

Singapore Environment Council

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Our Core Values

EXCELLENCE

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

INNOVATION

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

INTEGRITY

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

PASSION

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

TEAMWORK

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

Our Vision and Mission

VISION

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

MISSION

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

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



Message from our Chairman

Dear Donors, Sponsors, Partners and Volunteers

On behalf of the Board and Singapore Environment Council (SEC) secretariat, I would like to express my sincere gratitude for your contributions in 2018. This has allowed us to continue to be in a deeper role as the enabler for environment sustainability for the 3Ps -People, Public and Private sectors to take action. With your support we were able to outreach to 1.1 million people, 437 schools, more than 1000 Earth Helpers (volunteers) and 790 corporations, innovating and supporting our efforts.

Your contributions have made it possible for us to embark on a plastic study "Consumer Plastic & Plastic Resource Ecosystem in Singapore" with our strategic partner, Deloitte & Touche, to understand the reasons for the low recycling rate and consumption patterns of plastic so as to get Singaporeans to reduce the use of plastics.

The research helped determine plastic disposables and PET bottle usage in Singapore. Data collected from an online survey provided useful insights which helped us shape outreach campaigns to increase consumer awareness of environmental impacts of plastic waste, and increase knowledge on plastic recycling.

This resulted in our "One Less Plastic Campaign," the first time four leading supermarket chains – NTUC FairPrice, Dairy Farm, Sheng Siong Group and Prime Supermarket – joined forces to minimise single use plastic such as plastic bags.

We also launched the SEC Conference titled "RE-ECONOMY: CREATING A NEW PLASTICS ECONOMY" where we engaged our 3Ps - People, Public and Private sectors to gain further insights on the plastic resource ecosystem and explore how we can create a circular economy for plastics by working together to close the plastic waste loop (see diagram on page 5). It was encouraging for us that the results of the plastic study received much attention from organisations and businesses that led to meaningful discussions. New businesses are innovating, turning plastic waste to fuel, and 3D printing material.

In addition to creating a circular economy and in keeping with Industry 4.0, we continued on our digitalisation journey. SEC launched EcoLifeSG web app, which provides Singaporeans from all walks of life as well as organisations with the opportunity to contribute towards the sustainability journey and reduce carbon footprint through everyday activities. Tapping on the digital platform accelerated our stakeholder outreach and empower them to take action.

On the same lines of being more environmentally friendly, the SEC-StarHub School Green Awards has grown, thanks to a collective effort. It is now bigger and more vibrant. I am heartened to see the young so enthusiastic in adopting green measures to save the environment. Again, we would not have achieved such a success without our kind sponsors. We've also stepped up on Eco Office with Eco Office Plus which increases employee and organisation engagement by empowering them to take

Singapore has designated 2019 as the Year Towards Zero Waste. As we gather momentum in 2019, I am encouraged by the collective efforts and initiatives to align towards this goal. Together with the support from our 3P partners – the community, government agencies and corporations, we move with confidence in adopting circular economy approaches as one solution towards closing the waste loop.

4 P MESSAGE FROM OUR CHAIRMAN

The One Less Plastic Campaign brought four leading supermarket chains – NTUC FairPrice, Dairy Farm, Sheng Siong Group and Prime Supermarket – to minimise use of plastic bags.

conservation action and responsible consumption of our resources – water, energy and recycling. Our enhanced SGLS for the pulp and paper category has green certified more companies, with more in the pipeline.

There are more details on each of these events and initiatives and I hope you'll enjoy reading through them and feeling a sense of optimism as we all have felt at SEC.

School Green Awards continues its trailblazing path

The 2018 SEC-StarHub School Green Awards (SGA) saw a few milestones. Students and teachers were active participants in the green journey. Through the SGA, outreach efforts touched close to 1 million educators, students and members of the public. More than 400,000 participating students and teachers from a record 437



schools reached out to over 500,000 members of the public. We hope to replicate and reach out to more audiences in 2019.

To help schools improve on their environmental performance, the SGA submission criteria was refreshed. Submissions from preschools were assessed using the same criteria as that of other educational levels.

Last year also saw the inaugural SEC-StarHub E-Waste Challenge. Here, we mobilised schools to minimise e-waste by organising recycling drives within their communities. Together, all 437 SGA-participating schools collected more than 40,000 kg of e-waste. This successful event is only made possible with the continued support of our title sponsor StarHub, and the support of schools and the passion of our many volunteers.

One Less Plastic Campaign Continuing the plastic waste campaign, in August 2018, SEC launched the "Don't Waste, Reduce Lah", a public education campaign to encourage Singaporeans to reduce plastic bag use to two a day.

In December 2018, we launched Phase 2 with the One Less Plastic Campaign for consumers to minimise use of plastic bags. Fronted by NTUC FairPrice, Sheng Siong, Prime Group, which 40,000

reuseable bags were distributed in four major supermarket chains on a One Less Plastic Campaign.

The aim of the One Less Plastic Campaign was to minimise use of plastic bags by consumers.





Plastic Resource Ecosystem in Singapore

Source: https://www.freepik.com/ & https://www.vecteezy.com/

runs Mahota and Prime Supermarket; and Dairy Farm Group, which runs Cold Storage and Giant, the campaign took the form of roadshows to encourage consumers to use reusable bags which feature a bar code to keep track of its use. A pilot batch of 40,000 reusable bags were distributed. From the campaign, we saw a behavioural change in shoppers in the use of reusable bags.

According to a study done by us, shoppers take 820 million plastic bags from supermarkets every year. About half of all shoppers take three or more plastic bags each time they go to a supermarket. And as a follow-up, data collected from the tracking of this campaign will be used to plan future campaigns so that we can analyse useful consumers' behavioural patterns. In the next phase of the campaign, we will expand to other types of plastics, and will be utilising QR code to track the use of the reusable bags.

Encouraging office greening through Eco Office Plus

Eco Office Plus is a steppedup performance programme where applicants are provided with new tools and approaches. This includes emphasis on change management and driving behavioural changes amongst employees leading to deeper engagement with employees. An upgraded tier system named Eco-Office Premium, Professional, Champion and Elite was introduced to help companies improve over time, strive to upkeep their environmental conservation standards and to recognise their efforts and achievements.

Engaging the 3Ps through collaborations

Our wide-reaching 360° efforts to continue engaging the 3Ps - People, Public and Private sectors brought on more activities for 2018. The aim is to encourage learning

about sustainability through six interactive zones. each focusing on different aspects of sustainability. To further educate the public, we also partnered North West CDC for our Eco F&B project. The aim was to help them manage water and energy resources, and to adopt environmentally sustainable practices. SEC ecocertified the first food court with environmental considerations at the design and construction stage (at Bukit Panjang CC). Environmentally-friendly installations like ceramic tiles produced with recycled materials and low odour emulsion paint, and waterefficient fittings were used.

Eco Events – going the distance for Green

There is a lot of waste generated during events which leads to high carbon emissions. In 2018, SEC came on board as Strategic Green Advisor for the NTUC Income Eco Run. Events serve as touchpoints to increase new consciousness

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MESSAGE FROM OUR CHAIRMAN



SEC partnered with Bukit Panjang Community Club to host the North West Community Development Council (CDC) Green Learning Journey, an outreach and engagement initiative to encourage students, teachers and residents to adopt smart environmental practices.



