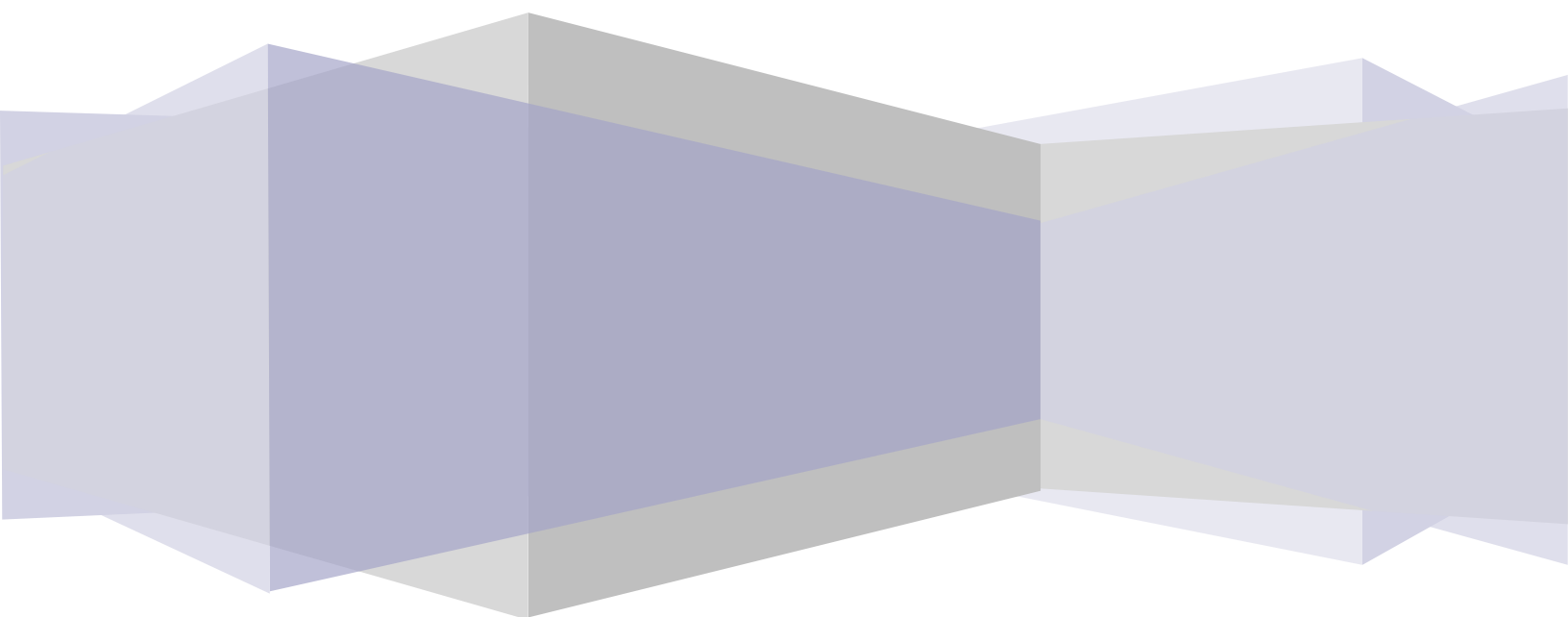




Singapore Actuarial Society

2009/2010 Annual Report & Accounts



What is an Actuary?

An actuary is a financial services professional who advises clients on financial matters which involve management of the risks of financial events in the future which cannot be predicted with certainty.

An actuary is a professional and, in giving advice, must always act with integrity, due diligence, competence and in the interest of all parties affected by his or her professional advice.

What is the Singapore Actuarial Society?

The Singapore Actuarial Society was formed in 1976. At that time, the profession was little known in Singapore and there was only a handful of qualified actuaries. The adoption of the new Constitution in July 1996 and the Code of Professional Conduct in November 1997 is the fruition of efforts made in the past two decades to promote the study of actuarial science and professional standards.

