



INSTITUTE OF SOUTHEAST ASIAN STUDIES

ANNUAL REPORT **2013-14**



*A REGIONAL RESEARCH CENTRE
DEDICATED TO THE STUDY OF
SOCIO-POLITICAL, SECURITY,
AND ECONOMIC TRENDS
AND DEVELOPMENTS
IN SOUTHEAST ASIA
AND ITS WIDER GEOSTRATEGIC
AND ECONOMIC ENVIRONMENT*

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Executive Summary

As part of a continual effort to strengthen the depth and breadth of ISEAS' research capacity, in the past year, a senior researcher has been recruited to the Regional Economic Studies Programme as well as the Regional Strategic and Political Studies Programme. Several younger researchers have also been brought in recently, mainly into the Vietnam Studies Programme and the Indonesia Studies Programme, to provide as solid a base as possible for what are essentially new groupings.

Research officers have also been employed to support key activities in various ways, including ISEAS' Internet presence.

The Country Studies Programmes started last year for Indonesia, Malaysia, Myanmar and Vietnam now include a new one for Thailand. Aside from the evident country focus this structure has allowed, the programmes complement most usefully the Institute's three basic disciplinary programmes. Most importantly, cross-affiliation of researchers among the two sets of programmes is encouraging research projects which are more comparative in nature and that are conceptually bolder.

This push for internal consolidation of research activities also involves the ASEAN Studies Centre (ASC), the Nalanda-Sriwijaya Centre (NSC), and the Singapore APEC Study Centre.

Recently, an increasing number of external organizations have been in touch with ISEAS. The preferred principle for ISEAS is to collaborate on specific projects, be these research-based or event-based; and to avoid MOUs. This makes for easier planning where ISEAS researchers are concerned, and promises more concrete results. The Konrad Adenauer Stiftung, a long-time collaborator, continues to support ISEAS, and a new structure has been agreed upon where joint workshops with institutes in other Southeast Asian countries will be instrumental to the final published products.

The NSC now has a new head. Derek Heng, who is on the Yale-NUS College staff, has provided new research direction to the Centre. The Archaeology Unit is also being integrated further into the Centre's key activities, to strengthen its staffing as well as stimulate research collaboration.

ISEAS is presently sponsoring a doctoral candidate and two master's degree scholars.

Research activities have been given a boost as well following a consolidation of journal and other subscriptions by the ISEAS Library. The Library has also created a discussion lounge on the ground floor to allow for more spontaneous discussions among researchers and other ISEAS staff.

Brown-bag talks have also been recently instituted and are held at least once a month for internal discussions on new research projects. These sessions help researchers sharpen their focus.

Output channels for ISEAS products have been developed further to stimulate writings and publications of different lengths. Some are distributed only electronically, while others are printed. Aside from its traditional journal and book publications, ISEAS now produces the following series: *ISEAS Perspective*,

for rapid analyses of current events; *ISEAS Monitor*, a bimonthly survey of future events; *Working Papers*, academic works in progress; *Trends in Southeast Asia*, for deeper analysis of broad trends; and the *Monograph Series*, analytical booklets. This has allowed for much faster analyses written by ISEAS researchers to appear.

To summarize, the structure has now been reformed to maximize synergy among researchers, backed by Library initiatives and stimulated by publication channels.

Mission Statement

The Institute of Southeast Asian Studies (ISEAS) was established as an autonomous organization in 1968 by an Act of Parliament. Its aims are:

- To be a leading research centre and think tank dedicated to the study of socio-political, security, and economic trends and developments in Southeast Asia and its wider geostrategic and economic environment.
- To stimulate research and debate within scholarly circles, enhance public awareness of the region, and facilitate the search for

viable solutions to the varied problems confronting the region.

- To serve as a centre for international, regional, and local scholars and other researchers to do research on the region and publish and publicize their findings.

To achieve these aims, the Institute conducts a range of research programmes; holds conferences, workshops, lectures and seminars; publishes briefs, research journals and books; and generally provides a range of research support facilities, including a large library collection.

Organizational Structure

Board of Trustees

The Institute is governed by a Board of Trustees, whose members are appointed for a three-year term and are drawn from the National University of Singapore, the Government and a broad range of professional and civic organizations and groups in Singapore. The Institute would herewith like to record its appreciation to all members of the Board of Trustees for their contributions and support during the year.

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National University of Singapore

Deputy Chairman

Mr Wong Ah Long
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- Professor Tan Tai Yong, National University of Singapore
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- Professor Yeung Wei-Jun Jean, National University of Singapore
- Mr Tan Chin Tiong, Director (ex officio)

Secretary

Mrs Y.L. Lee

The following Board Committees assist the Institute in the formulation and implementation of its policies, programmes, and activities:

- The Executive Committee oversees the day-to-day operations of the Institute.
- The Audit Committee supervises the selection of external auditors and reviews and examines the adequacies of the Institute's financial operating controls.
- The Investment Committee manages the investment of the Institute's funds.
- The Fund-Raising Committee explores ways of augmenting the Institute's funds.

ISEAS Staff

The Institute's personnel include research, library, publications, administrative and IT staff. The heads of these staff are the following:

The Director, Mr Tan Chin Tiong, is the chief executive and is responsible for both the Institute's administration as well as its research policy and direction.

The Deputy Director, Dr Ooi Kee Beng, manages research at the Institute and advises the Director on research directions and projects.

Heads of Units

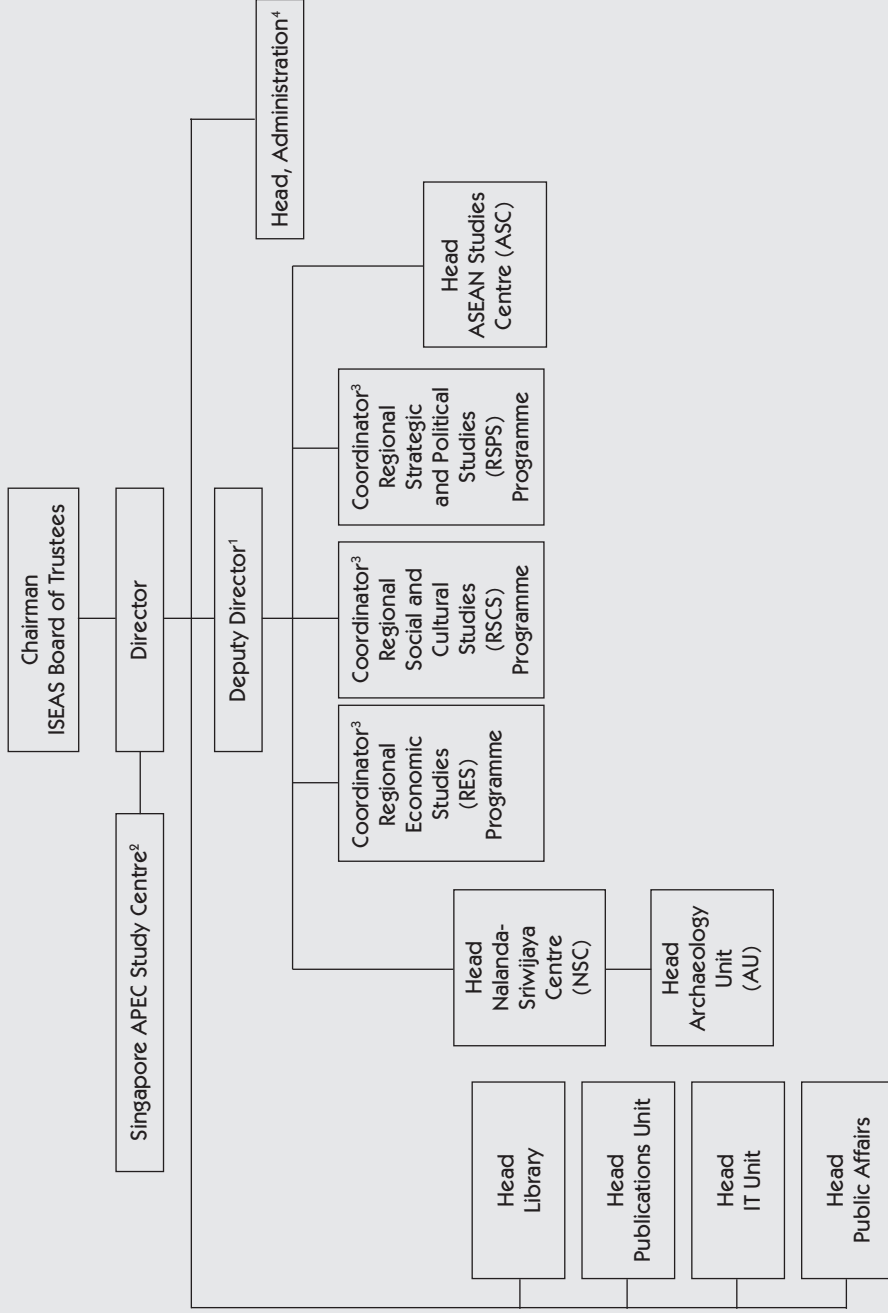
- Administration — Mrs Y.L. Lee
(concurrently Executive Secretary to the Board of Trustees)
- Library — Mr Pitt Kuan Wah
- Publications Unit — Mrs Triena Noeline Ong
(until 6.11.2013); Mr Ng Kok Kiong
(since 18.11.2013)
- IT Unit — Mr Nagarajan Natarajan
(until 31.10.2013); Mr Eric Wong Kok Hoong
(since 1.11.2013)
- Public Affairs Unit (PAU) — Mr Tan Keng Jin

Heads of Centres

- ASEAN Studies Centre (ASC) —
Mr Rodolfo C. Severino
- Singapore APEC Study Centre Director —
Mr Tan Chin Tiong (Coordinator:
Ms Sanchita Basu Das)
- Nalanda-Sriwijaya Centre (NSC) —
Dr Ooi Kee Beng (until 31.12.2013);
Dr Derek Heng Thiam Soon (since 1.1.2014)
[Archaeology Unit (AU) — Associate Professor
John Miksic]

The detailed organizational chart is at page 9.

ISEAS ORGANIZATION CHART



1. Deputy Director is Head of the three Regional Research Programmes and oversees the academic programmes of ASC and NSC.
2. The Singapore APEC Study Centre has as its head the Director of ISEAS. Its functions are executed through the Regional Economic Studies Programme.
3. The Coordinators of the three Regional Research Programmes are rotated every few years.
4. The Head of Admin is ex officio Secretary of ISEAS Board of Trustees.

Research Structure

Research activities at ISEAS are carried out under three disciplinary programmes:

- Regional Economic Studies (RES);
- Regional Social and Cultural Studies (RSCS);
- Regional Strategic and Political Studies (RSPS).

Country expertise is a core competence at ISEAS. At present, as a reflection of the Institute's focus, there are five country programmes:

- Indonesia Studies Programme;
- Malaysia Studies Programme;
- Myanmar Studies Programme;
- Thailand Studies Programme;
- Vietnam Studies Programme.

The following units with specific fields of competence are also housed at the Institute:

- The ASEAN Studies Centre (ASC);
- The Nalanda-Sriwijaya Centre (NSC) [including the Archaeology Unit (AU)];
- The Singapore APEC Study Centre.

Research Staff

Besides their individual research, researchers function as coordinators and organizers of research projects, training programmes,

conferences, public lectures and seminars; editors and referees of ISEAS journals, working papers, and book publications. Researchers also provide briefings for the diplomatic community, visiting policymakers, regional academic and policy advisory bodies, the business community and national institutions in Singapore. They also oversee visiting scholars.

Visiting Researchers and Affiliates

ISEAS played host to about 127 researchers and scholars in FY2013/14. They fall under the following categories:

- Visiting fellowships on ISEAS stipends or ISEAS-administered grants.
- Visiting researchers and scholars not on ISEAS stipends or ISEAS-administered grants. The Institute offers these a range of research facilities, ranging from office space to library facilities.
- Associate fellowships, without remuneration, offered to former ISEAS staff researchers, as well as academic staff from the National University of Singapore and Nanyang Technological University. Such an affiliation enables these academics to participate in ISEAS research and training projects and to use the Institute as a base for continuing their research.