SEC conducts audits as part of its Eco Events certification programme. In April 2018, more than 9,000 participants were encouraged to run "Towards Zero Waste" at the NTUC Income Eco Run by not accepting medals or finisher tees if they did not need them. Auditing of waste was also carried out during the event.

among the public and business communities. The message has always been clear: Our lifestyle and our habits have an impact on our environment.

A remarkable 1,500 medals and 88 kg of textiles were saved, as well as 2,991 kg of carbon emission reduction from 1,182 runners taking the shuttle bus to the race site instead of driving. Biodiesel was also used for the power generators, which produced about 1.7 times less carbon emissions as compared to normal diesel. This event opens up more opportunities in the future for SEC to be involved in such mass events.

Lush learning and lessons from Mother Nature

From the office to nature. It is a fact that Singapore has a rich biodiversity. Unfortunately, this is not a widely known fact. Our conducted biodiversity trails serve to educate communities as well as businesses on biomimicry, and how businesses can replicate elements of nature for the purpose of solving complex business or human problems to help businesses stay resilient. In 2018, we had the pleasure of conducting one such trail for a bank at Lower Pierce Reservoir. Participants learned how the infrastructure of termite mounds regulates temperature. We also had the pleasure of understanding two native primates of Singapore. The Long-tailed macaque which is more commonly seen and often found at the fringes



Fuji Xerox Singapore, UPM (China) Co Ltd, Scanpap (Asia Pacific) Pte Ltd, April International Enterprise Pte Ltd, Sunlight Paper Products Pte Ltd, Yeong Chaur Shing Paper Mill Sdn Bhd and Canon Singapore Pte Ltd are among global companies that received our green label certification.





GLOBAL ECOLABELLING NETWORK



Global Ecolabelling Network (GEN) members and affiliate organisations around the globe joined together in celebration of ecolabelling standards and sustainable practices that preserve our environment.

of the forest and the more elusive Raffles' Banded Langur which can be spotted only high in the canopy - a rare sighting and a treat for us.

Enhanced Singapore Green Labelling Scheme

In 2018, more companies came forward to get their products certified under our enhanced SGLS programme for pulp and paper. Above and beyond the certification, we have also received additional applications for pulp and paper products and look forward to accepting more in 2019.

World Ecolabel Day – GENICES

Still on the topic of green certification, the Singapore Green Labelling Scheme (SGLS) is an integral part of World Ecolabel Day, organised to keep consumers informed about the green products they can use daily.

It saw the participation of more than 40 countries. The outreach efforts by each country is to educate the public on the importance of green consumerism, and why ecolabelling is important as they are recognisable symbols that guarantees that the product is made in a sustainable manner. SEC led the way to influence green consumption through roadshows, talks and even with a promotional video to the public on the significance of the World Ecolabel Day. There was greater awareness and consumers acknowledged that ecolabels are essential to reducing environmental impact in our daily lives.

Singapore has designated 2019 as the Year Towards Zero Waste. As we gather







momentum in 2019, I am encouraged by the collective efforts and initiatives to align towards this goal. Together with the support from our 3P partners – the community, government agencies and corporations, we move with confidence in adopting circular economy approaches as one solution towards closing the waste loop.

On behalf of the Board and SEC Secretariat, I wish to express my warmest thanks to all Donors, Sponsors, Partners, Volunteers and Friends for your continued support of SEC.

Humblest Regards and Respectfully

Isabella Z

Ms Isabella Huang-Loh PBM Chairman Singapore Environment Council

Board of Directors (2018/2019)

CHAIRMAN

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1 Ms Isabella Huang-Loh PBM Chairman Practising Management Consultant Certification Board

VICE CHAIRMAN

2 Mr Seah Seng Choon Advisor to CASE Consumer Association of Singapore

3 Dr Teo Ho Pin Mayor North West District

BOARD OF DIRECTORS

- 4 Ms Chen Yew Nah Managing Director Zeles Pte Ltd
- 5 Mr Dalson Chung Director Industry Development & Promotion Office National Environment Agency

- <u>6</u> Mr Kong Chi-Nang Partner Corporate Finance & Restructuring Services Deloitte & Touche Financial Advisory Services Pte Ltd
- 7 Mr Lam Joon Khoi Senior Advisor Concorde Security Pte Ltd
- B Dr Leong Chee Chiew Deputy Chief Executive Officer (Professional Development and Services Cluster) National Parks Board
- 9 Mr Simon Patrick Bennett General Manager Sustainable Development Swire Pacific Offshore Operations Pte Ltd
- 10 Mr Tan Nguan Sen Chief Sustainability Officer Sustainability Office Public Utilities Board
- 11 Mr Tan Puay Hiang Chairman/CEO Highvest Pte Ltd

- 12 Ms Rahayu Binte Mahzam Associate Director Heng, Leong & Srinivasan
- 13 Mr Zechariah Chan Jin Han Partner Lee & Lee
- 14a Mr Andy Yun Secretary General Singapore Manufacturing Federation
- 14b Dr Ahmad Magad Secretary General Singapore Manufacturing Federation
- 15 Mr Philip Su Poon Ghee Principal Consultant Beluga Consultant
- 1. Mr Andy Yun stepped down from SEC board with effect from 5 October 2018.
- 2. Mr Philip Su Poon Ghee retired from SEC board with effect from 22 June 2018.
- Dr Ahmad Magad appointed to SEC board with effect from 16 October 2018.





EXECUTIVE DIRECTOR OF SEC SECRETARIAT



Ms Jen Teo Executive Director Singapore Environment Council

BOARD OBSERVER

FOUNDING MEMBERS OF THE COUNCIL



Mr John Lim Immediate Past Chairman Singapore Institute of Directors



Prof Su Guaning President Emeritus Nanyang Technological University



Mr Lee Kheng Seng Director Communications & 3P Partnership Division Ministry of the Environment and Water Resources (Retired June 2018)



Ms Selina Lim Director Communications & 3P

Communications & 3P Partnership Division Ministry of the Environment and Water Resources (Incoming June 2018)



Prof Leo Tan Wee Hin Director (Special Projects) National University of Singapore

IN APPRECIATION

We would like to express our sincere appreciation to members of the board for their guidance and contributions to SEC:

- Mr Andy Yun (Board Member, stepped down from SEC board with effect from 5 October 2018)
- 2. Mr Philip Su Poon Ghee (Board Member, retired from SEC board with effect from 22 June 2018)

¹⁰ Key Accomplishments



473 million polypropylene plastics are used in Singapore each year (equivalent to the land mass of 3 Sentosa islands).

Let's use less plastic.

In 2018, SEC launched a One Less Plastic Campaign to encourage Singaporeans to use less plastic.

42% do not recycle because it is inconvenient.

70% of Singaporeans do not know what kind of plastic to recycle.