The Society is the recognized representative body of the actuarial profession in Singapore, having the final authority in setting professional standards. The objectives of the Society are:

- to uphold the highest professional standards among members
- to serve the public's interest in matters we are uniquely qualified to respond on
- to promote the study, discussion, publication and research into the application of economic, financial and statistical principles to practical problems, the actuarial, economic and allied aspects of life assurance, non-life insurance, employee retirement benefits, finance and investment with particular reference to Singapore and the ASEAN region
- to assist students in the course of their actuarial studies and
- to foster and encourage social relationship among the members.

We are located at 81 Clemenceau Avenue, #04-15/16 UE Square, Suite 12, Singapore, 239917 or www.actuaries.org.sg.

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President's Message



**Frank
McInerney**

I am pleased to present you with the second Annual Report of the Singapore Actuarial Society (SAS). This report covers the period 1 April 2009 to 31 March 2010 and will highlight the achievements made this year and the goals of the Council for next year.

This year has been one of outreach. We organized the first ever joint SAS / LIA (Life Insurance Association) conference. We have made tremendous progress with reaching out to the university students this year and have started a Student Committee, chaired by the students, to address issues that are of interest to them. We held the first annual General Insurance Conference as well as had a social event for investment actuaries.

I am honoured to have served as President for the two years, and while I am stepping down as President, I will continue on Council in the ex-officio role. I thank Council, Patsy, and you, the members, for a memorable and rewarding two years.

Vice President's Message

It has indeed been gratifying to see the SAS evolve in a number of ways over the last year. The efforts to bring University students on board have paid off well. The greater participation from University students will reap further rewards for the SAS and the profession as these students join the workforce and become qualified actuaries in time to come. Closer ties have also been forged with industry bodies and international actuarial associations. Having laid the foundations, more achievements will become possible and we may look forward to the future of the SAS.



**Rani
Rajasingham**

This Year's Achievements - 2009/10

The 2009/2010 Council year was a busy one with many targets. Two new committees were added (International and Student) as well as forums, seminars and social events.

Forums and Seminars

One of the overall goals of the SAS is to provide quality learning experiences for our members.

Forums:

Date	Forum Topic	Speaker
8 April 2009	Topical Issues in CI Pricing	Darshan Singh
14 July 2009	RBC and Capital Allocation in Insurance	Michael Sherris
13 August 2009	Risk is Opportunity	Cecil Bykerk
8 September 2009	Moving from Managing to Leading	A J Pathmarajarh
11 November 2009	A Bright Future for Enlightened Actuaries	Ronnie Bowie
25 November 2009	Credit Risk Management	Simon Hu
11 January 2010	Inaugural Student Forum	
3 February 2010	Market Consistent Pricing of Options and Bonds	John Hibbert
26 March 2010	RBC vs Solvency II – a Singapore case study	Mark Birch

Seminars:

Date	Seminar
6 May 2009	Inaugural General Insurance Conference
4 August 2009	Joint Professionalism Course*
20 August 2009	Life Protection Seminar by Life Insurance Association & SAS
25-26 August 2009	CA2 Modeling Workshop
10 November 2009	Appointed Actuary's Symposium
26 March 2010	Extraordinary General Meeting & Annual General Meeting

* *The Joint Professionalism Course is run in conjunction with the Casualty Actuarial Society, the Institute of Actuaries of Australia and The Actuarial Profession (UK).*

Social Events

Besides the educational events that provide networking opportunities for our members, several social events were arranged this year. They were:

Date	Event
18 August 2009	Actuarial Networking Night at NTU
18 November 2009	Actuarial Networking Night for Investment and Banking Members
27 January 2010	Drinks night at Oosters
26 March 2010	Annual Dinner

Council thanks all those who were involved with organizing and running these events.

Revisions of Life Guidance Notes

At the Extraordinary General Meeting (26 March 2010) revisions to the Life Guidance Notes were proposed and voted on. The Guidance Notes affected were:

No.	Guidance Note
Lo1	For Appointed Actuaries of Singapore Life Insurance Funds
Lo2	Valuation of Policy Liabilities for Life Insurance Business

The changes were mainly to bring the guidelines up to date, refine policyholder expectations to be more focused on fair dealings and to take into account legislative changes.

Note, at the time of writing this report, the voting had not yet occurred.