FIGURE 1
Research Staff, Visiting Researchers and Affiliates
by Discipline, 2013–14

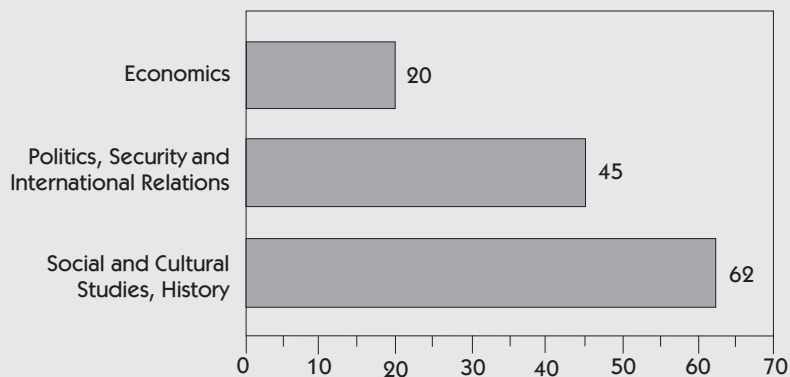
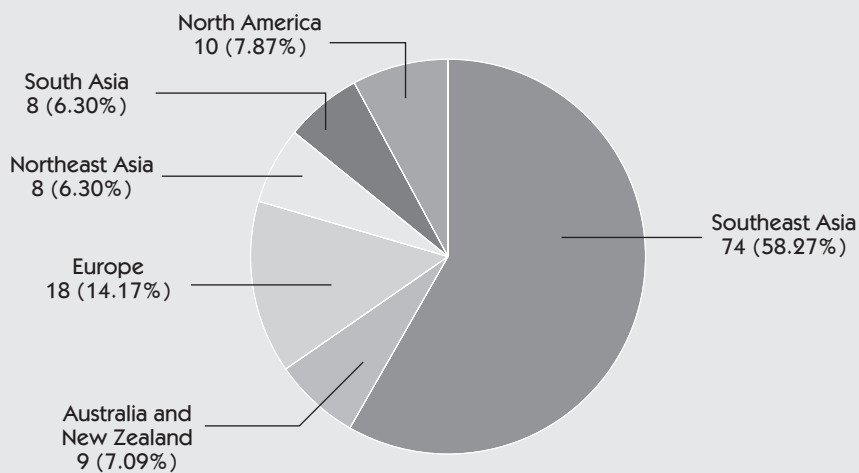


FIGURE 2
Research Staff, Visiting Researchers and Affiliates by
Region/Country of Origin, 2013–14



Total: 127 researchers

Note: The numbers include all categories of researchers but exclude visiting overseas scholars and researchers who only used the Library facilities.

Research Outputs

The expanded range of publication formats for ISEAS research comprise now of the following, with an estimate of volume:

- Books — Internal manuscripts numbering 20 every three years (about 7 per year). Together with non-commissioned submissions that are accepted for publication, the average annual volume is around 50 titles.
- *Southeast Asian Affairs* is an annual that analyses the situation in Southeast Asian countries over the past year.
- Journals — Three issues annually of *Contemporary Southeast Asia*, *Journal of Southeast Asian Economies*, and *SOJOURN: Journal of Social Issues in Southeast Asia*.
- Electronic publications —
 - *ISEAS Perspective* (80 issues per year)
 - *ISEAS Monitor* (6 issues per year)
 - *Working Papers* (5 issues per year)
 - *Trends in Southeast Asia* (10 issues per year. This is also printed in a limited number.)
- *Monograph Series* (4 issues per year).

A selection of *ISEAS Perspective* pieces is published in December each year in time for the Regional Outlook Forum that ISEAS organizes every January.

In addition to these, ISEAS researchers write commentaries in the regional mass media and appear frequently as expert commentators in various regional newspapers and on various radio and television networks.

Tun Dato Sir Cheng Lock Tan M.A. Scholarship

Since 1994, ISEAS has administered the Tun Dato Sir Cheng Lock Tan M.A. Scholarship Programme, funded by the Tun Dato Sir Cheng Lock Tan Trust Fund. The Scholarship scheme provides deserving young Singaporeans with the opportunity to pursue postgraduate studies locally and overseas in the areas of politics, international relations, economics and sociology. In 2013, scholarships were awarded to Mr Michael Yeo Chai Ming for a master's programme in Economic History at the London School of Economics and Politics; and to Ms Danielle Hong for a master's programme in Law Development and Globalisation at the School of Oriental and African Studies, University of London.

Regional Economic Studies (RES) Programme (Coordinator: Dr Francis E. Hutchinson)

Over the past year, the Regional Economic Studies Programme carried out research on a range of economic and political economy issues

faced by countries in the region. It emphasized timely, policy-related outputs relevant to decision-makers as well as researchers.

The Programme structured its work around four key areas:

- Global Economic Uncertainties and Southeast Asia;
- Trade Policy;
- Social Protection Systems;
- Subnational Economies.

The Programme members also worked on a number of specific, usually country-based, initiatives on an as-needs basis. In addition, RES researchers contributed to other programmes, notably the APEC Study Centre and the ASEAN Studies Centre. The Programme also runs the *Journal of Southeast Asian Economies*. Published three times a year, the journal is peer reviewed and focuses on economic issues facing countries in the region.

Over the last fiscal year, the key outputs of the team have been as follows:

Conferences and Workshops

- “High-Level Workshop on Understanding the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership Agreements”, held in ISEAS in October 2013. This event brought together senior government officials, academics and private sector representatives from stakeholder countries and organizations to map the contours and implications of these two regional trade agreements.
- “The Vietnam Forum”, held in Singapore in October 2013. Bringing together a range of business leaders, policymakers and subject specialists, this forum sought to analyse the economic opportunities that Vietnam presents, as well as identify areas for reform. An updated selection of the presentations will appear in the April 2015 issue of the *Journal of Southeast Asian Economies*.
- “Global Economic Uncertainties and Southeast Asian Economies”, held in Bangkok in August 2013. RES organized this international conference in conjunction with Chulalongkorn University’s ASEAN Studies Centre and the Faculty of Economics. The event brought leading academics and policymakers together to discuss developments in macroeconomic and trade policy in Southeast Asia in response to the global economic crisis, as well as identify areas of regional cooperation and policy reforms that can further strengthen economies in the region. The papers will be published by ISEAS in 2014.
- “Writers’ Workshop on the Singapore-Johor-Riau Cross-Border Region”, held in ISEAS in July 2013. This workshop brought together a number of researchers to study the economic, social and political interactions and connections between Singapore, Johor

and Riau. This work will form the basis of a manuscript to be published by ISEAS in 2014–15.

Books

- *Architects of Growth? Sub-national Governments and Industrialization in Asia*, edited by Francis E. Hutchinson (Singapore: ISEAS, 2014).
- *Globalization, Outsourcing and Labour Development in ASEAN*, edited by Aekapol Chongvilaivan (with Shandre M. Thangavelu) (London: Routledge, 2013).
- *The Environments of the Poor in Southeast Asia, East Asia, and the Pacific*, edited by Aris Ananta (and Armin Bauer and Myo Thant) (Singapore: ISEAS/Manila: Asian Development Bank, 2013).
- *The Global Economy in Transition: Debt and Resource Scarcities*, by Jørgen Østrøm Møller (Singapore: World Scientific, 2013).

Journal Articles/Book Chapters

- “Malaysia’s Federal System: Overt and Covert Centralisation”, by Francis E. Hutchinson, *Journal of Contemporary Asia*, 18 February 2014.
- “Labour Union Bargaining and Firm Organizational Structure”, by Aekapol Chongvilaivan (with Jung Hur and Yohanes E. Riyanto), *Labour Economics*, 31 October 2013.
- “Lumut, Perak: Patronage, Clientelism, and the Post-Coup Order” by Reema Bhagwan Jagtiani

in *Electoral Dynamics in Malaysia: Findings from the Grassroots*, edited by Meredith Weiss (Singapore: ISEAS/Kuala Lumpur: SIRD, 2014).

ISEAS Perspective

- *Expanding Cooperative Credit in Myanmar: Renaissance or Regression?* Sean Turnell, 27 January 2014.
- *Myanmar’s Central Bank Law Reveals Reform Challenge*, Sean Turnell, 13 January 2014.
- *Malaysia Responds to Rating Agencies in Budget 2014*, G. Sivalingam, 7 November 2013.
- *Avoiding the Twin Deficits in Malaysia*, G. Sivalingam, 24 October 2013.
- *The Tough Task of Narrowing Malaysia’s Fiscal Deficit*, Khor Yu Leng, 10 October 2013.
- *Challenges in Negotiating the Regional Comprehensive Economic Partnership Agreement*, Sanchita Basu Das, 12 August 2013.
- *The Second Phase of Malaysia’s Look East Policy*, G. Sivalingam, 19 August 2013.
- *Towards ASEAN Economic Community 2025*, Sanchita Basu Das, 8 July 2013.
- *No End in Sight to Haze Dilemma*, Lee Poh Onn, 24 June 2013.
- *The Significance of China-Malaysia Industrial Parks*, Khor Yu Leng, 17 June 2013.
- *Moving ASEAN+1 FTAs towards an Effective RCEP*, Sanchita Basu Das, 10 May 2013.

- *The Malaysian Elections: The Battle for Johor*, Francis E. Hutchinson, 29 April 2013.
- *Taking the Income Gap in Southeast Asia Seriously*, Aekapol Chongvilaivan, 4 April 2013.
- *The Struggle for Sustainability in the Palm Oil Industry Shows Results*, Khor Yu Leng, 1 April 2013.

Working Papers

- *Malaysia in the Midst of Global Economic Uncertainties*, Tham Siew Year, 27 November 2013.
- *Enhancing Regional and Sub-regional Co-operation and Connectivity in ASEAN*, Sanchita Basu Das, 4 October 2013.
- *Individual Income Inequality and Its Drivers in Indonesia: A Theil Decomposition Reassessment*, Aekapol Chongvilaivan, 1 July 2013.

Journal of Southeast Asian Economies

A number of measures have been undertaken to increase the journal's readership, as well as bring it further in line with its original remit of covering the key economic issues facing the region. To this end, the following steps have been taken:

- Partial change of the composition of the journal's International Advisory Committee;
- Expansion of the Co-editorial Board to deepen subject expertise in key countries and sub-fields of economics;

- Increase in the number of articles and book reviews per issue;
- Cross-publication with relevant journals.

In keeping with past practice, the August issue of the journal focussed on a specific topic. This year, the issue was devoted to the "Global Debt Crisis and Southeast Asia" and edited by Jørgen Østrøm Møller, Visiting Senior Fellow of ISEAS.

Outreach Activities

RES team members have presented and participated in a range of technical fora organized by, among others, the following organizations: The Brookings Institution, Asian Development Bank Institute, Copenhagen Business School, Pacific Conference on Trade and Development, US Agency for International Development, Ministry of Trade of Indonesia, ASEAN-India Network of Think-Tanks, Korea Institute for International Economic Policy, the World Future Society, and the EU-Asia Centre.

One team member, Lee Poh Onn, mentored a group of secondary students under the Humanities, Social Science and Research Programme. Two team members teach in local universities. Francis Hutchinson teaches a course on "State-Business Relations in Asia" for postgraduate students at the S. Rajaratnam School of International Studies, NTU; and Jørgen Østrøm Møller teaches on the "EU and the Single Currency" in the Singapore Management University, as well as the Diplomatic Academy of the Ministry of Foreign Affairs at NTU.



Dr Vatcharin Sirimaneetham, Economic Affairs Officer, ESCAP, Bangkok (on extreme right) presented highlights from the “Economic and Social Survey of Asia and the Pacific 2013” at the Institute of Southeast Asian Studies on 18 April 2013. Looking on are Dr Francis E. Hutchinson, Fellow and Regional Economic Studies Programme Coordinator, ISEAS and Dr Lee Poh Onn, Senior Fellow, ISEAS.

Regional Social and Cultural Studies (RSCS) Programme
(Coordinator: Dr Terence Chong)

The RSCS Programme is oriented towards the historical, sociological and anthropological examination of national and transnational processes within Southeast Asia. Specifically, RSCS is concerned with ethnographic practices and

theory-building in the areas of contemporary histories, nation-building, ethnicity, religion, class and popular culture in the region. Key research areas are the processes of nation-building, civil society and religion, cultural globalization and identity making, contemporary politics, and democratization and multiculturalism in Southeast Asia.

Events

The Programme co-organized the conference, “State Policy and the Cultural Politics of Heritage-Making in East and Southeast Asia”, 16–17 January 2014, with the National University of Singapore and the International Institute for Asian Studies. This conference examined the multifaceted role of the state in determining which cultural attributes are considered “legitimate” heritage. As such, it considered the multiple arenas of the state, where policies related to the governance of heritage are debated, formulated, legislated and enforced. Expected outcome: An edited volume, March 2015.