> **467** PET bottles are used in Singapore each year (equivalent to the volume of 94 Olympicsized swimming pools). 1-3 PET bottles are used per person/week.

820 million supermarket plastic bags are used in Singapore each year (equivalent to the land area of 126 Gardens by the Bay). 2-4 plastic bags are taken from supermarkets per person/trip.

Strategic Partner:

XDBS

Iam using One Less Plastic Bag!

Organised by:

Annual Report 2018



As a registered charity and Institution of Public Character, Singapore Environment Council relies on the generosity of many sponsors and donors for our environmental causes. Which is why we want to extend our deepest appreciation to the companies listed here, and all those who wish to remain anonymous, for supporting our programmes and projects.

We would particularly like to recognise the generosity of those who have in the financial year contributed to Singapore Environment Council. Our deepest appreciation to the following major donors and sponsors: CITIC TELECOM INTERNATIONAL





XDBS Live more, Bank less







StarHub

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



Aikyu Trading Co Pte Ltd Alexandra Health Pte Ltd Applied Materials SEA Pte Ltd Asean CSR NetWork Ltd Best World International Bird & Bird ATMD LLP Blangah Rise Primary School Boral Plasterboard (Malaysia) Sdn Bhd Bukit View Secondary School Carrier Singapore Pte Ltd CH Offshore Ltd Chloros Solutions Pte Ltd

Contrac-image Trading Pte Ltd Control Union Singapore Pte Ltd Credit Suisse AG **Deloitte & Touche Enterprise Risk Services Pte Ltd** Digital Dreamer LLP Emix Industry (S) Pte Ltd Estee Lauder Travel Retailing Inc ExxonMobil Asia Pacific Pte. Ltd. Far East Ltd Formica (Thailand) Co., Ltd Give2Asia Graeme Wilson Housing & Development Board - CPA Department HP PPS Asia Pacific Pte. Ltd Interface Singapore Pte Ltd Karen Singarayar Kimberly-Clark Singapore Pte Ltd **KPMG Services Pte Ltd** Lee Foundation Lion Corporation (S) Pte Ltd Livinwall Pte I td Luxasia Pte Ltd MagorTherm Pte Ltd Maritime and Port Authority of Singapore MET Design & Construction Pte Ltd

North West Community **Development Council** NTUC Fairprice Co-operative Ltd Ong Tze Guan OOCL (Singapore) Pte Ltd PACC Offshore Services Holdinas Ltd PacificLight Energy Pte Ltd PacificLight Power Pte Ltd Pedro Group Pte Ltd Ricoh Asia Pacific Pte Ltd Scanpap (Asia Pacific) Pte Ltd Sembcorp Marine Ltd Sembcorp Marine Repairs & Upgrades Pte Ltd Singapore Discovery Centre Ltd Singapore Management University Singapore Marina Bay Sands Pte Ltd SMRT Corporation Ltd STATS Asia Pacific Pte Ltd Swissotel Merchant Court, Singapore Temasek Foundation Ecosperity CLG Limited Transit Link Pte Ltd Tria Pte Ltd Uk Online Giving Foundation Unilever Asia Pte Ltd USG Boral Pte Ltd

Our Strategic/Supporting Partners











Deloitte.

























RICOH imagine. change.



































Programme Highlights





The One Less Plastic Campaign kicked off at Our Tampines Hub where shoppers collected reusable bags for recurrent use during future supermarket trips.



The campaign was aimed at reducing the waste of single use plastic bags by replacing them with reusable bags.

One Less Plastic Campaign Saving the earth, one plastic bag at a time



40,000 reusable bags were distributed and over 1,200

surveys on Resource Ecosystem plastic usage Singapore" publishe were collected. end of August 2018.

On 12 December 2018, SEC and DBS Bank jointly launched the One Less Plastic Campaign with four leading supermarket chains – Dairy Farm Singapore Group, NTUC FairPrice, Prime Group and Sheng Siong. The campaign was aimed at encouraging the use of reusable bags over plastic bags. It was in response to the findings from our research paper "Consumer Plastic and Plastic Resource Ecosystem in Singapore" published at the

A key finding was that only 15% of supermarket shoppers bring their own reusable bags. Singapore residents take 820 million plastic bags from supermarkets each year – an average of three bags per person for every supermarket visit. About 49% of shoppers use at least three plastic bags during each supermarket visit, including 14% who use six or more. In the subsequent phase of our research, we will include other forms of plastic such as



plastic bottles, plastic or foambox food containers and highdensity plastic bottles used in households.

The campaign also marked the first time four leading supermarkets joined hands with us to influence consumer behaviour. Plastic bags, together with other singleuse plastics, PET bottles, Styrofoam containers and plastic packaging make up a major proportion of plastic waste generated in Singapore each year. The One Less Plastic

40,000 reusable bags were distributed during roadshows.

As many as

Campaign aims to support the bigger Singapore green vision towards a Zero Waste Nation.

The inaugural One Less Plastic Campaign featured 32 roadshows at 16 selected supermarket outlets from 15 December 2018 to 3 February 2019. Forty thousand reusable bags were distributed and over 1,200 surveys on plastic usage were collected. We were encouraged by the number of shoppers who came to the supermarkets using the reusable bags.



Singapore Green Labelling Scheme (SGLS/ Enhanced SGLS)

It's good to be labelled Green

3,700 products from 790 companies, used in more than 50 countries. The Singapore Green Label is Singapore's most established local and international certification standard for sustainable products. To date, SEC has eco-certified 3,700 products from 790 companies, marketed in more than 50 countries. We are humbled to be recognised as a member of the Global Ecolabelling Network (GEN), a nonprofit association of leading ecolabelling organisations worldwide. In 2018, the SGLS successfully met ISO 17065 standards for the GEN's Internationally Coordinated Ecolabelling System (GENICES) accreditation under paints and coatings, and pulp and paper categories.

In our outreach efforts to organisations, SEC celebrated World Ecolabel Day on 25, 26 and 27 October 2018 with a roadshow, talks, and on-site activities in supermarkets to engage office employees on how green labels can help them make better informed choices as a responsible/green consumer.

Since its launch in 2017, the enhanced SGLS has certified eight clients for their pulp and paper products: Kimberly-Clark Products (M) Sdn Bhd, Fuji Xerox Singapore, UPM (China) Co Ltd, Scanpap (Asia Pacific) Pte Ltd, April International Enterprise Pte Ltd, Sunlight Paper Products Pte Ltd, Yeong Chaur Shing Paper Mill Sdn Bhd and Canon Singapore Pte Ltd.

Our enhanced SGLS requires companies to improve their peatland management and commit to the early detection and suppression of fires when they occur. Companies must also comply with the existing requirement of zero-burning on their plantations.

In line with encouraging sustainable plantation practices, SEC is a member of Forest Stewardship Council (FSC) and Roundtable on Sustainable Palm Oil (RSPO).

Going forward, SEC is developing certification criteria for new product categories such as commercial washing machines and dishwashers and high-pressure water jets.

SEC's enhanced SGLS requires paper companies to manage their peatland to prevent accidental fires and have zero-burning practices on their plantations.