Revisions of Constitution

An Extraordinary General Meeting was held on 26 March 2010 to discuss changes to the Constitution. These changes include removal of the residency requirement to serve on Council, and allow greater participation of Associates on the Council in both number and role. Other changes reflect recommendations by the International Actuarial Association.

Note, at the time of writing this report, the voting had not yet occurred.

Honorary Secretary's Message

This is my second year serving as the Honorary Secretary. I have found the experience to be both valuable and rewarding. With new Council members joining at the beginning of the Council year, there was a renewed focus on the student membership as well as on the members not working for life insurance companies.



Jill Hoffman

This report aims to outline the SAS achievements for the past year and I hope that you enjoy reading it.

SAS Structure and Council

The Society of Actuaries is a non-profit organization registered with the Registrar of Societies. It was founded in 1976 and is governed by the Singapore Actuarial Society Constitution (Revision July 2006).

The objects of the Society are to set and uphold the highest professional standards among members; to promote the study, discussion, publication and research into the application of economic, financial and statistical principles to practical problems, the actuarial, economic and allied aspects of life assurance, non-life insurance, employee retirement benefits, finance and investment with particular reference to Singapore and the ASEAN region; to assist students in the course of their actuarial studies; to foster and encourage social relationship among the members.

This Society is governed by a Council which is to be composed of a minimum of 7 and a maximum of 10 elected or co-opted members and 1 Ex-officio Member.

2009/2010 Council

Council attendance and roles are shown in the table below:

Person	Role	Total Attended	Total Possible	Note
Frank McInerney	President	12	13	
Rani Rajasingham	Vice-President	10	13	
Sharon Tan	Hon. Treasurer	7	13	Co-opted as Treasurer in April
Jill Hoffman	Hon. Secretary	13	13	
Angela Koechli	Council Member	13	13	
Annette King	Council Member	11	13	
Chi Cheng Hock	Council Member	5	5	Resigned as Council Member in August
Colin Pakshong	Council Member	10	13	
Walter de Oude	Council Member	6	13	
Tim Beardsall	ex-officio	9	13	Resigned as Treasurer in April
Samuel Tan	Council Member	4	8	Co-opted as Council Member in August

Changes to Council

There were the following changes in the Office Bearers and Council members during the year.

Tim Beardsall resigned as Treasurer in April. He remained on Council as the ex-officio member.

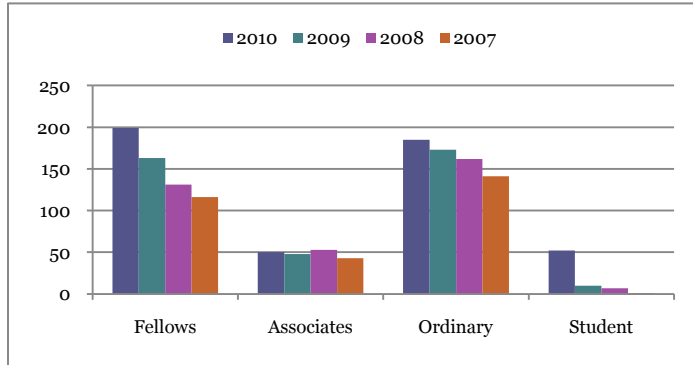
Sharon Tan co-opted into the position of Treasurer in April.

Chi Cheng Hock resigned from Council in August after serving the Singapore Actuarial Society for over 14 years. He was Honorary Secretary for seven years and President for two years. Council sincerely thanks him for his dedication to the SAS.

Samuel Tan was co-opted as a member of Council in August.

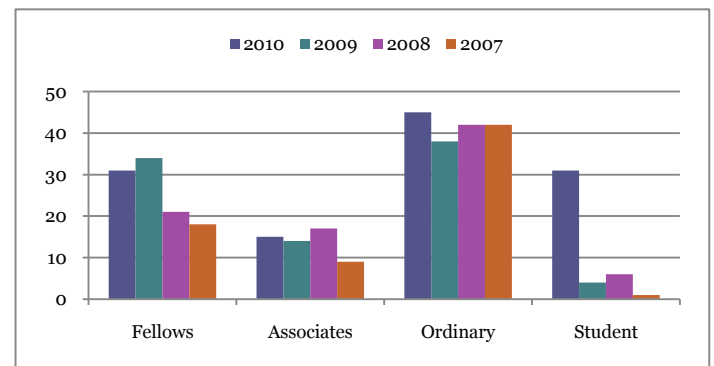
SAS Membership

Figure 1 - Current Membership



As at 22 March 2010, the membership of the Society numbered 486, a 23% increase over last Council year and a 38% increase over the past two years.

