cash and cash equivalents		(728,527)	539,387
Cash and cash equivalents			
- at beginning of the financial year		3,187,667	2,648,280
- at end of the financial year	6	2,459,140	3,187,667

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements for the financial year ended 31 December 2021

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") is 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 financial statements of the Council for the financial year ended 31 December 2021 were authorized for issue in accordance with a resolution by the directors on the date of the Directors' Statement.

The Council's registered office and principal place of operation is at 1 Kay Siang Road, #07-01, Singapore 248922.

The Council has been registered as a charity under the Charities Act, (Chapter 37) since 5 March 1996 and is accorded the status of Institution of a Public Character (IPC) from 1 September 2021 to 31 August 2023. 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 (FRSs), as required by the Companies Act.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

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

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Council has adopted all the new and amended standards which are relevant to the Council and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Council.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to FRS 1 Presentation of Financial Statements and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	1 January 2023

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replacing part of the property, plant and equipment. The cost of an item of property, 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.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Council recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of comprehensive income as incurred.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Property, plant and equipment (Cont'd)

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

Office equipment	3 years
Furniture & fittings	3 years
Renovation	5 years
Leasehold unit (Right-of-use)	3 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised up disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in statement of comprehensive income in the year the asset is de-recognised.

2.5 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditures are reflected in statement of comprehensive income in the year in which the expenditures are incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Website Development	3 years
Mobile Application	3 years

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of intangible assets with indefinite useful lives are reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in statement of comprehensive income when the assets are derecognised.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.6 Impairment of non-financial assets

The Council assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or where applicable, when an annual impairment testing for an asset is required), the Council makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in statement of comprehensive income.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in statement of comprehensive income.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Council measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in statement of comprehensive income.

Trade receivables are measured at the amount of consideration to which the Council expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Council's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of financial assets are amortised cost, FVOCI and FVPL. The Council only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in statement of comprehensive income when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for financial assets is recognised in statement of comprehensive income.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Council becomes a party to the contractual provisions of the financial instrument. The Council determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of comprehensive income when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in statement of comprehensive income.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Impairment of financial assets

The Council recognises an allowance for expected credit losses (ECLs) for all financial assets not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Council expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Council applies a simplified approach in calculating ECLs. Therefore, the Council does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Council has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Council considers a financial asset in default when contractual payments are in accordance with the respective credit terms granted to the debtor. However, in certain cases, the Council may also consider a financial asset to be in default when internal or external information indicates that the Council is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Council. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 Cash and cash equivalents

Cash and cash equivalents comprised of cash on hand and deposits with financial institutions which are subject to insignificant change in value.

2.10 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.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (CONT'D)

2.11 Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST except: -

- (i) Where the GST incurred in a purchase of assets or services is not recoverable from the taxation authority, in which case the GST 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 GST recoverable from, or payable to, to the taxation authority is included as part of receivables or payables in the statement of financial position.

2.12 Leases

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Council applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Council recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Council recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Council at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

The Council's right-of-use assets are presented within property, plant and equipment (Note 4).

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Leases (Cont'd)

Lease liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Council and payments of penalties for terminating the lease, if the lease term reflects the Council exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Council uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Council's lease liabilities are disclosed in Note 9.

Leases of low-value assets

The Council applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on leases of low value assets are recognised as expense on a straight-line basis over the lease term.

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

2.13 Accumulated general fund

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

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 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.

2.15 Revenue recognition

Revenue is measured based on the consideration to which the Council expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Council satisfies a performance obligation by transferring a promised goods or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Certification programs and labelling schemes

Fees from certification programs and labelling schemes are recognised as revenue when the customer obtains control of the respective certification and the Council satisfies the performance obligation stipulated under the programs or schemes. Generally, the performance obligation is satisfied at a point in time, when the Council has completed its assessment of an application for a particular accreditation program or labelling scheme.