Benefits of joining SGLS



Environmental Impact

Certify products that minimise impact to the environment



Differentiation SGLS makes it easy to procure eco-friendly products



Credibility Certified products meet stringent environmental standards



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



Eco-certification (Eco-Office/Shop/FどB)

Promoting Eco-friendly businesses



Eco-certifications raise awareness of the importance and environmental impact of simple choices made in the workplace e.g. water and energy conservation and reducing use of single-use plastics.







SEC launched the Eco-Office Plus programme on 12 December 2018 with enhancements such as capability building programme, e-concierge and benchmarking. The enhancements help organisations to reduce waste and to improve on their environmental sustainability performance.

On 29 April 2018, SEC assessed the Income Eco Run. Participants who did not accept medals or finisher t-shirts as well as runners who took shuttle bus to the race helped save 1,500 medals, 88 kg of textiles and 2,991 kg of carbon emissions.

Our efforts to engage the people, public and private sectors have resulted in more activities for 2018. We partnered with North West CDC to eco-certify the first foodcourt under our Project Eco-F&B, taking into account environmental considerations at the design and construction stage. This included recommendations on the use of environmentallyfriendly installations like ceramic tiles produced with recycled materials and low odour emulsion paint. Waterefficient fittings were also installed for taps and mixers, and LED lightings for better water and energy savings at the food court.



Singapore Environmental Achievement Awards

Recognising businesses with green initiatives



111 awards have been given out to organisations from different industries. The Singapore Environmental Achievement Awards (SEAA) remains one of the most prestigious environmental awards in Singapore and the region today. It recognises overall environmental stewardship by organisations and is in support of the Sustainable Singapore Movement, which seeks to encourage everyone to do their part for the environment.

Since its inception, 111 awards have been given out to organisations from different industries. The 21st SEAA and SEC Conference Day 2018 was held at One Farrer Hotel & Spa on 30 August 2018. Themed "RE-economy: Creating A New Plastics Economy", the conference addressed the need to tighten the plastic ecosystem with an emphasis on upstream producers'

> HP PPS Asia Pacific Pte Ltd won the SEC-CITIC Telecom Singapore Environmental Achievement Award (Regional) and SEC-CDL Outstanding Environmental Achievement Award.

responsibilities and downstream innovation opportunities for recycled plastics.

Panel discussions delved into the future of plastics and the potential of establishing a new plastic economy in Singapore. Guest-of-Honour, Mr Masagos Zulkifli, Minister for the Environment and Water Resources, stressed the importance of the SEAA in recognising companies for their environmental stewardship. He went on to expound the opportunities following the introduction of carbon tax in Singapore come 2019. Mr Masagos also touched on current and future initiatives to make Singapore a Zero Waste nation.

For more information on SEAA, please visit www.sec.org.sg/seaa.







In 2018, SEC received a record number of 434 submissions from schools.

SEC-StarHub School Green Awards (SGA) Shaping Green ambassadors of the future

With StarHub on board, SGA participating schools achieved a significant reduction in their resource consumption of water, paper and electricity, and an increase in e-waste collection.



900 representing

The SEC-StarHub School Green Awards (SGA) is a self-audited students, voluntary environmental school programme which serves as management a platform for students to and teachers develop and showcase their environmental efforts. The objective is to help them gain a better understanding of the schools. environment.

> In 2018, SGA criteria was refreshed to further encourage schools to improve their environmental performance. Submissions from preschools were assessed using the same criteria as that for the other educational levels. The SGA now features new awards

named after native flowers found in Singapore – Vanda Miss Joaquim, Yellow Flame, Singapore Kopsia and Ixora.

We are grateful to StarHub Ltd, our title sponsor of SGA. StarHub's efforts in furthering environmental outreach in the form of four consecutive years of sponsorship contributed greatly to new milestones being achieved. In 2018, we received a record 434 submissions from schools.

We had the honour of having Education Minister Ong Ye Kung grace the School Green Day on 5 November at ITE College

East. SGA's finale for 2018. The event was conceptualised to resemble an eco-carnival with schools and partners setting up booths. The event attracted a large turnout of more than 900 students, school management and teachers from 268 schools. Other quests included 26 representatives from SGA's programme sponsors, supporting partners and stakeholders.

A total of 21 schools that shone in their environmental performance in the year were invited to set up booths to showcase their projects and initiatives. Four sponsors and supporting partners also took the opportunity to exhibit their green initiatives.

With the enhanced SGA framework, we seek to partner with the people, public and private sectors to develop our youth and community into green ambassadors who care for and protect our environment. A heartfelt "Thank you" to everyone for their support. For more information on SGA, please visit www.sec.org.sg/sga.





EcoLifeSG

Know your carbon footprint, fight climate change with the EcoLifeSG Web App



For individuals



For organisations

In keeping with the digital economy, SEC developed and launched the EcoLifeSG, a web app which helps to track carbon footprint for individuals (EcoLifeSG Ind) and organisations (EcoLifeSG Org). The app also allows them to understand how daily activities can affect climate change.

With EcoLifeSG, individuals and organisations can now track and manage their own everyday efforts in reducing carbon footprint at home and in the workplace. The app empowers each of us to take on the role of earth keeper to safeguard our environment for future generations. Find out more at:

INDIVIDUAL www.ind.ecolifesg.com



ORGANISATIONS www.org.ecolifesg.com





Training & Education

Building a sustainable future through education



SEC's Training & Education arm develops outreach activities for schools, corporations and government bodies, educating and empowering participants to make greener choices in their everyday lives.

The Training & Education (T&E) team provides a series of diverse environmental programmes including talks, workshops, seminars, experiential nature trails, exhibitions and Corporate Social Responsibility (CSR) activities for organisations, governmental bodies and communities. These programmes are aimed at educating individuals in sustainability, strengthen their environmental awareness as well as inculcate behavioural change in their daily life.

Children from Muhammadiyah Welfare Home and Pathlight School planted 170 trees and shrubs at Yumin Primary School.

In early 2018, SEC launched the biodiversity trail at Hindhede Nature Park where participants get to see and experience the park and its rich flora and fauna, including Hindhede Quarry.

Thanks to funding support from Starbucks, SEC initiated the Tree Planting Programme in various schools and communities by planting a total of 170 trees and shrubs with the help of children from Muhammadiyah Welfare Home and Pathlight School. This helps to provide greenery in the schools and communities, while also reducing our carbon footprint.





SEC conducts educational trails which allow participants to experience nature through sight, sound, touch and smell.



Instilling a Passion for the Environment in the Next Generation



SEC nurtures future stewards of the environment through engaging activities.

To nurture a love and action for biodiversity and the environment in the next generation, SEC was engaged by NParks to conduct components of the Science Communication for CIN Ambassador programme in 2018. Upper primary and secondary students learned about communicating scientific facts about Singapore's biodiversity through creating posters (Science Research and Communication). Schools also had the opportunity to select one of four specialisation modules - Wildlife Documentary Production, Nature through Drama, Creation of Biodiversity Trails and Nature Journalism – to enrich their biodiversity journeys through various art expressions. Selected works will be displayed at NParks' Festival of Biodiversity in June 2019.