Figure 2- New Members



Membership continues to grow, with 122 new applications received in 2009/2010 versus 90 in 2008/2009. As shown, there was a large outreach to the student membership with an increase in number of new members.

New Fellows

The following members have all completed their examinations, professionalism courses and gained Fellowship of the SAS during the year.

Chua Huai Har	Chan Keng Hong	Joey Zhou
Jeremy Boey Chee Mun	Elaine Tan Yee Lian	Quah Kah Hing
Wong Kok Swan	Yong Chia Jack	Chen Thong Wah
Vivian Cai	Tim Shen Feng	Er Wee Loon
Sun Qin	Han Yushu	

The Society offers its congratulations to all of the above.

Practice Committee Reports

The SAS has a number of Practice Committees who provide actuarial research and other services to the members of the SAS.

Life Insurance Committee

This committee is chaired by Walter de Oude and the major accomplishments for 2009/2010 include:

- SAS commentary on the MAS consultation around valuation of contracts with non-linear guarantees.
- Revision and updating of Life Guidance Notes 1 and 2
- Organizing the first joint Life Insurance Association and SAS Conference on Protection Products
- Organizing a successful Appointed Actuaries symposium for 2009.

General Insurance Committee

This committee is chaired by Jim Attwood and in 2009/2010 organized the first Annual General Insurance conference. It covered a wide variety of topics including motor insurance, stochastic reserving and Solvency II.

Health Insurance Committee

This committee chaired by Chi Cheng Hock and achieved the following in 2009/2010:

- Statistical Analysis Sub-committee had analysed the Ministry of Health data available on the MOH website
- Annual Report on Healthcare and Financing 2007/08, has been posted on the SAS website
- Samuel Tan and the Chi Cheng Hock are members of the International Actuarial Association Health Section (IAAHS). Mr. Chi is a member of the IAAHS Executive Committee for a second year. Five actuaries involved in health insurance in Singapore responded to the IAAHS Survey on the State of International Healthcare Data, on the quality of data used for actuarial work.
- Samuel Tan presented a paper on the "Public-Private Health Insurance Partnership in Singapore"

Support Committee Reports

The SAS has a number of support committees that help with the organizing of events and other matters.

Public Relations Committee

This committee is chaired by Annette King and focused on increasing the links with educational bodies as well as industry bodies and to maintain the social events, website and the newsletter to members.

In 2009 / 2010 year, the following activities took place:

- Meetings with MAS, CPF Board, LIA and GIA
- Career and informative talks at Nanyang Business School, SMU, NUS, and NTU, as well as deepen relationships with Professors
- Four mainstream news articles arising from the joint LIA / SAS Actuarial Conference.
- Three social events

Education Committee

This committee is chaired by Mark Birch and Lorna McLaren organized eight educational forums, the Joint Professionalism Course and the CA2 Modelling Course. As well, Patsy Lau acted as proctor for the IAA(Aust) exams.

Student Committee

This new committee is chaired by Aaron Wee with the aim of reaching out more to the Student and Ordinary members of the SAS. The Committee is focused on liaising with the industry, to get more internships and employ more graduates. Another longer term goal is to promote the actuarial profession to secondary students.

Professional Affairs Committee

This committee is chaired by Frank McInerney. In May, the first Singapore actuarial salary survey was released. A total of 57 Fellows and 44 Associates & students participated in the survey.

Revisions to the Constitution were brought forth from this Committee.

International Committee

This is a new Committee started this Council year to focus in on the requests from the International Association of Actuaries (IAA) as well as other matters.

Over the past year the activity level of the IAA has increased and there are various initiatives to get more involvement from member organisations such as the SAS and improve its corporate governance. The SAS has generally supported the various actions of the IAA although we might occasionally have a different opinion on how some objectives can best be achieved.