A conference on “Myanmar from the Margins” organized by Su-Ann Oh was held at ISEAS, 14–15 November 2013. The conference proceedings will be published by ISEAS, with an expected publication date of June 2015.

RSCS has been coordinating ISEAS’ flagship event — the Regional Outlook Forum — for seven years.

Projects

- Survey commissioned on Johor residents to understand their attitudes towards (a) Singapore and Singaporeans; (b) the Iskandar Project and its importance; (c) local socio-political issues such as crime rates,

corruption and cost of living. The survey was conducted between October and November 2013 and had a sample size of 2,009 respondents. (Ongoing.)

- Study on Chinese immigration and capital in Cambodia, Laos, Myanmar and Vietnam. It looks at specific sites of Chinese presence such as industrial towns, factories, mines and dams, and urban centres in these four countries to try to understand and theorize the socio-political dynamics between these new immigrants and locals. (Ongoing.)
- Study of independent Pentecostal mega churches in contemporary Southeast Asian cities. It looks at the way these mega churches engage with mass consumption, business, urban identity-formation and national politics in Manila, Jakarta, Kuala Lumpur and Singapore. (Ongoing.)
- Documentation of Bukit Brown and Seh Ong Cemeteries. This project takes Singapore’s first Chinese municipal cemetery as an object of anthropological-historical study. The project seeks to document (a) inscriptions and cultural features of graves; (b) the religio-cultural life and memories associated with the cemetery and (c) rituals associated with exhumation and re-interment of remains. Expected outcome: Book project, *Documenting Bukit Brown: Exploring New Horizons of Knowledge*, December 2014.

Chapters

- “Imaginary Frontiers and Deferred Masculinity: Singapore Working Class Men in Batam”, by Terence Chong in *The SIJORI Cross-Border Region: Transnational Politics, Economics and Culture*, edited by Francis E. Hutchinson and Terence Chong (ISEAS, forthcoming).
- “Asian Pentecostalism: Revivals, Mega-Churches, and Social Engagement”, by Terence Chong and Daniel P.S. Goh in *Handbook of Religions in Asia*, edited by Bryan Turner and Oscar Salemink (Routledge, forthcoming).
- “Shades of Citizenship: Betwixt the Civic and the Ethnic” by Lee Hock Guan in *Southeast Asian Affairs 2013*, edited by Daljit Singh (ISEAS, 2013).
- “Growth and Change in Higher Education Financing in Malaysia”, by Lee Hock Guan in *Malaysia’s Socio-Economic Transformation: Ideas for the Next Decade*, edited by Sanchita Basu Das and Lee Poh Onn (ISEAS forthcoming, 2014).
- “Mal-apportionment and the Electoral Authoritarian Regime in Malaysia”, by Lee Hock Guan in *Malaysia’s Thirteenth General Election 2013: Changing Currents of Coalition Politics* edited by Johan Saravanamuttu, Lee Hock Guan and Mohamed Nawab Mohamed Osman (ISEAS, forthcoming 2014).
- “Indonesia in 2013: Anticipating 2014”, by Hui Yew-Foong, Ulla Fionna and Siwage Dharma Negara in *Southeast Asian Affairs 2014*, edited by Daljit Singh (ISEAS, 2014).
- “Singaporeans Living in Johor and Batam: Next-Door Transnational Living and Border Anxiety”, by Su-Ann Oh in *The SIJORI Cross-Border Region: Transnational Politics, Economics and Culture*, edited by Francis E. Hutchinson and Terence Chong (ISEAS, forthcoming).
- “Working towards Partnership in Education: Civil Society and NGOs in Refugee Camps in Thailand”, by Su-Ann Oh (forthcoming journal article).
- “Disaster Management and Humanitarian Action in Southeast Asia: Opportunities for an ASEAN-Japan Coordinated Approach”, by Moe Thuzar in *Beyond 2015: ASEAN-Japan Strategic Partnership for Democracy, Peace, and Prosperity in Southeast Asia*, edited by Rizal Sukma and Yoshihide Soeya (Japan Centre for International Exchange, 2013).
- “ASEAN-Japan Strategic Partnerships and Regional Integration: Impacts and Implications”, by Moe Thuzar in *ASEAN-Japan Relations*, edited by Takashi Shiraishi and Takaaki Kojima (ISEAS, 2013).
- “In Myanmar’s Freer Media, Time to Think ASEAN”, by Moe Thuzar in *Reporting Development in ASEAN*, edited by Johanna Son (IPS Asia-Pacific Centre Foundation, 2013).

- “Myanmar in the ASEAN Economic Community: Preparing for the Future”, by Moe Thuzar in *ASEAN Economic Community Scorecard: Performance and Perception*, edited by Sanchita Basu Das (ISEAS, 2013).

ISEAS Perspective

- *Chinese Immigration and Capital into CLMV.*
- *Christian Evangelicals and Public Morality in Singapore.*
- *Steadily Amplified Rural Votes Decide Malaysian Elections.*
- *Burmese Refugees in Thailand: Should They Stay or Should They Go?*
- *Prospects for Ending Child Soldiering in Myanmar.*
- *Is Myanmar Ready for the ASEAN Chair?*

Other Commentaries/Articles:

- “Myanmar in Transition”, by Moe Thuzar for the CSCAP Regional Security Outlook 2014 (December 2013).
- “Myanmar’s 2014 ASEAN Chairmanship: A Litmus Test of Progress?” by Moe Thuzar for the National Bureau of Asian Research (4 December 2013).
- “The Role of Parliament in Myanmar’s Reforms and Transition to Democracy”, by Moe Thuzar for *Panorama* 01/2013 on “Myanmar in Transition: Polity, People and Processes” (November 2013).

Regional Strategic and Political Studies (RSPS) Programme (Coordinator: Mr Daljit Singh)

FY2013/14 was a busy year for the Regional Strategic and Political Studies (RSPS) Programme. More work was done on regional security issues and on China’s economic interaction with key Southeast Asian countries. These changes are reflected in more and better quality of research output.

Areas Covered by RSPS

Regional Issues

- The South China Sea dispute;
- Maritime security in Southeast Asia;
- Japan’s strategic and commercial rebalancing towards Southeast Asia;
- China’s economic interactions with Singapore, Malaysia, Vietnam, Indonesia, Thailand and Myanmar, and their strategic and political implications;
- China’s defence diplomacy in Southeast Asia;
- The evolution of ASEAN-based Asia-Pacific regional institutions and their ability to foster security cooperation, with a particular focus on the East Asia Summit;
- The roles and interests of Singapore and other Asian countries in the Arctic.

Southeast Asia, Politics and Related issues

- Myanmar:
 - Political and economic reforms;
 - The role of the military in the present structure of the Myanmar state, in particular military-civil relations;
 - Myanmar-U.S. Relations;
 - Myanmar-China Relations;
 - Myanmar-India Relations;
 - Myanmar in ASEAN: Preparing for the Chairmanship of ASEAN.
- Vietnam:
 - Vietnam's political economy, political development and decision-making mechanisms;
 - Vietnam's foreign policy, especially relations with China, the United States and ASEAN;
 - The intersections of Vietnamese politics, society and environment, specifically the controversy over bauxite mining in the Central Highlands of Vietnam;
 - Foreign investments in natural-resource extraction in Vietnam and its political economy implications.
- Thailand:
 - Political developments in Thailand.
- Indonesia:
 - Indonesia's foreign policy.
- Philippines:
 - The ongoing peace process in Muslim Mindanao and the prospects for a political solution to the Moro Islamic insurgency.

Seminars, Forums and Briefings

- Foreign Policy Challenges Facing Yingluck Shinawatra.
- Indonesia in ASEAN: A Crumbling Cornerstone?
- Thai Politics: A State of Suspended Animation.
- The Political Economy of Vietnam's Economic Relations with China.
- The Economic Determinants of Vietnam's South China Sea Dispute with China.
- The (Existential) Challenges Facing the Party-State of Vietnam: How Will It Cope?
- Indonesia's "Menu" for Regional Security: Necessary but Problematic.
- Implications of Timor Leste's Possible Entry into ASEAN.
- Economic Reforms and the New Economic Environment.
- Myanmar Reforms Two Years On.
- The South China Sea Dispute: Current Developments and Future Prognosis.
- Amending Myanmar's Constitution: Compromise or Contention?
- Banking and Financial Sector Reform in Myanmar.
- Thailand's Bloody Election: Results and Meanings.
- Trafficking in Persons in Vietnam: Responding to the Human Security Threat.
- The Monarchy and the Thai Political Crisis.
- The Preah Vihear Temple Case: What Happens Now?



Professor Donald Weatherbee, Visiting Professorial Fellow, ISEAS; and Donald S. Russell Distinguished Professor Emeritus, University of South Carolina, United States spoke at a seminar on “Indonesia in ASEAN: A Crumbling Cornerstone?” at the Institute of Southeast Asian Studies on 15 May 2013.

RSPS researchers also gave several in-house seminars and conducted or participated in briefings for visitors to the Institute. These included officials, academics and diplomats.

Some of the groups and individuals briefed were as follows: Estonian Parliament External Affairs

Committee; Scholars from China; Dr Lee Seng-Hyun, Director General for Policy Planning — MOF Affairs and Trade, Republic of Korea; Delegation from Prospect Foundation, Taiwan; Delegation from the Institute of Defence Studies and Analysis, India; Delegation from India’s National Maritime Foundation; Officers from the Academy of Military

Science of the People's Liberation Army (PLA); a New Zealand university student group; the Swedish ambassador to Singapore; and Professor Camille Grand from France.

RSPS researchers also give pre-posting briefings to Ministry of Foreign Affairs (MFA) officers.

Journal and Annual

RSPS publishes the internationally refereed journal *Contemporary Southeast Asia* three times a year. The journal carries articles and reviews of security and strategic issues, political developments, regionalism and international relations in Southeast Asia.

RSPS also publishes *Southeast Asian Affairs*, the annual review of Southeast Asian politics, security, economics and international relations. It is regarded as a flagship publication of ISEAS.

ISEAS Perspective

In FY2013/14, RSPS researchers produced twenty-three articles for the online journal *ISEAS Perspective*:

- *Peace's Best Chance in Muslim Mindanao.*
- *Japan Pursues a "Thailand-Plus-One" Strategy.*
- *Getting to Know the Contestants of the 2014 Indonesian Parliamentary Elections.*
- *Sino-Malaysia Trade Ties Remain Strong But Complex.*
- *China Adapts to New Myanmar Realities.*
- *Enmity in Myanmar against China.*
- *Bumper Harvest in 2013 for Vietnamese Diplomacy.*
- *Arctic Lessons: What the South China Sea Claimants Can Learn from Cooperation in the High North.*
- *Myanmar Pivots Awkwardly Away from China.*
- *The One Party-State and Prospects for Democratization in Vietnam.*
- *Strategic Distance is Favoured in China-Indonesia Ties.*
- *Indonesian Presidential Election Forcing Rejuvenation of Parties.*
- *Will Good Intentions in Indonesia's Blueprint for Asia-Pacific Security Collide with Harsh Realities?*
- *The Evolution of National Security in Indonesia.*
- *The Seventh Plenum of the Communist Party of Vietnam: The Gains of the Central Committee.*
- *China's Economic Influence in Thailand: Perception or Reality?*
- *Whither China's Myanmar Stranglehold?*
- *South China Sea Disputes Keep Vietnam-China Relations Cold.*
- *Ethnic Insurgencies and Peacemaking in Myanmar.*
- *Japan's Growing Angst Over the South China Sea.*
- *Expanding Cooperative Credit in Myanmar: Renaissance or Regression?*
- *Myanmar's Central Bank Law Reveals Reform Challenge.*
- *Is Myanmar Ready for the ASEAN Chair?*

Trends in Southeast Asia

RSPS researchers wrote three articles for the Trends in Southeast Asia series. These are:

- More Change Awaits Vietnam's Political Economy.
- China's Economic Engagement with Southeast Asia: Indonesia.
- China's Economic Engagement with Southeast Asia: Thailand.