(b) Training and education

The Council also provides various talks, workshops, seminars, experiential trails and corporate social responsibility activities in relation to environmental causes. Such services are recognised as a performance obligation satisfied over time, and fees charged are recognised as revenue over the duration of the training and education programs and in the period during which service is provided, having regards to the stage of completion of the service.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 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 sponsorships

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.

2.17 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.

2.18 Employee benefits

Defined contribution plans

The Council makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Employee benefits (Cont'd)

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid 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.

2.19 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.

2.20 Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all the attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the grant is deducted in calculating the carrying amount of the asset. The grant is recognised in profit or loss over the life of a depreciable asset as a reduced depreciation expense.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Council's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, 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 Judgements made in applying accounting policies

Management is of the opinion that there are no significant judgements made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd)

for the financial year ended 31 December 2021

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Useful life of property, plant and equipment

The cost of property, plant and equipment and intangible assets are depreciated or amortised on a straight-line basis over their estimated useful lives estimated by management. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. The carrying amounts of property, plant and equipment at the end of the reporting period are disclosed in Note 4, to the financial statements.

(b) Provision for expected credit losses of trade and other receivables

The Council uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Council's historical observed default rates. The Council will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Council's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the trade and other receivables at the end of the reporting period is disclosed in Note 7 to the financial statements.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

4. PROPERTY, PLANT AND EQUIPMENT

	Leasehold unit (Right-of-use) \$	Office equipment \$	Furniture and fittings \$	Renovation \$	Total \$
Cost					
As at 1 January 2020	375,043	184,241	24,805	193,500	777,589
Additions	-	27,005	-	-	27,005
Disposals	-	(58,915)	(1,506)	-	(60,421)
As at 31 December 2020 and 1 January 2021	375,043	152,331	23,299	193,500	744,173
Additions	385,339	4,391	-	-	389,730
Disposals	(375,059)	-	-	-	(375,059)
As at 31 December 2021	385,323	156,722	23,299	193,500	758,844
Accumulated depreciation					
As at 1 January 2020	218,775	173,237	24,684	57,700	474,396
Charge for the financial year	125,014	14,836	66	38,700	178,616
Disposals	-	(58,915)	(1,506)	-	(60,421)
As at 31 December 2020 and 1 January 2021	343,789	129,158	23,244	96,400	592,591
Charge for the financial year	118,204	12,309	55	38,700	169,268
Disposals	(375,059)	-	-	-	(375,059)
As at 31 December 2021	86,934	141,467	23,299	135,100	386,800
Carrying amount					
As at 31 December 2020	31,254	23,173	55	97,100	151,582
As at 31 December 2021	298,389	15,255	-	58,400	372,044

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 16(a).

5. INTANGIBLE ASSETS

	Mobile application \$	Website development \$	Total \$
Cost			
As at 1 January 2020, 31 December 2020, 1 January 2021 and 31 December 2021	55,400	43,000	98,400
Accumulated amortisation			
As at 1 January 2020	25,033	22,361	47,394
Charge for the financial year	23,801	12,611	36,412
As at 31 December 2020 and 1 January 2021	48,834	34,972	83,806
Charge for the financial year	6,566	8,028	14,594
As at 31 December 2021	55,400	43,000	98,400
Carrying amount			
As at 31 December 2020	6,566	8,028	14,594
As at 31 December 2021	-	-	-

6. CASH AND CASH EQUIVALENTS

	2021 \$	2020 \$
Cash at bank	941,905	1,672,164
Fixed deposits	1,517,235	1,515,503
Cash and cash equivalents per statement of cash flows	2,459,140	3,187,667

Cash and cash equivalents are denominated in Singapore Dollar.

The fixed deposits have a tenor of 6 to 12 months (2020: 6 to 12 months) and bear interest ranging from 0.05% - 0.25% (2020: 0.20% - 0.68%) per annum.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

7. TRADE AND OTHER RECEIVABLES

	2021 \$	2020 \$
Trade receivables	334,166	426,786
Less: Allowance for impairment	(23,125)	(23,125)
	311,041	403,661
Refundable deposits	31,863	32,983
Other receivables	112,326	58,837
	455,230	495,481

Trade and other receivables are denominated in Singapore Dollar.