Administration Committee

This Committee ensures that the SAS runs effectively. Thanks to the strong support of the Secretariat, Patsy Lau, there are not many issues. In March 2010, a new office at UE Square was secured, allowing for more storage.

Honorary Treasurer's Message



Sharon Tan

I am pleased to present you with the Audited Accounts as at December 31, 2009 for the Singapore Actuarial Society. Seminars became a big driver for income this year and as such we were able to hold the subscription fees level for the 2010/2011 year.

The net surplus for 2009 was \$64,172 compared to \$13,299 for 2008. This increase comes from the pricing of a small profit margin into seminars as well as an increase in the number of seminars held.

The SAS remains solvent with over \$308,000 of net assets.

Accounts

Income & Expenditure Account for the year ended 31/12/2009

	2009 S\$	2008 S\$
Income		
Subscription & Entrance Fees	58,924.00	38,149.22
Fees for Seminars\Forums	325.00	8,095.00
Conference - General Insurance	39,665.00	
LIA - SAS Life Protection Seminar	35,275.00	
AA Symposium	21,480.00	13,400.00
Social	25.00	1,147.95
JRS Product/JPC	30,900.00	29,400.00
CA2 Module	32,100.00	32,400.00
Bank Interest	510.77	666.65
AGM & Dinner	1,800.00	2,920.00
Induction Course	1,500.00	1,000.00
Donation	-	
Conference Rebates	-	180.00
Job Credit Scheme	2,700.00	
Job Advertisement	9,000.00	44,000.00
TOTAL INCOME	234,204.77	171,358.82
Expenditure		
AGM & Dinner	8,851.30	14,629.50
Speaker's Gifts	730.56	-
Website	894.73	7,049.37
Costs of Admin Support	44,113.00	39,941.40
Seminars\Forums	4,638.20	11,911.31
Conference - General Insurance	20,244.17	
LIA - SAS Life Protection Seminar	26,833.96	
CA2 Module	10,771.59	14,614.23
JRS Product/JPC	15,524.12	26,797.35
Postage & Stationery+Misc Office Costs	2,028.19	961.13
Office Equipment	619.91	4,063.49
NTU Gold Medal		300.00
International Actuarial Association membership fees	3,710.81	2,427.29
Social Events	49.00	4,800.37
Council Refreshments	1,395.82	676.26
Bank charges		59.00
Tax	1,322.81	5,400.56
AA Symposium	7,497.49	6,708.02
Liability Insurance	7,704.00	7,704.00
Office Rent	13,102.90	9,016.50
Donation to IAA Fund		1,000.00
TOTAL EXPENDITURE	170,032.56	158,059.78
NET SURPLUS/ (DEFICIT)	64,172.21	13,299.04

 President
 Frank McInerney

Balance Sheet as at 31/12/2009

	2009	2008
	S\$	S\$
Current Asset		
Cash in hand		
Fixed deposit	254,292.26	93,781.49
Bank balance	63,279.95	150,123.79
Amount Owed		188.42
Rental Deposit		1,900.00
Total Asset	317,572.21	245,993.70