At the Credit Suisse Bring Your Kids to Work Day 2018, issues such as marine pollution was highlighted.

Citi-YMCA is a programme launched in 2016 to promote social entrepreneurship and community leadership development among Singapore youths. It provides youths aged from 15 to 25 years old with a platform for executing selfinitiated projects for Voluntary Welfare Organisations (VWOs) of their choice. From June to July 2018, students curated metal straw sets to sell to the public to raise awareness about the rampant usage of single use plastics in Singapore.

Aligned with SEC's focus on brown issues, T&E's outreach activities for the young ones highlighted waste management





and plastic pollution. This was reflected in the event designed for Credit Suisse's Bring Your Kids to Work Day held at Credit Suisse Wealth Institute at

The "Waves of Change" poster design competition that SEC partnered with Maritime Port Authority (MPA) was aimed at educating primary and secondary schools on plastic pollution and marine conservation. Winners received their prize at the International Coastal Clean-up Day 2018.

One@Changi.

Winner of Category 1 (7-12 years old) by Chan Wan Er (10 years old).





Our Earth Helpers are committed to the environmental cause by facilitating outreach activities and workshops.

Our Earth Helpers volunteered at the Clean and Green Singapore Carnival organised by the National Environment Agency to reach out to Singaporeans to adopt green practices.

Earth Helpers Helping SEC help the Earth

1,179 Earth Helpers have contributed over

1,872 hours of volunteer work in 2018. Our Earth Helpers play an important role in SEC's goal to foster a green environment through our T&E programmes and award ceremonies. We are grateful to have more than 1,179 Earth Helpers contributing over 1,872 hours of volunteer work in 2018. They provided tremendous support for our annual Singapore Environmental Achievement Awards (SEAA) and School Green Awards (SGA) ceremonies.

The Earth Helpers played a key role in our 'Bring Your Kids to Work Day' event, where 400 Credit Suisse's employees and their kids participated in various activities and games which taught them about marine plastics pollution, its impact on wildlife and what they can do to prevent pollution in their daily lives.

They also contributed actively to Clean and Green Singapore (CGS) roadshows by National Environment Agency (NEA), which is aimed at inspiring Singaporeans to care for and protect our environment by adopting a clean, green and sustainable lifestyle.



Let's reduce our carbon footprint.

SEC launched a carbon calculator, EcoLifeSG web app to help Singaporeans understand and reduce their carbon footprint. Singapore ranks 26th out of 142 countries in terms of emissions per capita. 16% reduction of greenhouse gas emissions. That's the pledge made by Singapore towards climate change. EcoLifeSG has attracted 3,356 users from its launch in July 2018 to December 2018. Tracked savings of more than 10,500 kg of CO2 equivalent in 2018.

Corporate Governance and Financial Statements



Corporate Governance

Singapore Environment Council (SEC) has been registered as a charity under the Charities Act, (Cap. 37) since 5 March 1996. The SEC's Board comprises 14 Directors with corporate and public sector experience and is chaired by Ms Isabella Huang-Loh PBM. 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 their strategic contribution and community outreach.

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 everchanging environment. The Board ensures that SEC is meeting its goals and objectives as an environmental charity. It ensures that effective and efficient systems are in place for managing SEC's financial and human resources. Another important role is to maintain adequate reporting to all SEC stakeholders regarding our strategic plan and status of our programmes.

INTERNAL CONTROLS

• Fundraising practices

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

• Programme Management

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

• Budget Planning and Monitoring

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

• Disclosure and Transparency

SEC seeks financial management advice from the Board and complies with all applicable laws and regulations. Annual external audits are conducted to ensure that its resources are used responsibly and are accountable. Updated information about its mission, structure, programmes, activities and finances are publicly displayed on SEC's website. The staff are employed based on individual merit, ability, skill and is non-discriminatory.

SEC BOARD, ADVISORY COMMITTEE AND SUB-COMMITTEES

SEC BOARD

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

The Board held four meetings in 2018.

Attendees	55 th Meeting: 27 March	56 th Meeting: 1 June	57 th Meeting: 5 October	58 th Meeting: 30 November
Ms Isabella Huang-Loh PBM	\checkmark	\checkmark	\checkmark	\checkmark
Dr Teo Ho Pin	\checkmark	×	\checkmark	\checkmark
Mr Seah Seng Choon	\checkmark	\checkmark	\checkmark	\checkmark
Mr Philip Su Poon Ghee	\checkmark	×	-	-
Mr Zechariah Chan	\checkmark	\checkmark	×	\checkmark
Ms Chen Yew Nah	\checkmark	\checkmark	\checkmark	\checkmark
Mr Kong Chi-Nang	\checkmark	\checkmark	×	\checkmark
Mr Lam Joon Khoi	\checkmark	×	\checkmark	\checkmark
Mr Simon Patrick Bennett	\checkmark	\checkmark	×	\checkmark
Mr Dalson Chung	\checkmark	\checkmark	×	\checkmark
Mr Tan Nguan Sen	\checkmark	×	×	\checkmark
Ms Rahayu Binte Mahzam	×	\checkmark	\checkmark	×
Mr Tan Puay Hiang	×	\checkmark	\checkmark	\checkmark
Dr Leong Chee Chiew	•	*	*	*

Legend

Present	\checkmark
Leave of absence	٠
Absent with apologies	×
Retired with effect	_
from 22 June 2018	

SEC SUB-COMMITTEES

EXECUTIVE COMMITTEE

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

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

The Executive Committee held 6 meetings in 2018 and was dissolved in June 2018.

Chairman Mr Lam Joon Khoi

Members Mr Dalson Chung Mr Zechariah Chan

AUDIT COMMITTEE

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

The Audit Committee held four meetings in 2018.

2 Jan until 22 June 2018	With effect from 23 June 2018
Chairman	Chairman
Mr Philip Su Poon Ghee	Mr Kong Chi-Nang
Members	Members
Ms Chen Yew Nah	Ms Chen Yew Nah
Mr Ralph Foong	Mr Ralph Foong

COMPLIANCE COMMITTEE

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

Chairman

Mr Seah Seng Choon

Members

Ms Chen Yew Nah Mr Philip Su Poon Ghee Mr Tan Puay Hiang



GREEN LABEL STEERING COMMITTEE

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

The Green Label Steering Committee convenes as and when necessary.

Chairman Mr Zechariah Chan

Members

Mr Dalson Chung Mr Lam Joon Khoi Mr Seah Seng Choon Mr Simon Patrick Bennett Mr Tan Nguan Sen

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. Renomination will be subject to the individuals' contribution and performance.

The Nomination Committee held one meeting in 2018.

Chairman Ms Isabella Huang-Loh PBM

Members Dr Teo Ho Pin

Mr Kong Chi-Nang Ms Rahayu Binte Mahzam

REMUNERATION COMMITTEE

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

The Remuneration Committee held two meetings in 2018.

Chairman Ms Isabella Huang-Loh PBM

Members Dr Teo Ho Pin Ms Rahayu Binte Mahzam



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 to the Board on these matters.