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.

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	2021 \$	2020 \$
Movements in allowance accounts:		
At beginning of the financial year	23,125	3,210
Transferred to bad debts	-	(2,835)
Allowance made during the year	-	22,750
At the end of the financial year	23,125	23,125

8. TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
Trade payables	186,802	147,573
GST payables	45,156	59,670
Other payables	59,156	90,940
Accrued operating expenses	235,191	511,679
Deferred grant income	-	58,883
	526,305	868,745

Trade and other payables are denominated in Singapore Dollar.

Trade and other payables are unsecured and non-interest bearing. Trade payables are normally settled on 30 to 60 days' terms.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

9. LEASE LIABILITIES

	2021 \$	2020 \$
Non-current:		
- Lease liabilities (Note 16)	162,972	-
Current:		
- Lease liabilities (Note 16)	127,239	33,619
	<u>290,211</u>	<u>33,619</u>

A reconciliation of liabilities arising from financing activities is as follows:

	1 January 2021	Addition during the year	Cash flows	Non-cash changes		31 December 2021
	\$	\$	\$	Accretion of interests	Other	\$
				\$	\$	
Lease liabilities						
- current	33,619	93,643	(132,894)	5,632	127,239	127,239
- non-current	-	290,211	-	-	(127,239)	162,972
	<u>33,619</u>	<u>383,854</u>	<u>(132,894)</u>	<u>5,632</u>	<u>-</u>	<u>290,211</u>
	1 January 2020	Addition during the year	Cash flows	Non-cash changes		31 December 2020
	\$	\$	\$	Accretion of interests	Other	\$
				\$	\$	
Lease liabilities						
- current	133,186	-	(134,820)	1,634	33,619	33,619
- non-current	33,619	-	-	-	(33,619)	-
	<u>166,805</u>	<u>-</u>	<u>(134,820)</u>	<u>1,634</u>	<u>-</u>	<u>33,619</u>

10. VOLUNTARY INCOME

	2021 \$	2020 \$
Donations	104,419	107,450
Grant income	472,990	-
Program recovery	227,801	196,294
Sponsorships	366,594	-
	<u>1,171,804</u>	<u>303,744</u>

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

11. PROGRAM RECEIPTS

Disaggregation of revenue	2021	2020
	\$	\$
<u>Type of service</u>		
Certification programs and labelling schemes	1,764,864	2,784,791
Training and education	77,340	61,127
	<u>1,842,204</u>	<u>2,845,918</u>
<u>Timing of transfer of service</u>		
At a point in time	1,764,864	2,784,791
Over time	77,340	61,127
	<u>1,842,204</u>	<u>2,845,918</u>

As at the end of the financial year, there was no unsatisfied (or partially unsatisfied) performance obligation that was considered to be material or significant.

12. OTHER INCOME

	2021	2020
	\$	\$
Government grants	225,554	393,930
Interest income	1,732	15,252
Sundry income	4,310	32
	<u>231,596</u>	<u>409,214</u>

13. COST OF GENERATING FUNDS

	2021	2020
	\$	\$
Advertisement and promotion expenses	(127)	10,309
Consultancy and professional fee	716,289	343,061
Event setup and management	64,449	33,231
Food and catering	(624)	7,806
Gifts and awards	1,309	14,785
Postage, print and stationery	4,537	8,325
Subscriptions	13,642	12,891
Transport and travelling	1,837	3,008
Website maintenance	1,206	12,096
Telephone	-	136
	<u>802,518</u>	<u>445,648</u>

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd)
for the financial year ended 31 December 2021

14. GOVERNANCE COSTS

These include the following significant item:

	2021 \$	2020 \$
Secretarial fee	(7,906)	34,826

15. OTHER EXPENSES

These include the following significant items:

	2021 \$	2020 \$
Corporate communications	101,879	99,770
Depreciation of property, plant and equipment	169,268	178,616
Amortisation of intangible assets	14,594	36,412
Staff salaries, bonuses and incentives	1,972,027	2,069,568
CPF contributions	218,164	207,632
Other short-term employee benefits	22,155	21,340

16. LEASES

Council as a lessee

The Council has lease contracts for office unit and office equipment. The Council is restricted from assigning and subleasing the leased assets.