Current Liabilities

Provision for cheques not cleared	5,535.34	2,582.04
Amount owing	3,210.00	-

Total Liabilities	8,745.34	2,582.04
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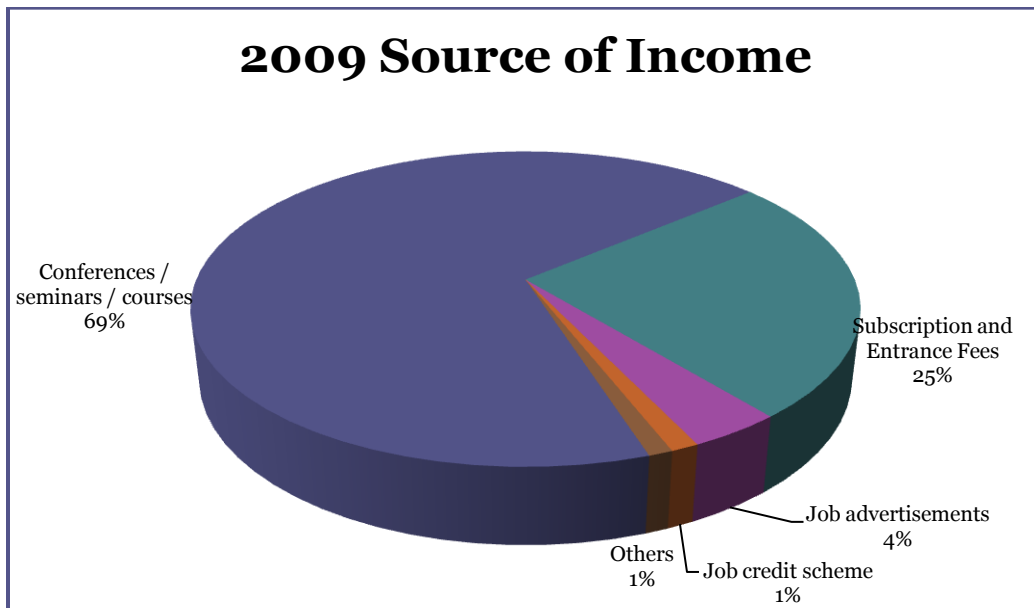
Net Asset	308,826.87	243,411.66
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Represented by:

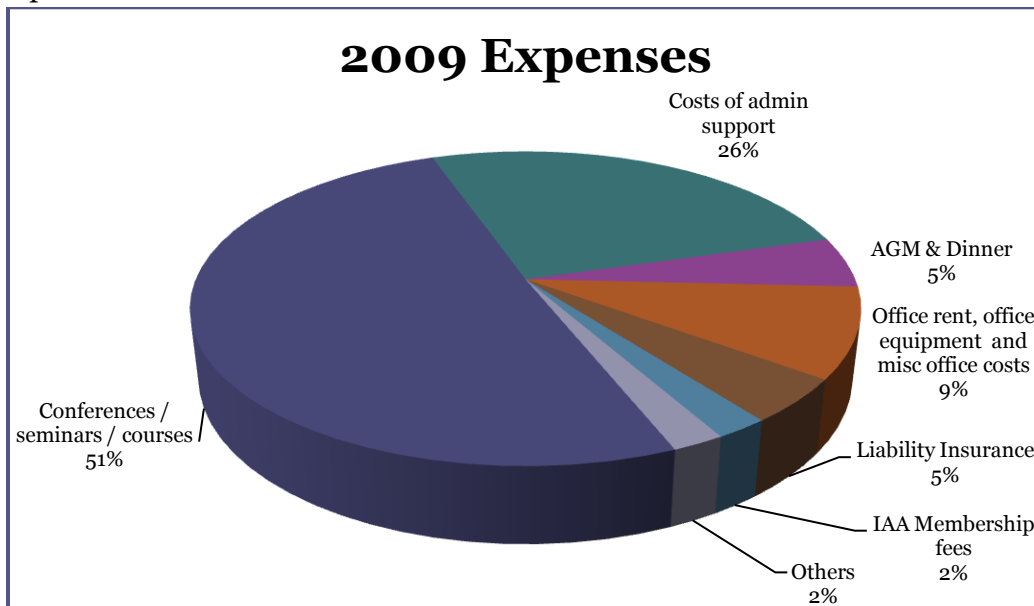
Accumulated Fund at the beginning of the year	243,411.66	228,975.62
Advance Subscription & Entrance Fees for next year	2,748.00	1,505.00
Advance Subscription & Entrance Fees from last year	(1,505.00)	(368.00)
Surplus / (Deficit) arising during the year	64,172.21	13,299.04
Balance at the end of the year	308,826.87	243,411.66