Books

RSPS visiting researchers worked on the following book projects:

- *Southeast Asia and its Naval Environment.*
- *China Seas and the Struggle for Supremacy in Asia.*
- *India-Myanmar Relations: Linked Destiny in Changing Times.*
- *General Ne Win: A Political Biography.*
- *Templer and the Road to Malayan Independence: The Other Side of the Story.*
- *Electoral Competition, Coalition Politics and Democratic Change in Malaysia (1955–2013).*
- *Government and Society in Brunei Darussalam.*
- *Good Coup Gone bad: Thailand's Development since Thaksin's Downfall.*
- *Indonesia in ASEAN: Vision and Reality.*

Country Programmes

The Country Programmes, which started out with a focus on Indonesia, Malaysia, Myanmar and Vietnam, have been expanded to include Thailand. In conducting research on issues deemed to hold special relevance for the near future, each programme also identifies and invites scholars for short-term sojourns at ISEAS.

These invited scholars are encouraged to give a public or an in-house talk at the Institute on their present research. They are also obliged to submit an article to a suitable ISEAS publication. The longer their stay at ISEAS, the longer the publication item required of them.

Structurally, the Country Programmes provide many possibilities for cross-disciplinary collaboration among ISEAS researchers, the effects of which are already becoming obvious.

ISEAS country experts also give pre-posting briefings to Singapore's diplomatic service.

Indonesia Studies Programme

(Coordinator: Dr Hui Yew-Foong)

For 2013–14, the Indonesia Studies Programme (ISP) focused largely on research related to understanding the effects of political and economic reform in contemporary Indonesia, especially with

respect to the implementation of decentralization policies throughout the archipelagic nation. In addition, the ISP has paid special attention to the Indonesian legislative and presidential elections in 2014.

In order to determine the gaps in research on Indonesia, an Indonesia Studies Roundtable was organized on 9 May 2013. Thirteen prominent Indonesian scholars were invited to attend to discuss the state of Indonesia studies and emergent issues from the perspective of Indonesian scholars. This helped the ISP to determine trends and future research directions in Indonesia studies.

To address issues related to decentralization as well as the Indonesian elections in 2014, the ISP organized the following seminars:

- Dr Okamoto Masaaki (Kyoto University) — “Institutionalized Politics of Constant Change in Metropolitan Jakarta”.
- Dr Maxwell Lane (Victoria University, Melbourne) — “Who Will be President in 2014? Short and Long-Term Trends in Indonesian Politics”.
- Dr Richard Chauvel (Victoria University, Melbourne) — “The West Papua Conflict in a Democratizing Indonesia”.
- Lieutenant General (Ret.) Agus Widjojo (Centre for Policy Studies and Strategic

Advocacy, Jakarta) — “Reform of the Indonesian Military (TNI) in the Context of Indonesia’s Democratic Transition”.

- Dr Ian Wilson (Murdoch University) — “The Political Ecology of Islamic Vigilantism in Indonesia: The Case of the Islamic Defenders Front”.
- Mr Burhanuddin Muhtadi (Indonesian Political Indicator, Jakarta) — “Swing Voters, Personality-Based Politics and Its Electoral Effect in Indonesia”.

In addition, a workshop entitled “Quantitative Analysis of Local Governance in Southeast Asia: A Preliminary Report on Local Elite Surveys in Thailand, the Philippines, and Indonesia” was organized on 14 February 2014. The workshop, which analysed quantitative data collected on local public services in the Philippines, Indonesia and Thailand within a comparative framework, featured the work of five prominent Japanese scholars of Southeast Asia.

In terms of publications, the ISP has produced key analyses on the Indonesian elections through *ISEAS Perspective*. Furthermore, the ISP’s focus on decentralization has culminated in a landmark monograph by Dr Maxwell Lane entitled *Decentralisation and its Discontents: An Essay on Class, Political Agency and National Perspective in Indonesian Politics*.

Malaysia Studies Programme

(Coordinator: Dr Lee Hock Guan)

Malaysia Studies Programme: Selected Projects, 2013–14

1. Malaysia's 13th General Election

The outcomes of the 13th General Election, held in May 2013, further demonstrated the emergence of a two-coalition party system in Malaysia. This study addresses the election thematically and through studies of specific electoral outcomes. It deals with new as well as enduring themes in Malaysian elections. The study is framed in terms of traditional and new narratives and theories about Malaysian electoral politics. The themes of the study include ethnic voting, political Islam, political economy, the role of new media, youth participation, women candidates, civic engagement in the public sphere and the role of cultural minorities.

2. Electoral Competition, Coalition Politics and Democratic Change in Malaysia, 1955–2013

This book will examine the manner in which Malaysia's multicultural, democratic politics has manifested through elections. Broadly, the book will attempt to examine electoral politics within three distinct discursive frames or tropes coinciding with three

chronological periods in Malaysia, namely, elite-based consociation, 1950s–60s; Malay-first consociation, 1970s–90s; and culturally contested consociation, 1990s–2000s.

It will comprise about ten chapters dealing with the following subjects: The origins and rationale of Malaysia's electoral system; consociational electoral politics spanning the three periods; an analysis of the watershed 2008 election and the outcome of the 13th general election.

3. Banking in Malaysia: Origins, Development and Regulation

The focus of this book is on the evolution of the commercial banking system of Malaysia from 1840 to 2012. The first part of the study traces the development of banking in colonial Malaya from 1840 to 1957 and then goes on to analyse the period after independence in 1957, before the implementation of the NEP in 1971, which provides interesting insights on the efforts of the government to indigenize the banking system. The study also throws light on the issue as to whether the implementation of the NEP led to the twin deficits and loans growth that were not sustainable within the context of weakening external demand in the early and mid-1980s that in turn led to the 1985–86 banking crises.

4. **Palm Oil: Plantations, Power and the Politics of the World's Top Edible Oil**

This book is about the political economy of palm oil's ascendance and the challenges it faces from market and non-market forces. It will focus on the key agribusinesses in the palm oil supply chain and the stakeholders who have influenced the sector's trajectory. The book will offer readers an understanding of how palm oil has expanded primarily under Malaysian and Indonesian corporate farmers, and how well they are adapting to an increasingly complex range of challenges. In particular, this book asks how well the neocolonial plantation model is standing up to shifts in the power and politics of the world's top edible oil.

5. **The New Media in Malaysia: Transformative Weapons of the Weak?**

This project aims to examine the role of the new media in Malaysian politics, particularly their effects on the process of democracy and greater democratization. It seeks to map how the new media create and enable new forces, new cooperative efforts and coalitions, present challenges to existing political institutions and engender new tactics and strategies for oppositional forces as they seek to

erode the political hegemony and legitimacy of prevailing governmental discourses. This necessitates a debate surrounding political participation, liberalization and democratization

6. **Contentious Politics in Malaysia**

Racial and religious issues have overwhelmingly circumscribed contentious politics in the country. On the one hand, growing dissatisfaction with corruption and cronyism, democratic governance, and social justice have led human rights, ethno-religious, women and environmental civil society groups to come together and collaborate with opposition parties to resist UMNO-state hegemony. On the other hand, fundamental differences, especially over racial and religious matters, as well as gender issues, have led Malay-Muslim non-governmental organizations and the Pan-Malaysian Islamic Party (PAS) to oppose demands for the equality of racial, religious and gender rights advocated by human-rights, non-Muslim and women's groups and the Democratic Action Party (DAP). Indeed, while women's, non-Muslim and human-rights groups struggled for equality and freedom of race, religion and gender rights, Malay-Muslim groups, in contrast, insisted on entrenching the Malayization and expanding the Islamization

of state and society. As such, the long-term outcome in Malaysia is uncertain and could vary between some semblance of multi-cultural democratic rule and, under certain conditions, a full takeover by conservative Islamists.

Myanmar Studies Programme

(Coordinator: Dr Tin Maung Maung Than)

Public Seminars

- Myanmar Reforms Two Years On.
- Amending Myanmar's Constitution: Compromise or Contention?
- Banking and Financial Sector Reform in Myanmar.

ISEAS Perspective

- *China Adapts to New Myanmar Realities.*
- *Enmity in Myanmar against China.*
- *Ethnic Insurgencies and Peacemaking in Myanmar*
- *Expanding Cooperative Credit in Myanmar: Renaissance or Regression?*
- *Myanmar's Central Bank Law Reveals Reform Challenge.*
- *Is Myanmar Ready for the ASEAN Chair?*
- *Prospects for Ending Child Soldiering in Myanmar.*
- *Burmese Refugees in Thailand: Should They Stay or Should They Go?*

International Workshop

- "Myanmar from the Margins" conference, held at Institute of Southeast Asian Studies, 14–15 November 2013.

Visiting Researchers

- Professor Robert H. Taylor (Retired Professor of Politics, University of London), Visiting Professorial Fellow who worked on the political biography of General Ne Win.
- Associate Professor Sean Turnell (Macquarie University), Visiting Senior Fellow who worked on finance and banking in Myanmar.
- Associate Professor Fan Hongwei (Xiamen University), Visiting Senior Fellow who worked on China-Myanmar relations.

Thailand Studies Programme

(Coordinator: Mr Daljit Singh)

The Thailand Studies Programme is being developed. Activities in FY2013/14 revolved around a few short-term visiting researchers who came and gave seminars on topical subjects. More Visiting Fellows will be brought in in FY2014/15.

Listed below are the areas, activities and issues covered by the unit in FY2013/14.

Seminars, Forums and Briefings

The Thailand Studies Programme organized the following five public seminars on Thailand:

- Foreign Policy Challenges Facing Yingluck Shinawatra.
- Thai Politics: A State of Suspended Animation.
- Thailand's Bloody Election: Results and Meanings.
- The Monarchy and the Thai Political Crisis.
- The Preah Vihear Temple Case: What Happens Now?

Trends in Southeast Asia

The Thailand Studies Programme wrote the following article for the Trends in Southeast Asia series:

- *China's Economic Engagement with Southeast Asia: Thailand.*

Book

Visiting researchers worked on the following book project on Thailand:

- *Good Coup Gone bad: Thailand's Development since Thaksin's downfall.*

Vietnam Studies Programme

(Coordinator: Mr Daljit Singh)

In 2013–14, a functioning Vietnam Studies Programme was established virtually from scratch.

It comprises three researchers: Dr Ha Hoang Hop, a former advisor to the Government and Communist Party of Vietnam who, as a scholar, still follows Vietnam's domestic politics closely; Dr Huong Le Thu, a recent PhD graduate, who concentrates on Vietnam-China relations from the perspective of Vietnamese civil society; and Dr Jason Morris-Jung, also a recent PhD graduate, who works on foreign investments in natural resource extraction in Vietnam and their impact on society, politics and the environment.

Areas Covered

- Vietnam's political economy, political development and decision-making mechanisms.
- Vietnam's foreign policy, especially relations with China, the United States and ASEAN.
- The intersections of Vietnamese politics, society and environment, specifically the controversy over bauxite mining in the Central Highlands of Vietnam.
- Foreign investments in natural-resource extraction in Vietnam and its political economy implications.

Seminars, Forums and Briefings

The Vietnam Studies Programme organized the following four public seminars:

- The Political Economy of Vietnam's Economic Relations with China.

- The Economic Determinants of Vietnam's South China Sea Dispute with China.
- The (Existential) Challenges Facing the Party-State of Vietnam: How Will It Cope?
- Trafficking in Persons in Vietnam: Responding to the Human Security Threat.

Vietnam Studies Programme researchers also gave several in-house seminars on Vietnam.

ISEAS Perspective

- *Bumper Harvest in 2013 for Vietnamese Diplomacy.*

- *The One Party-State and Prospects for Democratization in Vietnam.*
- *The Seventh Plenum of the Communist Party of Vietnam: The Gains of the Central Committee.*
- *South China Sea Disputes Keep Vietnam-China Relations Cold.*

Trends in Southeast Asia

The Programme also published a longer paper in ISEAS' Trends in Southeast Asia series. The paper was a study of Vietnam's current political system and political economy. It appeared under the title *More Change Awaits Vietnam's Political Economy.*



Madam Pham Chi Lan, Former General Secretary and Executive Vice President, Vietnam Chamber of Commerce and Industry (VCCI) and Economic Advisor to Former Prime Minister Phan Van Khai, delivered the Luncheon Speech on "Vietnam under the New Government" at the Vietnam Forum 2013: Emerging Business Opportunities, held in Orchard Hotel Singapore on 30 October 2013.