The Strategic Marketing and Fundraising Committee held one meeting in 2018.

Chairman Ms Chen Yew Nah

Members Ms Isabella Huang-Loh PBM Dr Leong Chee Chiew Ms Rahayu Binte Mahzam Mr Simon Patrick Bennett

TENDER COMMITTEE

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

The Tender Committee convenes as and when necessary.

Chairman Mr Philip Su

Members

Ms Isabella Huang-Loh PBM Ms Chen Yew Nah Mr Tan Puay Hiang



CONFLICT OF INTEREST POLICY AND RELATED PARTY TRANSACTIONS

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

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

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

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

Reserve Policy

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

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

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

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

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

Definitions

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

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

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SINGAPORE ENVIRONMENT COUNCIL (Company Registration No.: 199507762R)

Audited Financial Statements

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

TOGETHER WITH DIRECTORS' STATEMENT AND AUDITOR'S REPORT



Singapore Environment Council Directors' Statement For the financial year ended 31 December 2018

The directors submit their statement to the members together with the audited financial statements of Singapore Environment Council (the "Council") for the financial year ended 31 December 2018.

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 2018 and of the financial performance, changes in accumulated fund and cash flows of the Council for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Council will be able to pay its debts as and when they fall due.

Directors

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

Isabella Loh Wai Kiew @Isabella Loh @Loh Wai Kiew Seah Seng Choon Dr Teo Ho Pin Chan Jin Han Chen Yew Nah Dr Leong Chee Chiew Tan Puay Hiang Simon Patrick Bennett Kong Chi-Nang (Kuang Zineng) Chung Dalson Rahayu Binte Mahzam Tan Nguan Sen Lam Joon Khoi Ahmad Bin Mohamed Magad (Appointed on 11 February 2019)

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares and debentures

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

Auditor

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

On behalf of the Board of Directors,

Jua

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

Kong Chi-Nang (Kuang Zineng)

Director

Singapore, 16 May 2019



INDEPENDENT AUDITOR'S REPORT

To the Members of Singapore Environment Council

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Environment Council (the "Council"), which comprise the statement of financial position as at 31 December 2018, the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the 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 2018 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 page 3.

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

Those charged with governance comprises the directors and the governing board. Their responsibilities include overseeing the Council's financial reporting process.
To the Members of Singapore Environment Council *(Continued)*

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of
 the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Companies Act, and the Charities Act and Regulations.

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

- a. The use of donation 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
- b. The Council has not complied with the requirements of Regulation 15 (Fund-raising expenses) of the Charities (Institutions of a Public Character) Regulations.

Reander Adept PAC

REANDA ADEPT PAC Public Accountants and Chartered Accountants

Singapore, 16 May 2019

Singapore Environment Council Statement of Financial Position As at 31 December 2018

	Note	2018	2017
ASSET	Note	\$	\$
Non-current assets			
Intangible assets	5	83,806	-
Plant and equipment	4	196,122	43,855
	=	279,928	43,855
Current assets			
Trade and other receivables	7	368,764	464,067
Prepayments		26,151	26,994
Cash and cash equivalents	6	2,205,606	2,313,542
	-	2,600,521	2,804,603
Total Assets	-	2,880,449	2,848,458
FUNDS AND LIABILITIES			
Unrestricted funds			
Accumulated general fund		2,228,349	1,776,969
Current liabilities			
Trade and other payables	8	624,495	481,745
Income received in advance		27,605	589,744
		652,100	1,071,489
	-		
Total Funds and Liabilities	=	2,880,449	2,848,458

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Singapore Environment Council Statement of Comprehensive Income For the financial year ended 31 December 2018

	Note	2018 \$	2017 \$
Income		Ţ	·
Income from generated funds			
Voluntary income	9	1,271,234	901,799
Activities fro generating funds			
- Program receipts	10	2,299,411	2,179,471
		3,570,645	3,081,270
Other income	11	83,364	62,462
Total income		3,654,009	3,143,732
Expenditures			
Costs of generating funds	12	(870,595)	(547,874)
Governance costs	13	(42,451)	(64,630)
Other expenditures	14	(2,289,583)	(1,949,743)
Total expenditures		(3,202,629)	(2,562,247)
Net surplus for the financial year		451,380	581,485



Singapore Environment Council Statement of Changes in Accumulated Fund For the financial year ended 31 December 2018

	Accumulated general fund \$	Total \$
Balance as at 1 January 2017	1,195,484	1,195,484
Net surplus for the financial year	581,485	581,485
Balance as at 31 December 2017	1,776,969	1,776,969
Net surplus for the financial year	451,380	451,380
Balance as at 31 December 2018	2,228,349	2,228,349

See accompanying notes to the financial statements

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Singapore Environment Council Statement of Cash Flows For the financial year ended 31 December 2018

		2018	2017
Cook flows from appreting activities	Note	\$	\$
Cash flows from operating activities Surplus for the financial year		451,380	581,485
Sulpius for the infancial year		451,500	501,405
Adjustment for:			
Amortisation of intangible assets		14,594	-
Depreciation of plant and equipment		43,931	28,378
Gain on disposal of plant and equipment		(70)	-
Net cash inflow from operating activities		509,835	609,863
Changes in working capital:			
Trade and other receivables		95,303	(181,491)
Prepayments		843	29,032
Trade and other payables		142,750	209,633
Income received in advance		(562,139)	277,430
Cash (used in)/generated from operations		(323,243)	334,604
Net cash inflow from operating activities		186,592	944,467
Cash flows from investing activities			
Purchase of intangible assets		(98,400)	-
Purchase of plant and equipment		(196,198)	(22,411)
Proceeds from disposal of plant and equipment		70	-
Net cash outflow from investing activities		(294,528)	(22,411)
Net (decrease)/increase in cash and cash equivalents		(107,936)	922,056
Cash and cash equivalents			
- At beginning of the financial year		2,313,542	1,391,486
- At end of the financial year	6	2,205,606	2,313,542

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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 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, (Cap.37) since 5 March 1996 and is accorded the status of Institution of a Public Character (IPC) from 1 May 2018 to 30 April 2019. 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), the applicable requirements of the Singapore Companies Act and the Charities Act, under the historical cost convention, except as disclosed in the accounting policies below.

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

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 2018. The adoption of these standards did not have any material effect on the financial performance or position of the Council, and the key changes are as follows:

FRS 109 Financial Instruments

FRS 109 replaces FRS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Council has adopted the new standard retrospectively from 1 January 2018, in line with the transition provision permitted under the standard. Comparatives for financial year ended 2017 are not restated and any difference between the carrying amounts at 31 December 2017 and 1 January 2018 is recognised in the opening retained earnings.

(a) Classification and measurement

Under FRS 109, financial instruments are subsequently measured either at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Council's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.



2.2 Adoption of new and amended standards and interpretations (continued)

FRS 109 Financial Instruments (continued)

(a) Classification and measurement (continued)

The assessment of the Council's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on financial assets solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The Council continued measuring at fair value all financial assets previously held at fair value under FRS 39. The classification and measurement requirements of FRS 109 did not have a significant impact to the Council. The following are the changes in the classification and measurement of the Council's financial assets:

- Trade and other receivables classified as loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These were classified and measured as debt instruments at amortised cost beginning 1 January 2018.