President
Frank McInerney

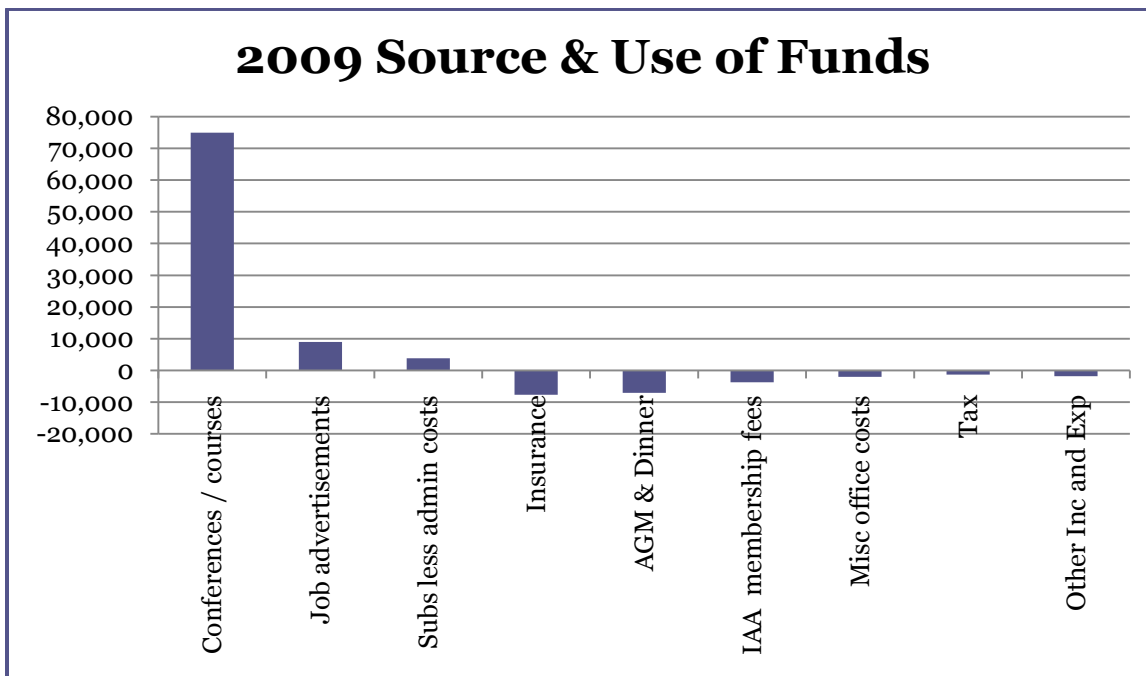
The chart below shows the sources of income for the year. As shown, seminars are the major source of income, with nearly 70% of the income, followed by subscription and entrance fees. Job advertisements were weak in 2009.



The chart below shows the expenditures for 2009. Fixed costs of rent and administration support as well as miscellaneous office costs such as telephone and transport costs are now 35% of total expenditure.



Below shows the Sources and Uses of funds. All the fixed administration costs (compensation, rent) are netted against subscription income. Expenses incurred in organizing the conferences and courses are netted against the conference / course fees. No expenses are netted against advertisements.



Thank you

Secretariat

In 2008, Patsy Lau became the SAS's first full-time employee and is responsible for the day to day running of the Society. You will have seen her at numerous events, registering participants and ensuring that the day runs smoothly.

Ms. Lau has been doing a wonderful job and the Council thanks her on behalf of all our members.



Patsy Lau

The SAS would not exist if it were not for all the volunteers on various committees. The SAS would like to thank...

Aaron Wee	Alistair Chamberlain	Alvin Fu	Andrew Linfoot	Angela Koechli
Annette King	Calvin Chang	Chen Wei Hin	Cheong Wei Boon	Chi Cheng Hock
Colin Pakshong	Colin Startup	Darshan Singh	Frank McInerney	Gavin Maistry
He Jing	Hu Bing	Jackie Li Ka Ki	Jeremy Lian	Jia Yu Wang
Jill Hoffman	Jim Attwood	Jimmy Wang	Kee Meng Yew	Ken Ng
Khoo Kah Siang	Khoo Poh Huat	Lee Wai Yi	Lim Choon Kwang	Lim Siang Thnia
Lorna McLaren	Louis Rossouw	Manic Lefebvre	Mark Birch	Martin Knight
Matthew Maguire	Moi Seng Yew	Neo Pay Peng	Ng Cheng Wei	Pierre Balthazard
Rani Rajasingham	Samantha Chang	Samuel Tan	Sebastian Tan	Sharon Tan
Sumit Narayanan	Tang Loo Chuan	Teng Yuen Ning	Tian Cheng	Tim Beardsall
	Walter de Oude		Woon Dar Vei	