ASEAN Studies Centre (ASC) *(Head: Mr Rodolfo C. Severino)*

The ASEAN Studies Centre (ASC) was inaugurated in July 2008 by Prime Minister of Singapore, Lee Hsien Loong, on the occasion of the ASEAN Ministerial Meeting to study ASEAN as an association and process. ASC has since been contributing to the Institute actively in the form of policy research, publications, seminars, conferences, workshops, book launches and training programmes.

The Centre has also been undertaking studies related to ASEAN which have resulted in several publications. These include:

- A study on the ASEAN Economic Community (AEC) by 2015 together with the Asian Development Bank. This resulted in a publication, *The ASEAN Economic Community: A Work in Progress*, launched in Yangon, Singapore, Manila and Jakarta followed by seminars.
- Assisting Myanmar's government in its preparations for the 2014 ASEAN Chairmanship in partnership with the Sasakawa Peace Foundation.
- Participation by ASC's researchers in the first phase of a three-phase ASEAN-Japan project to study the role of ASEAN-Japan partnership in regional community-building

in ASEAN and in East Asia — “ASEAN-Japan Strategic Partnership for Southeast Asia”.

Some of the events that ASC researchers presented, spoke at and moderated include:

- ASC's flagship event, the annual ASEAN Roundtable, held on 30 May 2013. The 2013 edition focused on the mid-term review of the ASEAN Political-Security Community Blueprint and political cooperation in ASEAN.
- Workshop on Understanding the Regional Comprehensive Economic Partnership (RCEP) and the Trans-Pacific Partnership (TPP) Agreements, held in ISEAS on 25 October 2013. Participants included senior government officials and private sector representatives.

Numerous *ISEAS Perspective* articles were authored by ASC's researchers, accessible on the ISEAS website, under Research Outputs.

ASC has been active in public outreach through interviews in mainstream media, regular updates on its website as well as social media — Facebook and Twitter. ASC has also been in talks with other research institutions and the media on matters related to ASEAN.



Dr Wilhelm Hofmeister, Regional Representative for Southeast Asia, Konrad Adenauer Stiftung, Singapore (extreme left) launched the ISEAS publication ASEAN Economic Community Scorecard: Performance and Perceptions in the Institute of Southeast Asian Studies with Mr Tan Chin Tiong, Director, ISEAS (centre) at the ASEAN Roundtable 2013 on 30 May 2013. The book was edited by Ms Sanchita Basu Das, Lead Researcher for Economics Affairs, ASEAN Studies Centre, ISEAS. HRH Prince Norodom Sirivudh, Founder and Chairman, Board of Directors of the Cambodian Institute for Cooperation and Peace (CICP) was present to chair one of the sessions in the ASEAN Roundtable 2013.

Nalanda-Sriwijaya Centre (NSC)
(Head: Dr Ooi Kee Beng, until 31.12.2013)
(Head: Dr Derek Heng Thiam Soon, since 1.1.2014)

Major Activities

NSC convened three international conferences in the year. The conference “Framing ‘Asian Studies’: Geopolitics, Institutions and Networks” was organized in Leiden in partnership with the International Institute of Asian Studies (IIAS,

Leiden) on 18–19 November 2013. The conference examined the *power structure* entrenched within institutional modes of production and consumption of knowledge on “Asian Studies”. The conference “Cultural Transfer in Historical Maritime Asia: Austronesian-Indic Encounters” was held in Singapore on 2–3 December 2013. This conference examined the dynamics of Austronesian connectivity before and during the period of the Indic-Austronesian encounter. The Myanmar Ceramics Symposium was co-organized with the



Professor Wang Gungwu, Chairman of ISEAS Board of Trustees; University Professor, NUS and Chairman, Management Board, East Asian Institute, National University of Singapore (on the right) presented a token of appreciation to Professor Emeritus Robert K. Dentan, Department of Anthropology, College of Arts and Sciences, University of Buffalo, State University of New York, during the Conference on Cultural Transfer in Historical Maritime Asia: Austronesian-Indic Encounters at the Institute of Southeast Asian Studies on 2–3 December 2013. Professor Emeritus Robert K. Dentan presented his keynote address on “Fearsome Bleeding, Boogeyman Gods and Chaos Victorious: A Conjectural History of Insular South Asia Religious Tropes” during the Conference.

Myanmar Academy of Arts and Sciences, Myanmar Ceramic Society and the University of Yangon's Department of Archaeology on the university's premises on 3–4 March 2014. Expert collaboration between NSC-AU and its Myanmar counterparts aimed to consolidate knowledge about Myanmar glazed ceramics leading to a first-ever English-language publication on the subject. A seminar on "Digital Humanities in Asian Studies" was convened on 29 May 2013. This seminar signifies NSC's commitment to the utilization of digital technology to collect and disseminate knowledge that is pertinent to premodern Southeast Asian and intra-Asian interactions.

The Nalanda-Sriwijaya Lecture Series

Eight lectures were organized in the Nalanda-Sriwijaya Lecture Series throughout the year:

- Albert Tzeng, "Framing Sociology in Taiwan, Hong Kong and Singapore", 12 April 2013.
- E. Edwards McKinnon, "Ancient Fansur, Aceh's 'Atlantis': The Case for Lhok Panca/ Indrapurwa", 3 May 2013.
- Phon Kaseka, "Research at the Cheung Ek Archaeological Site", 17 June 2013.
- Mai Lin Tjoa-Bonatz, "Settlement Archaeology of Late 14th to 17th Century in West Sumatra", 24 June 2013.
- Ding Choo Ming, "The Reworking of Hindu Epics in the Hands of Javanese-Malay Authors", 18 July 2013.
- Alexandra Landmann, "Connecting the Past–Past to the Present: Social Control among the Baduy Tribe", 31 July 2013.
- Ding Choo Ming, "Can *Pantun* be Symbol of Cultural Identity for Nusantara in 21st Century and Beyond?" 27 February 2014.
- Thomas Borchert, "Cooperation or Conflict? Thinking about the Implication of National and Religious Identity of Monks in Thailand", 7 March 2014.

Visiting Researchers

NSC hosted four researchers at various stages of their research projects. Their NSC residency also helped consolidate NSC's research focus on intra-Asian connectivity and Southeast Asian State Formation. IIAS-ISEAS Postdoctoral Fellow Dr Albert Tzeng carried out further research to turn his PhD thesis "Framing Sociology in Taiwan, Hong Kong and Singapore" into a monograph for publication. Visiting Fellow Dr Alexandra Landmann helped to co-organize the NSC conference "Cultural Transfer in Historical Maritime Asia: Austronesian-Indic Encounters". Visiting Senior Fellow Dr Ding Choo Ming worked on Malay and Indonesian literary development within the framework of Indic-Nusantaran interaction. Visiting Senior Fellow Dr Anthony Day worked on his book project "Modern Southeast Asia: Region, History, and Culture in Global Perspective".

Publications

Ten books dealing with literature, economic history, diaspora and trans-regional philosophy were published in 2013 under the Nalanda-Sriwijaya Series. These books, written or edited by prominent scholars of the region, have been well received and are seen as valuable contributions to Southeast Asian scholarship.

- *Offshore Asia: Maritime Interactions in Eastern Asia before Steamships*, edited by Fujita Kayoko, Momoki Shiro and Anthony Reid (Singapore: ISEAS, 2013).
- *Eurasian Influences on Yuan China*, edited by Morris Rossabi (Singapore: ISEAS, 2013).
- *The Sea, Identity and History: From the Bay of Bengal to the South China Sea*, edited by Satish Chandra and Himanshu Prabha Ray (Singapore: ISEAS, 2013).
- *Of Palm Wine, Women and War: The Mongolian Naval Expedition to Java in the 13th Century*, by David Bade (Singapore: ISEAS, 2013).
- *Literary Migrations: Traditional Chinese Fiction in Asia (17th–20th Centuries)*, edited by Claudine Salmon (Singapore: ISEAS, 2013).
- *Early Southeast Asia Viewed from India: An Anthology of Articles from the Journal of the Greater India Society*, edited by Kwa Chong-Guan (New Delhi: Manohar, 2013).
- *Buddhism and Islam on the Silk Road*, edited by Johan Elverskog (Singapore: ISEAS/University of Pennsylvania Press, 2013).
- *The Tongking Gulf through History*, edited by Nola Cooke, Li Tana and James A. Anderson (Singapore: ISEAS/University of Pennsylvania Press, 2013).
- *The Royal Hunt in Eurasian History*, edited by Thomas T. Allsen (Singapore: ISEAS/University of Pennsylvania Press, 2013).
- *Ethnic Identity in Tang China*, by Marc S. Abramson (Singapore: ISEAS/University of Pennsylvania Press, 2013).

The NSC Working Paper Series published three online working papers, including an analysis of food symbolism in the martial arts scenes of Old Javanese *Kakawins*, written by Jiri Jakl of Queensland University; an overview of the VOC beginnings of Javanese archaeology, by independent scholar Roy Jordaan; and Christoph Marcinkowski's survey of Persians and Shi'ites in Thailand from the Ayutthaya period to the present.

- *Warriors Killed, Sliced as Cucumber: Food Symbolism in the Martial Arts Scenes of Old Javanese Kakawins*, Nalanda-Sriwijaya Centre Working Paper No. 13, by Jiri Jakl (June 2013) <http://www.iseas.edu.sg/nsc/documents/working_papers/nscwps013.pdf>.
- *The Lost Gatekeeper Statues of Candi Prambanan: A Glimpse of the VOC Beginnings of Javanese Archaeology*, Nalanda-Sriwijaya Centre Working Paper No. 14, by Roy Jordaan (September 2013) <http://www.iseas.edu.sg/nsc/documents/working_papers/nscwps014.pdf>.

- *Persians and Shi'ites in Thailand: From the Ayutthaya Period to the Present*, Nalanda-Sriwijaya Centre Working Paper No. 15, by Christoph Marcinkowski (February 2014) <http://www.iseas.edu.sg/nsc/documents/working_papers/nscwps015.pdf>.

Archaeology Unit (AU)

(Head: Assoc Prof John Miksic)

The Archaeology Unit, which is part of the NSC, was officially inaugurated by HE President S.R. Nathan on 23 August 2011. The AU conducts excavations in Singapore, concentrating on the material culture of the period from 1300 to 1600, but also maintains an interest in the lives of Singapore's inhabitants during the colonial period of the 19th and early 20th centuries. The AU also collaborates with institutions in the Asia and Pacific regions to conduct research and training and to disseminate published and unpublished reports on archaeological research.

The AU has been involved in several field research projects in Singapore between April 2013 and March 2014. In May 2013, personnel from AU conducted an evaluation at the Cathedral of the Good Shepherd prior to the proposed redevelopment of the church's grounds, revealing traces of possible remains from the old convict station (c.1825–75).

The AU has provided archaeological expertise for Dr Hui Yew Foong's Bukit Brown documentation project since 2012. The project is currently ongoing and the AU's personnel are on site weekly to assist with the documentation and processing of artefacts.

In addition, several watching briefs were conducted for sites under development: the National Art Gallery, Victoria Concert Hall, and the Singapore River Diversion. These sites were partially excavated in previous years by archaeologists, and the watching brief permits the monitoring of the site during construction, where significant pockets of archaeological materials have been uncovered.

As for overseas collaborations, in October 2013, a trial excavation was conducted at Blanjong, South Bali as a joint project by the AU and Universitas Udayana. This excavation was conducted over two weeks where traces of an ancient 12th–14th century settlement have been discovered.

The AU also coordinated the second NSC Archaeological Field School, which was held in Phnom Penh (Cambodia) and Singapore on the 30 May to 17 July 2013. The field school was conducted in collaboration with the Royal Academy of Cambodia and included twelve participants from the East Asia Summit countries and two additional Cambodian participants for the Cambodian segment. At the field school, students assisted in the documentation and excavation of an ancient Cambodian pottery kiln site at Cheung Ek.

The AU also conducted a Myanmar-Singapore Archaeology Training and Research Project in collaboration with the Myanmar Ministry of Culture and the University of Yangon Department of Archaeology from 27 December 2013 to 12 January 2014 in Yangon, Pyay and Bagan. The objective of the project was to gather data on life in the ancient royal palace of Bagan. ISEAS funded ten participants for the training project. Participants learnt about ceramics as an analytical tool and processed ceramic artefacts which were excavated from the two 11th-century palace sites of Anawrahta and Kyanzittha.