The Council has not designated any financial liabilities at FVPL. There are no changes in classification and measurement for the Council's financial liabilities.

In summary, upon the adoption of FRS 109, the Council had the following required reclassifications as at 1 January 2018:

FRS 39 measurement category Loans and receivables	\$	FRS 109 measurement category Amortised cost \$
Trade and other receivables	368,764	368,764

(b) Impairment

The adoption of FRS 109 has fundamentally changed the Council's accounting for impairment losses for financial assets by replacing FRS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. FRS 109 requires the Council to recognise an allowance for ECLs for all financial assets not held at FVPL.

The impairment requirements of FRS 109 did not have a significant impact to the Council.

FRS 115 Revenue from Contracts with Customers

FRS 115 supersedes FRS 11 Construction Contracts, FRS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflect the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

FRS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

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2. Summary of significant accounting policies (continued)

2.2 Adoption of new and amended standards and interpretations (continued)

FRS 115 Revenue from Contracts with Customers (continued)

The Council adopted FRS 115 using the modified retrospective method of adoption with the date of initial application of 1 January 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Council elected to apply the standard to all contracts as at 1 January 2018.

The cumulative effect of initially applying FRS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under FRS 11, FRS 18 and related interpretations.

2.3 Financial instruments

These accounting policies are applied before 1 January 2018 under FRS 39:

(a) Classifications

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

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

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

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

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

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

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

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

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

(b) Recognition and derecognition

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

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

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

(c) Initial measurement

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

2. Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(d) Subsequent measurement

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

Categories of financial instruments	Subsequent measurement	Assessment for impairment
Financial assets:		
HFT and FVTPL	(A)	Not applicable
НТМ	(B)	Yes
Loans and receivables	(B)	Yes
AFS	(C)	Yes
Financial liabilities:		
HFT and FVTPL	(A)	Not applicable
Non-trading financial liabilities	(B)	Not applicable

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

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

(e) Impairment of financial assets

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

(i) HTM and loans and receivables

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



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2. Summary of significant accounting policies (continued)

2.3 Financial instruments (continued)

(e) Impairment of financial assets (continued)

(ii) AFS

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

(iii) Financial assets carried at cost

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

2.4 Financial instruments

These accounting policies are applied on and after the initial application date of FRS 109, 1 January 2018:

(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 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.

Subsequent measurement

Investments in financial assets

Subsequent measurement of financial assets 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 financial assets 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.

2. Summary of significant accounting policies (continued)

2.4 Financial instruments (continued)

(a) Financial assets (continued)

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.

(c) 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.

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2. Summary of significant accounting policies (continued)

2.5 Impairment of non-financial assets

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit ("CGU") exceeds its estimated recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that are largely independent from other assets.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in the statement of comprehensive income, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

2.6 Plant and equipment

(a) Owned assets

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

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

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

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

(b) Component of costs

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

(c) Subsequent expenditure

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

(d) Disposals

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

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



2. Summary of significant accounting policies (continued)

2.6 Plant and equipment (continued)

(e) Depreciation

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

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

2.7 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.

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.

2.8 Cash and cash equivalents

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

2.9 Income taxes

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

2.10 Goods and services tax

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

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

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



2. Summary of significant accounting policies (continued)

2.11 Leases

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

Lessee – Operating Lease

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

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

2.12 Related party

A related party is defined as follows :-

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

2.13 Accumulated general fund

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

2. Summary of significant accounting policies (continued)

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 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.

2.16 Revenue recognition

These accounting policies are applied on and after the initial application date of FRS 115, 1 January 2018:

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.

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. However, for the Eco-Shop and Eco-F&B certification programs, the performance obligation is considered to be satisfied upon the payment of the service by the customer (at a point in time).



2. Summary of significant accounting policies (continued)

2.16 Revenue recognition (continued)

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.

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

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

Defined contribution plans

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

Short-term benefits

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

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

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

2.19 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.

3. Critical accounting estimates, assumptions and judgements

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

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3.1 Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of the statement of financial position, that have a significant risk in causing material adjustments to the carrying amounts of assets and liabilities within the next financial period are discussed below:

(a) Depreciation of plant and equipment / Amortisation of intangible assets

These assets are depreciated 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.

	Number of years
Plant and equipment (Note 4)	
Office equipment	3
Furniture & fittings	3
Renovation	5
Intangible assets (Note 5)	
Mobile application	3
Website development	3

The carrying amounts of plant and equipment and intangible assets at the end of the reporting period are disclosed in Note 4 and Note 5 respectively, to the financial statements.

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

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.

3.2 Critical judgements in applying the entity's accounting policies

There is no significant judgement made in applying accounting policies in the preparation of financial statements.





4. Plant and equipment

	Office equipment \$	Furniture and fittings \$	Renovation \$	Total \$
Cost				
As at 1 January 2017	153,792	24,607	125,065	303,464
Additions	22,411	-	-	22,411
As at 31 December 2017	176,203	24,607	125,065	325,875
Additions	6,000	198	190,000	196,198
Disposals	-	-	(125,065)	(125,065)
As at 31 December 2018	182,203	24,805	190,000	397,008
Accumulated depreciation				
As at 1 January 2017	115,960	24,607	113,075	253,642
Charge for the financial year	20,883	-	7,495	28,378
As at 31 December 2017	136,843	24,607	120,570	282,020
Charge for the financial year	20,425	11	23,495	43,931
Disposals	-	-	(125,065)	(125,065)
As at 31 December 2018	157,268	24,618	19,000	200,886
Carrying amount				
As at 31 December 2018	24,935	187	171,000	196,122
As at 31 December 2017	39,360		4,495	43,855

5. Intangible assets

	Mobile application	Website development	Total
	\$	\$	\$
Cost			
As at 1 January and 31 December 2017	-	-	-
Additions	55,400	43,000	98,400
As at 31 December 2018	55,400	43,000	98,400
Accumulated amortisation			
As at 1 January and 31 December 2017	-	-	-
Charge for the financial year	6,566	8,028	14,594
As at 31 December 2018	6,566	8,028	14,594
Carrying amount			
As at 31 December 2018	48,834	34,972	83,806
As at 31 December 2017	_		

6. Cash and cash equivalents

7.

8.