The Council also has leases of office equipment with low value. The Council applies the 'lease of low-value assets' recognition exemptions for these leases.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd)
for the financial year ended 31 December 2021

16. LEASES (CONT'D)

(a) Carrying amounts of right-of-use assets classified within property, plant and equipment

	Leasehold Unit (Right- of-use) \$	Total \$
As at 1 January 2020	156,268	156,268
Depreciation	(125,014)	(125,014)
As at 31 December 2020 and 1 January 2021	31,254	31,254
Additions	385,339	385,339
Depreciation	(118,204)	(118,204)
As at 31 December 2021	298,389	298,389

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 9 and the maturity analysis of lease liabilities is disclosed in Note 20.

(c) Amounts recognised in statement of comprehensive income

	2021 \$	2020 \$
Depreciation of right-of-use assets	118,204	125,014
Interest expense on lease liabilities	5,632	1,634
Lease expense not capitalised in lease liabilities:		
- Expense relating to leases of low-value assets (included in other expenses)	9,959	10,097
Total amount recognised in statement of comprehensive income	133,795	136,745

(d) Total cash outflow

The Council had total cash outflows for leases of \$142,853 (2020: \$144,917)

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

17. SIGNIFICANT RELATED PARTY TRANSACTIONS

During the financial year, the Council had the following significant transactions with related parties.

Key management personnel compensation:

	2021 \$	2020 \$
Salaries, bonuses and other short-term benefits	253,546	196,932
CPF contributions	13,260	9,360
Total short-term employee benefits	<u>266,806</u>	<u>206,292</u>

Highest paid employees in bands:

	2021 \$	2020 \$
\$100,000 to \$199,999	2	-
\$200,000 to \$299,999	1	1
	<u>3</u>	<u>1</u>

There is no paid staff who is a close member of the family of the Executive Head or Board members.

18. COMMITMENTS

Operating lease commitments – as lessee

The Council leases an office unit 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:

	2021 \$	2020 \$
Within 1 year	2,504	2,504
After 1 year but within 5 years	5,425	7,929
	<u>7,929</u>	<u>10,433</u>

19. DONATIONS AND SPONSORSHIPS

	2021 \$	2020 \$
Tax exempt donations	95,664	102,084
Non-tax exempt donations and sponsorships	375,349	5,366
	<u>471,013</u>	<u>107,450</u>

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

20. FINANCIAL RISK MANAGEMENT

The Council's activities exposed it to a variety of financial risks from its operations. The key financial risks include credit risk and liquidity risk. The directors review and agree policies and procedures for the management of these risks, which are executed by the management team.

The following sections provide details regarding the Council's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Council's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Council. The Council's exposure to credit risk arises primarily from trade and other receivables. The Council minimizes credit risk by dealing exclusively with high credit rating counterparties.

The Council has adopted a policy of only dealing with creditworthy counterparties. The Council performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Council considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Council has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimize credit risk, the Council has developed and maintained the Council's credit risk gradings to categories exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Council's own trading records to rate its major customers and other debtors. The Council considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations.
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expect performance and behavior of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

20. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (cont'd)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Council determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganization
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Council's categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Council's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising Expected Credit Loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Council's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Note	Category	12-month or lifetime ECL	Gross	Loss	Net carrying
				carrying amount	allowance	amount
				\$	\$	\$
31 December 2021						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	334,166	(23,125)	311,041
Other receivables	7	I	12-month ECL	112,326	-	112,326
Refundable deposits	7	I	12-month ECL	31,863	-	31,863
				478,355	(23,125)	455,230