The AU has also hosted several lectures: “Ancient Fansur, Aceh’s ‘Atlantis’: The Case for Lhok Pancu/Indrapurwa” by Dr E. Edwards McKinnon (3 May 2013); “Research at the Cheung Ek Archaeological Site” by Mar. Phon Kaseka (17 June 2013); and “Settlement Archaeology of Late 14th to 17th Century in West Sumatra” by Dr Mai Lin Tjoa-Bonatz (24 June 2013).

Singapore APEC Study Centre
(Director: Mr Tan Chin Tiong)
(Centre Coordinator: Ms Sanchita Basu Das)

The Singapore APEC Study Centre was established at ISEAS in 1994 by the Ministry of Education, Singapore. The Centre’s functions are executed through the Regional Economic Studies (RES) Programme. The objectives of the Centre are to undertake analytical research, disseminate information and facilitate discussions on

APEC-related matters, and promote linkages with APEC-centric institutions, such as the APEC Secretariat and the APEC Policy Support Unit (PSU), the Pacific Economic Cooperation Council (PECC) and other APEC Study Centres.

In 2013, under Indonesia’s Chairmanship and the theme of “Resilient Asia-Pacific, Engine of Global Growth”, APEC focused on three key priorities: (a) attaining the Bogor Goals; (b) sustainable growth with equity; and (c) promoting connectivity. The Singapore APEC Study Centre worked in line with these priorities and produced outputs on trade facilitation, infrastructure investment, regional integration and global supply chain management.

Key Activities in the Centre:

- On 3 April 2013, the Singapore APEC Study Centre held a Symposium on “Building APEC and ASEAN Connectivity: Areas of Mutual Interest and Prospects of Cooperation”. Dr Alan Bollard, Executive Director of APEC, delivered the Keynote Address. In addition, Mr Arto Suryodipuro, Director, Intra-regional Cooperation of Asia Pacific and Africa, Ministry of Foreign Affairs, Indonesia, delivered the Address by the APEC 2013 Chair. The Symposium comprised five panels discussing supply chain and APEC and ASEAN connectivity, resource mobilization, and public-private partnerships.

- On 16 May 2013, the Centre held a seminar on “Sustainable Growth in a Challenging Landscape: Asia and the Pacific”. A panel of three experts — Dr Ravi Balakrishnan, IMF Resident Representative (Singapore); Ms Qunyh Le, Analyst (APEC Policy Support Unit); and Mr Eduardo Pedrosa, Secretary General (Pacific Economic Cooperation Council) — discussed factors affecting global and regional growth in 2013.
- Dr Francis Hutchinson represented ISEAS and the Singapore APEC Study Centre at the APEC Senior Officials’ Meeting (SOM) Roundtable on Connectivity Initiatives in the Asia-Pacific on 4 July in Medan, Indonesia. The Roundtable was held at the sidelines of the Third APEC SOM. It provided a platform for APEC Senior Officials, academics and scholars, business representatives and officials from ASEAN and G20 member states to garner ideas on connectivity in the region.
- Dr Lee Poh Onn, on behalf of the Singapore APEC Study Centre, took part in the 2013 APEC Study Centre Consortium (ASCC) conference in Jakarta, Indonesia, on 26–27 July. He submitted a paper and delivered his presentation titled “The APEC’s Model of Green Growth: Challenges and the Way Forward”.
- On 19 September 2013, the Centre held a seminar on “Developments in the TPP and Possible Outcomes”. Dr Deborah K. Elms,

Head of the Temasek Foundation Centre for Trade and Negotiations (TFCTN) and Senior Fellow of International Political Economy at the S. Rajaratnam School of International Studies (RSIS), provided a comprehensive picture on the TPP process, the current status of the negotiations and offered some predictions on future outcomes.

- On 19 November 2013, the Centre held a seminar on the “The Next Wave of Growth: Structural Reform”. The seminar focused on the Pacific Economic Cooperation Council’s annual publication, “State of the Region 2013–2014”, and the key discussions that took place during the APEC 2013 Leaders’ Week (7–8 October) in Bali, Indonesia. Taking part were knowledgeable personalities — Mr Eduardo Pedrosa, Secretary General of PECC; Dr Alan Bollard, Executive Director of the APEC Secretariat and Professor Christopher Findlay, Vice-Chair of the Australian Committee of the PECC and Executive Dean, Faculty of the Professions, University of Adelaide, Australia.

Eight articles written by ISEAS Fellows were published as *ISEAS Perspective*:

- *Southeast Asia’s Largest Economy Needs Vast Improvements in Infrastructure*, Francis Hutchinson, 18 April 2013.
- *Promoting Regional Infrastructure for Trade and Investment*, Sanchita Basu Das and Pham Thi Phuong Thao, 2 May 2013.

- *Addressing Infrastructure Financing in Asia*, Sanchita Basu Das and Catherine Rose James, 6 May 2013.
- *APEC and ASEAN Connectivity: Areas of Mutual Interest and Possibility of Cooperation*, Sanchita Basu Das, Pham Thi Phuong Thao and Catherine Rose James, 8 May 2013.
- *The TPP as a Tool to Contain China: Myth or Reality?* Sanchita Basu Das, 17 May 2013.
- *Trans-Pacific Partnership to Face 21st Century Challenges*, Aekapol Chongvilaivan, 7 October 2013.
- *Is APEC's Relevance Fading?* Sanchita Basu Das, 20 January 2014.
- *APEC 2013–2014: Continuing to Connect*, Reema B. Jagtiani and Francis E. Hutchinson, 3 February 2014.

For public outreach, the Singapore APEC Study Centre regularly updates its website. It contains research outputs delivered by ISEAS Fellows/ Visiting Fellows and summary reports of seminars/ conferences organized by the Centre. In addition to ISEAS publications on APEC, the website provides links to APEC Study Centre Consortium annual reports as well as links to the APEC Secretariat/ Policy Support Unit, the Pacific Economic Cooperation Council and the other APEC Study Centres.

Public Affairs Unit

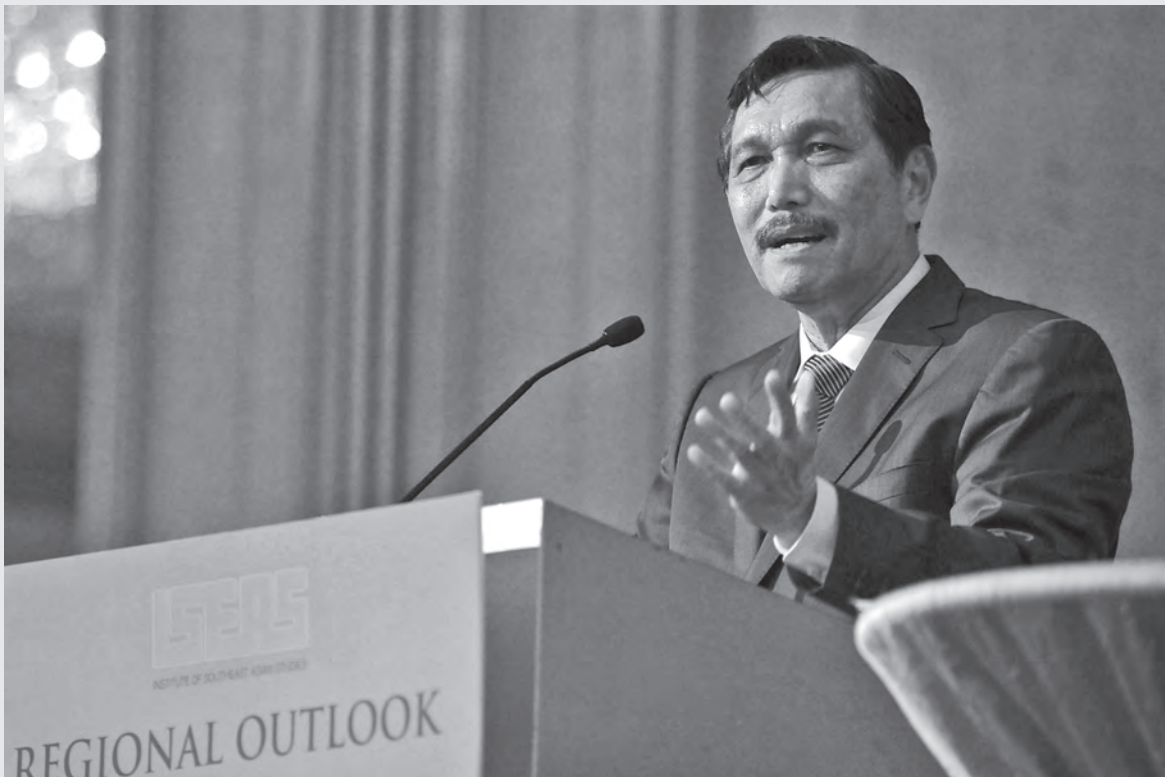
(Head: Mr Tan Keng Jin)

In FY2013/14, the Public Affairs Unit (PAU) was involved in the preparation, organization and performance of forty-three meetings and briefings; seven Outreach Programme for University Students (OPUS) lectures and nine public lectures, seminars, forums and ceremonies.

VIP Visits

PAU assisted in the arrangements of visits by

foreign and local dignitaries to ISEAS. In 2013–14, it received numerous foreign dignitaries, which included HE Mr Shinzo Abe, Prime Minister of Japan; HRH Prince Mohamed Bolkiah, Minister for Foreign Affairs and Trade, Brunei Darussalam; HE Mr Villy Søvndal, Minister for Foreign Affairs, Kingdom of Denmark; and General TNI (Ret) Luhut Binsar Pandjaitan, Former Minister of Trade and Industry, Republic of Indonesia.



Gen TNI (Ret) Luhut Binsar Pandjaitan, President Commissioner, PT Toba Sejahtera and Former Minister of Trade and Industry, Republic of Indonesia, 2000–2001, the Luncheon Speaker for ISEAS Regional Outlook Forum 2014, spoke on “Indonesia in Southeast Asia: 2014 and Beyond” at the Shangri-La Hotel on 9 January 2014.

Singapore VIPs who visited ISEAS or attended its functions included Mr S.R. Nathan, 6th President of Singapore; Mr Tharman Shanmugaratnam, Deputy Prime Minister and Minister for Finance, Singapore; Mr K. Shanmugam, Minister for Foreign Affairs and Minister for Law, Singapore; Mr Lawrence Wong, Acting Minister for Culture, Community and Youth and Senior Minister of State, Ministry of Communications and Information, Singapore; and Mrs Josephine Teo, Minister of State, Ministry of Finance and Ministry of Transport, Singapore.

Students' Visits (OPUS)

The OPUS programme saw undergraduates from (a) Princeton University, United States; (b) University of Southern California, United States; (c) Mahasarakham University, Thailand; (d) Niigata University, Japan; (e) Syracuse University, New York, United States; (f) Seoul National University, Republic of Korea; and (g) the Victoria University of Wellington, New Zealand. These one- to two-day lectures were tailor-made to the requirements of the visitors and typically covered issues pertaining to Singapore and Southeast Asia.

Briefings — Forty-three Meetings and Briefings

This year, PAU coordinated and participated in briefings on Southeast Asia and ASEAN

countries to visitors from Australia, Denmark, China, Japan, Korea, Myanmar, Sweden, Thailand, Vietnam, the United Kingdom and the United States. The visitors were individuals or delegations and came from embassies, government ministries, universities, international organizations, and think tanks.

The Ministry of Foreign Affairs, Singapore also sent nine officers to ISEAS for briefings as part of their preparatory programme prior to their postings.

Seminars and Forums

In FY2013/14, PAU assisted in organizing one public lecture, two forums and five workshops/seminars. These were the (a) 33rd Singapore Lecture by HE PM Shinzo Abe; (b) Regional Outlook Forum 2014; (c) Vietnam Forum; (d) Symposium on Building APEC and ASEAN Connectivity: Areas of Mutual Interest and Prospects of Cooperation; (e) ISEAS-GRIPS Joint Workshop on ASEAN Japan Research Project; (f) Launch of UNESCAP "Economic and Social Survey of Asia and the Pacific 2013: Forward-looking Macroeconomic Policies for Inclusive and Sustainable Development"; (g) Indonesia Roundtable; and (h) High-Level Workshop on Understanding RCEP and TPP Agreements.



His Excellency Shinzo Abe, Prime Minister of Japan, delivered the 33rd Singapore Lecture on “Japan and ASEAN, Always in Tandem: Towards a More Advantageous Win-Win Relationship through My Three Arrows” at the Ritz-Carlton, Millennia Singapore on 26 July 2013. On HE Shinzo Abe’s left are Mr Tharman Shanmugaratnam, Deputy Prime Minister and Minister for Finance and Mr Wong Ah Long, Deputy Chairman, ISEAS Board of Trustees.