	2018	2017
	\$	\$
Cash at bank	1,170,934	1,290,603
Fixed deposits	1,034,672	1,022,939
Cash and cash equivalents per statement of cash flows	2,205,606	2,313,542
Trade and other receivables		
	2018	2017
	\$	\$
Trade receivables	334,321	433,499
Less: Allowance for impairment	(3,210)	
	331,111	433,499
Refundable deposits	37,653	30,568
	368,764	464,067
	000,704	

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 was as follows:

		2018
		\$
Movement in allowance accounts:		
At 31 December 2017 under FRS 39 and 1 January 2018 under FRS 109		-
Allowance made during the year		3,210
At 31 December 2018		3,210
Trade and other payables		
	2018	2017
	\$	\$
Trade payables	117,837	157,782
GST payable	26,704	38,771
Other payables	8,705	8,525
Accrued operating expenses	471,249	276,667
	624,495	481,745

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

9. Voluntary income

	2018	2017
	\$	\$
Donations	62,806	47,700
Sponsorships	1,021,088	634,104
Grant income	4,065	-
Program recovery	183,275	219,995
	1,271,234	901,799



10. **Program receipts Disaggregation of revenue** 2018 2017 \$ \$ Type of service Certification programs and labelling schemes 2,119,100 2,055,345 Training and education 180,311 124,126 2,299,411 2,179,471 Timing of transfer of service 2,055,345 At a point in time 2,119,100 Over time 180,311 124,126 2,299,411 2,179,471

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.

11. Other income

12.

	2018 \$	2017 \$
Government grants	35,250	51,598
Interest income	11,734	10,528
Sundry income	36,310	336
Gain on disposal of plant and equipment	70	-
	83,364	62,462
Costs of generating funds		
	2018	2017
	\$	\$
Advertisement and promotion expenses	166,617	12,056
Consultancy and professional fee	476,559	260,178
Event setup and management	74,334	82,516
Food and catering	60,470	46,173
Gifts and awards	34,181	20,486
Postage, printing and stationery	(3,461)	43,792
Subscriptions	11,914	12,704
Transport and travelling	26,757	27,033
Temporary staffs and volunteers	16,734	33,130
Website maintenance	5,958	9,806
Telephone	532	-
	870,595	547,874

13. Governance costs

These include the following significant item:

	Ψ	Ψ
Legal and professional fees	2,307	48,303

2018

2018

2017

2017

14. Other expenditures

These include the following significant items:

	\$	\$
Corporate communication	128,366	98,146
Staff salaries and bonuses	1,602,524	1,340,715
CPF contribution	193,566	174,727
Other short-term employee benefits	28,909	27,259
Rental	156,124	138,104

15. Commitments

Operating lease commitments - as lessee

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

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

	2018 \$	2017 \$
Within 1 year After 1 year but within 5 years	139,896 187,100	27,946 14,723
	326,996	42,669
Lease expense for the year	156,123	138,104

16. Significant related party transactions

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

	2018 \$	2017 \$
Income from related entities	87,500	51,579
Expenses charged by related entities	263,127	160,928

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

Key management personnel compensation

Salaries, bonuses and other short-term benefits	210,978	132,189
CPF contribution	12,926	9,244
Total short-term employee benefits:	223,904	141,433

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

Number of employees in bands:

17.

\$50,001 to \$100,000 More than \$100,000	3 4	2 2 4
Donations and sponsorships	2018	2017
	\$	\$
Tax exempt donations and sponsorships	54,045	225,633
Non-tax exempt donations and sponsorships	1,029,849	456,171
	1,083,894	681,804



18. Financial risk management

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

Financial risk management objectives and policies

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

Einancial

Einancial

(a) Summary of financial instruments

\$ \$ \$ \$ As at 31 December 2018 Intangible assets - - 83,806 83,806 Plant and equipment - - 196,122 196,122 Trade and other receivables 368,764 - - 368,764 Prepayments - - 26,151 26,151 Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605		Financial assets at amortised cost	Financial liabilities at amortised cost	Non- financial instruments	Total
Intangible assets - - 83,806 83,806 Plant and equipment - - 196,122 196,122 Trade and other receivables 368,764 - - 368,764 Prepayments - - 26,151 26,151 Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605		\$	\$	\$	\$
Plant and equipment - - 196,122 196,122 Trade and other receivables 368,764 - - 368,764 Prepayments - - 26,151 26,151 Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605	As at 31 December 2018				
Trade and other receivables 368,764 - - 368,764 Prepayments - - 26,151 26,151 Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605	Intangible assets	-	-	83,806	83,806
Prepayments - - 26,151 26,151 Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605	Plant and equipment	-	-	196,122	196,122
Cash and cash equivalents 2,205,606 - - 2,205,606 Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - 27,605 27,605 27,605	Trade and other receivables	368,764	-	-	368,764
Total assets 2,574,370 - 306,079 2,880,449 Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605	Prepayments	-	-	26,151	26,151
Trade and other payables - 624,495 - 624,495 Income received in advance - - 27,605 27,605	Cash and cash equivalents	2,205,606	-	-	2,205,606
Income received in advance - 27,605 27,605	Total assets	2,574,370	-	306,079	2,880,449
Income received in advance - 27,605 27,605					
	Trade and other payables	-	624,495	-	624,495
	Income received in advance	-	-	27,605	27,605
Total liabilities <u>- 624,495</u> <u>27,605</u> <u>652,100</u>	Total liabilities	-	624,495	27,605	652,100

	Loans and receivables	Non-trading financial liabilities	Non- financial instruments	Total
	\$	\$	\$	\$
As at 31 December 2017				
Plant and equipment	-	-	43,855	43,855
Trade and other receivables	464,067	-	-	464,067
Prepayments	-	-	26,994	26,994
Cash and cash equivalents	2,313,542	-	-	2,313,542
Total assets	2,777,609	-	70,849	2,848,458
Trade and other payables	-	481,745	-	481,745
Income received in advance		-	589,744	589,744
Total liabilities	-	481,745	589,744	1,071,489

(b) 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 risks in respect of cash and cash equivalents are minimal since they are placed with reputable financial institutions.

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.

18. Financial risk management (continued)

(b) Credit risk (continued)

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

Category	Definition	Basis for recognising expected credit loss (EGL)
1	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
	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 carrying amount \$	Loss allowance \$	Net carrying amount \$
31 December 2018						
Trade receivables	7	(a)	Lifetime ECL (simplified) 12-month	334,321	(3,210)	331,111
Refundable deposits	7	1	ECL	37,653	-	37,653
				371,974	(3,210)	368,764
1 January 2018						
Trade receivables	7	(a)	Lifetime ECL (simplified) 12-month	433,499	-	433,499
Refundable deposits	7	I	ECL	30,568	-	30,568
				464,067	-	464,067

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.

(a) 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, except for an individual debtor with value of \$3,210 (2017: Nil) that is considered to be credit-impaired.

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18. Financial risk management (continued)

(c) Liquidity risk

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

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

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

	Within 1 year	Total	
	\$	\$	
At 31 December 2018			
Trade and other payables	624,495	641,547	
At 31 December 2017			
Trade and other payables	481,745	481,745	

(d) Foreign currency risk

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

(e) Market price risk

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

(f) Interest rate risk

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

(g) Capital management

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

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

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

(h) Fair values of financial instruments

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

19. New or revised accounting standards and interpretations

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

Effective date	
(annual periods beginning on or after)	New or revised accounting standards and interpretations

1 Jan 2019

FRS 116 Leases

FRS 116 Leases

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

The Council is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. The Council expects the adoption of the new standard to result in an increase in total assets and total liabilities. The management will make more detailed assessment of the impact over the next twelve months and plans to adopt the new standard on the required effective date.

20. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on 16 May 2019.



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Learning without thought is labour lost; Thought without learning is perilous. 99

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