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

20. FINANCIAL RISK MANAGEMENT (CONT'D)

(a) Credit risk (cont'd)

The table below details the credit quality of the Council's financial assets, as well as maximum exposure to credit risk by credit risk rating categories (cont'd):

	Note	Category	12-month or lifetime ECL	Gross carrying amount \$	Loss allowance \$	Net carrying amount \$
31 December 2020						
Trade receivables	7	Note 1	Lifetime ECL (simplified)	426,786	(23,125)	403,661
Other receivables	7	I	12-month ECL	58,837	-	58,837
Refundable deposits	7	I	12-month ECL	32,983	-	32,983
				<u>518,606</u>	<u>(23,125)</u>	<u>495,481</u>

Exposure to credit risk

The Council's exposure to credit risk is primarily related to its trade and other receivables arising from its performance obligations under contractual agreements (trade in nature) with its customers. The Council has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. The Council does not require collateral in respect of its trade receivables.

Trade receivables (Note 1)

For trade receivables, the Council has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Council determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the Council measured the impairment loss allowance using lifetime ECL and determined that the ECL is insignificant.

(b) Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Council's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Council finances its working capital requirements through funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Council.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

20. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Council's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligation.

	2021			
	Carrying amount \$	Contractual cash flows \$	Within one year \$	One to five years \$
Financial assets:				
Trade and other receivables	455,230	478,355	478,355	-
Cash and cash equivalents	2,459,140	2,459,140	2,459,140	-
	<u>2,914,370</u>	<u>2,937,495</u>	<u>2,937,495</u>	<u>-</u>
Financial liabilities:				
Trade and other payables	481,149	481,149	481,149	-
Lease liabilities (Note 9)	290,211	297,567	132,252	165,315
	<u>771,360</u>	<u>778,716</u>	<u>613,401</u>	<u>165,315</u>
Total undiscounted financial assets	<u>2,143,010</u>	<u>2,158,779</u>	<u>2,324,094</u>	<u>(165,315)</u>
	2020			
	Carrying amount \$	Contractual cash flows \$	Within one year \$	One to five years \$
Financial assets:				
Trade and other receivables	495,481	518,606	518,606	-
Cash and cash equivalents	3,187,667	3,187,667	3,187,667	-
	<u>3,683,148</u>	<u>3,706,273</u>	<u>3,706,273</u>	<u>-</u>
Financial liabilities:				
Trade and other payables	750,192	750,192	750,192	-
Lease liabilities (Note 9)	33,619	33,705	33,705	-
	<u>783,811</u>	<u>783,897</u>	<u>783,897</u>	<u>-</u>
Total undiscounted financial assets	<u>2,899,337</u>	<u>2,922,376</u>	<u>2,922,376</u>	<u>-</u>

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd) for the financial year ended 31 December 2021

20. FINANCIAL RISK MANAGEMENT (CONT'D)

(c) Market price risk

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

(d) Foreign currency risk

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

(e) Interest rate risk

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

(f) 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.

(g) 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.

SINGAPORE ENVIRONMENT COUNCIL

Notes to the Financial Statements (cont'd)
for the financial year ended 31 December 2021

21. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts presented in the statement of financial position related to the following categories of assets and liabilities:

	2021 \$	2020 \$
Financial assets:		
Trade and other receivables	455,230	495,481
Cash and cash equivalents	2,459,140	3,187,667
	<hr/>	<hr/>
Total financial assets measured at amortised cost	2,914,370	3,683,148
	<hr/>	<hr/>
Financial liabilities:		
Trade and other payables	481,149	750,192
Lease liabilities (Note 9)	290,211	33,619
	<hr/>	<hr/>
Total financial liabilities measured at amortised cost	771,360	783,811
	<hr/>	<hr/>



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