Others (Ceremonies/Book Launch)

PAU also organized the launch of HRH Prince

Mohamed Bolkiah's book, *Association: A Part of the World No Longer Apart*.



Mr S.R. Nathan, 6th President of Singapore and Distinguished Senior Fellow, ISEAS (on extreme left) launched the book Association: A Part of the World No Longer Apart written by HRH Prince Mohamad Bolkiah, Minister of Foreign Affairs and Trade, Negara Brunei Darussalam (centre) in the Ministry of Foreign Affairs, Singapore on 28 October 2013. Mr Wong Ah Long, Deputy Chairman, ISEAS Board of Trustees, was standing next to His Royal Highness during the book launch.

Publications Unit

(Head: Mrs Triena Ong, until 6.11.2013; Mr Ng Kok Kiong, since 18.11.2013)

Overview

FY2013/14 saw another productive year for ISEAS publications with a total of fifty new titles and sixteen reprints. Demand for e-books and e-chapters delivered via the platforms of the various aggregators and databases that ISEAS Publications is in partnership with remains strong and is expected to be so for the coming years.

Highlights

- ISEAS Publications Unit enhanced its website and payment by PayPal has now been enabled. Purchases over the website are now more secure and customers can get access to their PDF purchases immediately after paying for them.
- In the Unit's continual effort to disseminate research findings on Southeast Asia as widely as possible throughout the world, it worked with ten strategic partners to co-publish sixteen books during 2013–14. These partners included:
 - Asian Development Bank, Philippines;
 - Australian National University;
 - Cambodia Development Resource Institute;
 - East Asia Institute (National University of Singapore);
 - Manohar Publishers & Distributors, India;
 - Yayasan Obor, Indonesia;
 - IKMAS, Malaysia;
 - Penang Institute, Malaysia;
 - Strategic Information and Research Development Centre, Malaysia;
 - Palgrave Macmillan, UK.

In addition, some ISEAS books and selected chapters were also translated into various languages such as Bahasa Indonesia, Chinese, German and Vietnamese.

- Conversion to the epub format for ISEAS publications has taken place with the aim to cater to a wider range of devices such as iPads and smartphones. These e-books are now available through online retailers, including Apple's iBookstore, Amazon's Kindle Store, Barnes & Noble and Kobo.
- ISEAS publications are now also available through the University Press Content Consortium (UPCC) administered by Project MUSE. UPCC offers thousands of peer-reviewed digital books from over sixty-five major university presses and scholarly publishers.
- *Malaysia's Foreign Policy, the First Fifty Years: Alignment, Neutralism, Islamism* by Johan Saravanamuttu is one of the top five books shortlisted for the ICAS Book Prize 2013 under the Social Sciences category.

Staff Movement

Mrs Triena Ong left the position of Head, Publications Unit on 6 November 2013. The staff at the Unit would like to express their appreciation for Mrs Triena Ong's contributions. Mr Ng Kok Kiong was appointed Head, Publications Unit from 18 November 2013.

Library

(Head: Mr Pitt Kuan Wah)

The Collection

Acquisition of Published materials

The Library continues to actively build up its collection through acquisition of research materials relevant to ISEAS' research areas. In FY2013/14, the Library committed 38 per cent (\$127k) of its OOE to acquisition and collection building.

Books

The Library acquired 2,402 new titles, 1,328 (55 per cent) from purchases and the rest via donation, deposit and exchange with other institutions. The slight reduction in volume is due in part to a tightening of acquisition policy, where the research interests of ISEAS' researchers are more closely aligned with selection, and in part to the termination of the decade-long blanket-ordering agreement with the Library of Congress Jakarta Office.

The Library started to acquire a few e-books but is mindful of the long-term access risks associated with proprietary formats and online access IP rights. All eleven titles were purchased from Brill, an international publishing house that produces research-quality books in both print and electronic format as part of a trial to acquire more electronic materials. Brill was chosen because of its simple and

transparent business model which does not require special readers, but allows multiple library users to view and download the e-books in PDF format.

Serial Publications

As at 31 March 2014, the Library subscribed to 159 titles of journals and five annual statistical reports. As in the case of books purchased, ISEAS researchers were consulted on the renewal of serial publications, resulting in thirty-eight titles being discontinued and one new title added.

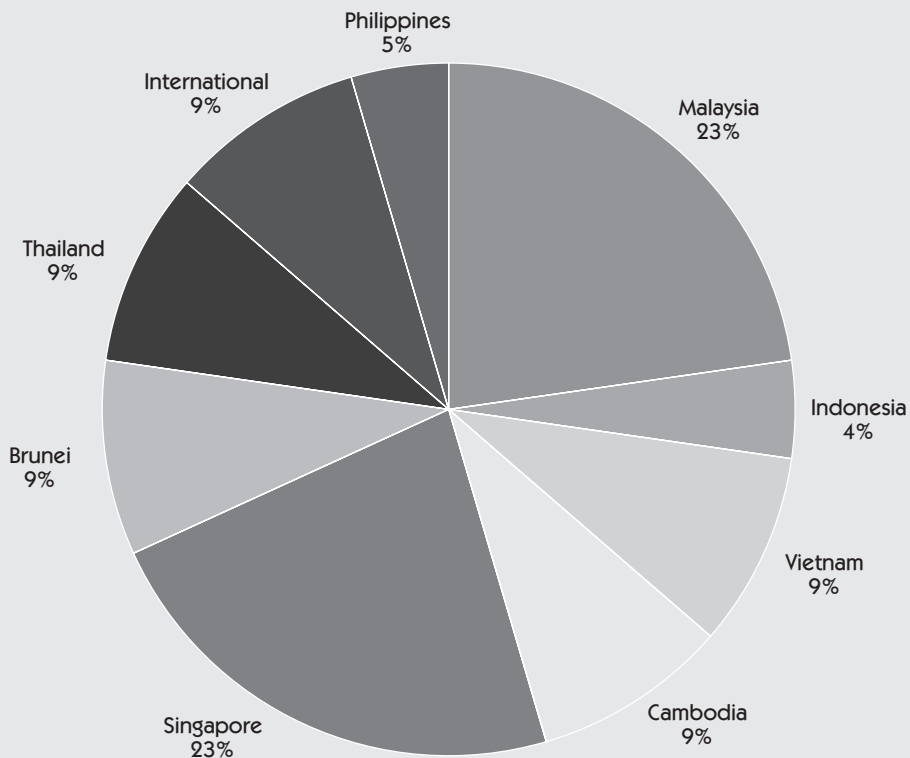
Databases

Four new databases were added to the existing EIU database — namely ProQuest, JSTOR, Project Muse and Stratfor Premium Global Intelligence Brief — bringing the total number of e-resource packages to five. This was made possible with the savings from the reduction in books and by cutting down on journal subscriptions that are also available in some of these databases.

Newspapers

As at 31 March 2014, the Library has subscribed to twenty-two regional and international newspaper titles, 68 per cent in hardcopy and 32 per cent in digital format (or both).

FIGURE 3
Newspapers by Region

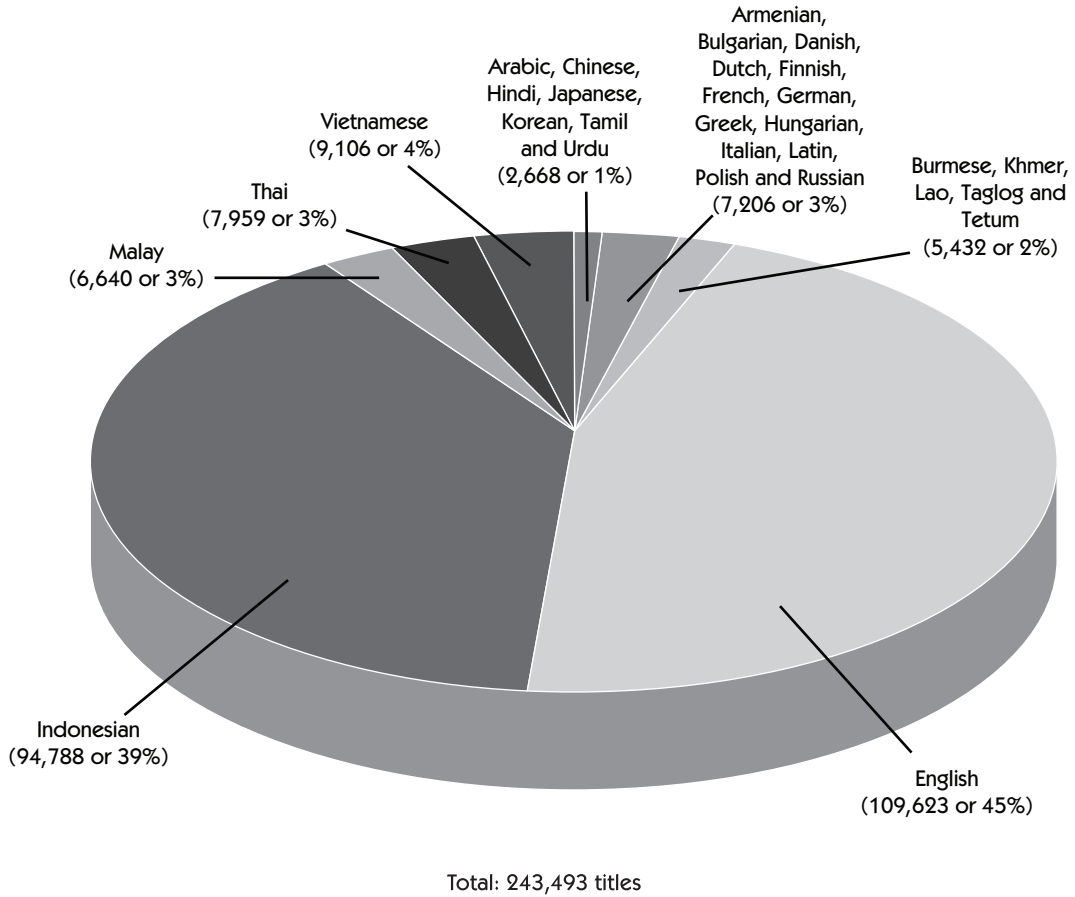


Country and Language Coverage of Collection

Of the entire Library collection, 67 per cent or 150,571 are titles on Southeast Asian countries.

In terms of language, vernacular languages of the region made up 52 per cent. Figure 4 shows the breakdown. These figures are similar to the previous year's figure of 51 per cent.

FIGURE 4
ISEAS Library Collection as at 31 March 2014



Digitization of Private Papers Collection for Online Access

Since 2013, the Library has been selectively scanning private collections to improve their user

access. For FY2013/14, some 88,950 pages were digitized from the following three collections: H.S. Lee, P.G. Lim and Ivan Polunin. The digital files are available for online access within the Library.

Digitization of Audiovisual Collection for Online Access

In the last quarter of FY2013/14, the Library started to plan for the migration of its entire audiovisual collection to a digital format, as many of the media carriers, such as C60/90 cassette tapes and VHS, are physically deteriorating and fast becoming obsolete. These audio and video titles are to be converted into more open and durable digital formats that meet both long-term access and immediate online access needs.

Cataloguing

Cataloguing of New Titles and Backlog Titles

The total cataloguing output for FY2013/14 was 5,930 titles (1,942 new titles and 3,988 backlog titles), representing a significant overall increase of 88 per cent from the past year (3,144). The drop in the number of new titles catalogued was due to the Library's decision to be more selective in acquiring new titles. Concurrently, the Library also implemented a new KPI to monitor the turnaround time of newly acquired materials. For FY2013/14, 95 per cent of the new books and journals took an average processing time of fourteen working days before being released on shelves for consultation and loan. A corresponding

info-alert highlighting the arrival of such materials was also sent out to researchers and ISEAS Library members on a monthly basis.

At the end of our backlog clearance exercise, 3,343 titles in vernacular languages still remained, consisting mainly of Indonesian (800), Vietnamese (441), Thai (1,202) and Burmese (900). The Library plans to seek help from libraries in the region to assist in steadily cataloguing them instead. Meanwhile these volumes have been transferred to open shelves so as to allow Library users to browse and borrow them with the minimum of metadata attached.

Cataloguing of Microfiche Titles

The Library started to catalogue a backlog of close to 38,000 microfiches, with the recruitment of five temporary staff in September. As at 31 March 2014, 9,015 titles have been catalogued. The remaining 28,635 titles are expected to be searchable online progressively over the next fifteen months.

Library Automation

SEALion Online Catalogue

Following the transfer of hosting from Australia back to ISEAS in April 2013, the Library has

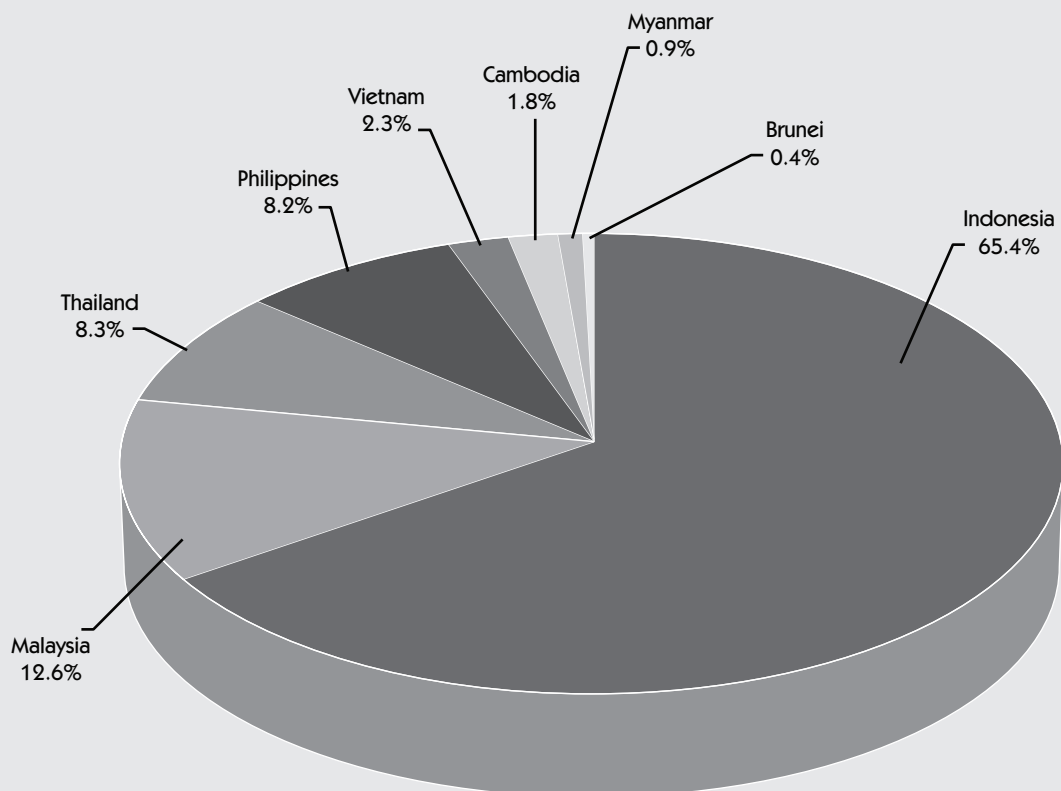
since achieved a faster database loading speed (down from 15 seconds to less than five seconds), in addition to seeing a drastic drop in bounce rate, from 49.7 per cent (Q4 FY2012/13) to 29.5 per cent (between May 2013 and March 2014) — a relative indication that users navigation is now more efficient and the online finding aid is more engaging and better utilized. Furthermore, the Library is now able to access

the backend system directly to make basic changes in real time to improve the look and feel of the search page, access loan transactions and track usage. Table 1 shows the breakdown of our virtual users by geographic region — 96.2 per cent of them came from Southeast Asia, with the majority from Singapore (86.6 per cent). Figure 5 shows the regional distribution excluding Singapore.

Table 1
Virtual Users of SEALion Online Catalogue

Region	Apr–Jun 2013	Jul–Sep 2013	Oct–Dec 2013	Jan–Mar 2014	Total
Africa	0	1	2	1	4
Americas	32	18	26	16	92
Europe	33	21	40	32	126
Oceania	37	8	11	25	81
Central Asia	0	0	2	0	2
East Asia	20	17	25	19	81
West Asia	2	2	1	1	6
South Asia	2	6	17	6	31
Southeast Asia	2,578	2,564	2,653	3,102	10,897
Undetectable sources	1	4	1	0	6
Subtotal	2,705	2,641	2,778	3,202	11,326

FIGURE 5
Breakdown of Virtual Users from Southeast Asian Countries (excluding Singapore)



Radio Frequency Identification (RFID) Tagging of Collections

The Library started the implementation of RFID in July 2013 and completed tagging the entire general collection of 154,995 volumes by 28 March 2014. Prior to the tagging exercise, the Library weeded out materials that were not cost effective to be tagged. The Library plans to continue to tag the rest of the 189,254 volumes from other collections of reference materials, including serial publications,

in April 2014 and complete the exercise within the next nine months.

Digitization of Deteriorating Microfilms

In December 2013, the Library embarked on a special project to digitize 18,046 reels of 35 mm format microfilms of regional newspapers. The urgent need arose when the microfilms — the majority of which are acetate-based and produced in the 1970s and 1980s — started to show varied

degrees of deterioration. The project is expected to complete within the next eighteen months, but access to the collection in digital form will be in progress. As of 31 March 2014, a total of 2,070 reels have been scanned, of which 49,948 images from 52 reels have been converted to PDF format for reference access.

Info-Alert Service

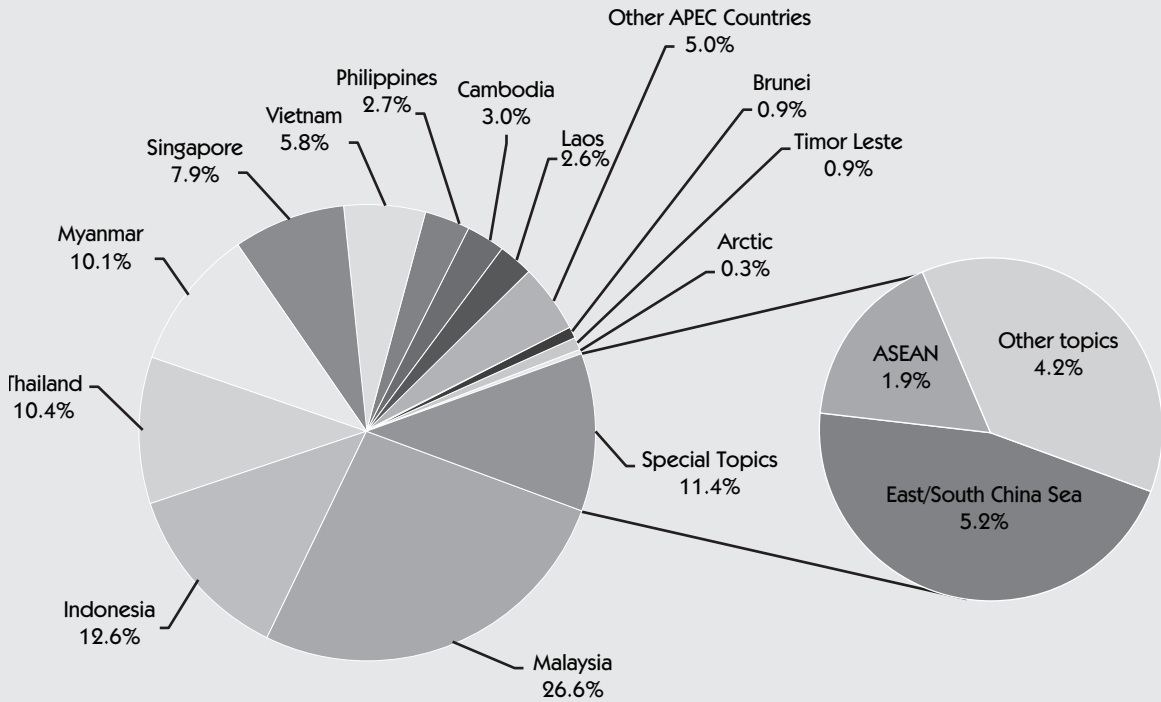
In July 2013, the Library rolled out “ISEAS Library

Selects” — an information alert service that contains links to selected news and blog articles covering Southeast Asia and special topics relevant to the research agenda of ISEAS. Over the six months that followed, the service expanded to cover a wider range of information (see Table 2). Between July 2013 and March 2014, some 16,500 articles were added to our collection. Figure 6 shows the breakdown of the regional coverage.

Table 2
Breakdown of Different Categories of Info-alerts Released

	Jul-Sep 2013	Oct-Dec 2013	Jan-Mar 2014	Total
Daily news alert	61	66	58	185
Weekly articles alert	10	14	11	35
Other info alerts (gift deposit, conference paper, arrival of new books, arrival of journals and magazines)	12	80	24	116
Total alerts released	83	160	93	336

FIGURE 6
Country/Topic Profile of the Archived News and Articles



Access, Library Users and Visitors

Library Access Policy Changes

The Library reviewed its access and loan policy twice in September 2013 and January 2014. The loan quota and loan period for both internal users and external users were extended to facilitate greater access to reference books and to reduce renewal frequency. To further encourage research and promote ISEAS' rich collections, the Library

also lifted restrictions on loans of journals and reference materials by both researchers and other libraries in Singapore (through inter-library loan). Previously such materials could only be consulted within the Library.

From January 2014, the Library has further relaxed its access policy by allowing Singaporean and Singapore Permanent Residents pursuing degree studies in local institutions to use the resources

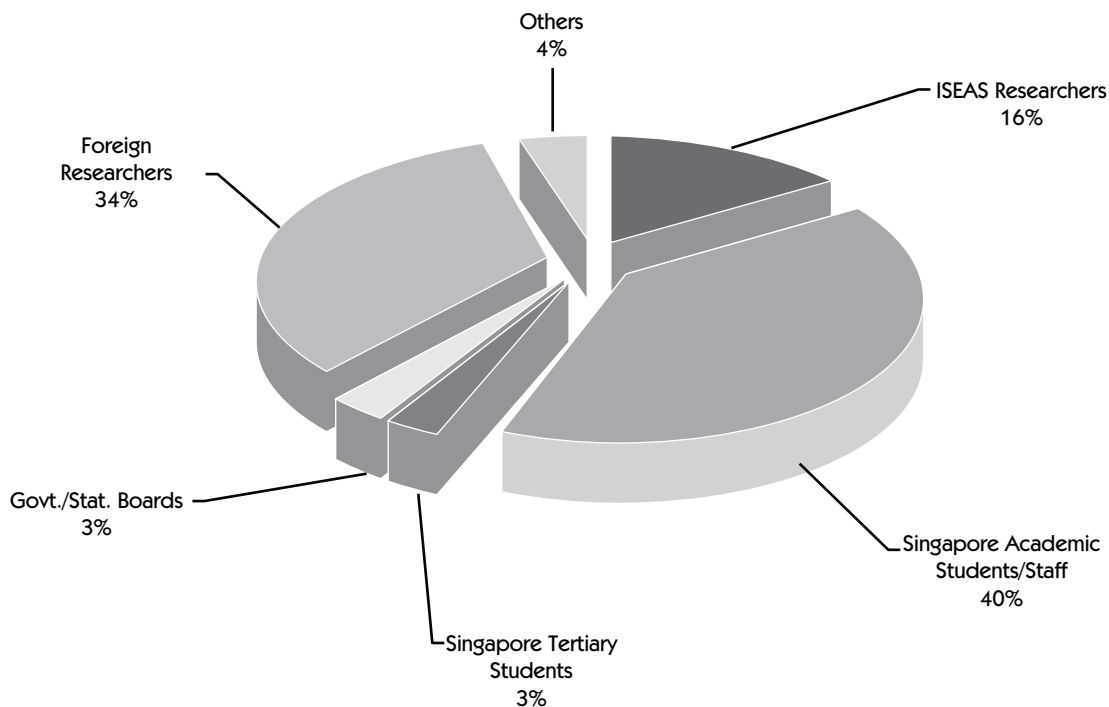
without the need to pay a refundable deposit. For further information see <<http://www.iseas.edu.sg/library-announcements.cfm#loanpriviledgestudents>>.

Library Membership

Out of a total of 828 members, the Library registered 353 new members in 2013, which

represents a 32 per cent increase from the previous year. The majority of new members are local academics from beyond ISEAS, reflecting the positive impact brought about by the change in access policy. Figure 7 shows the breakdown of new members by their affiliation.

FIGURE 7
New Member Registrations

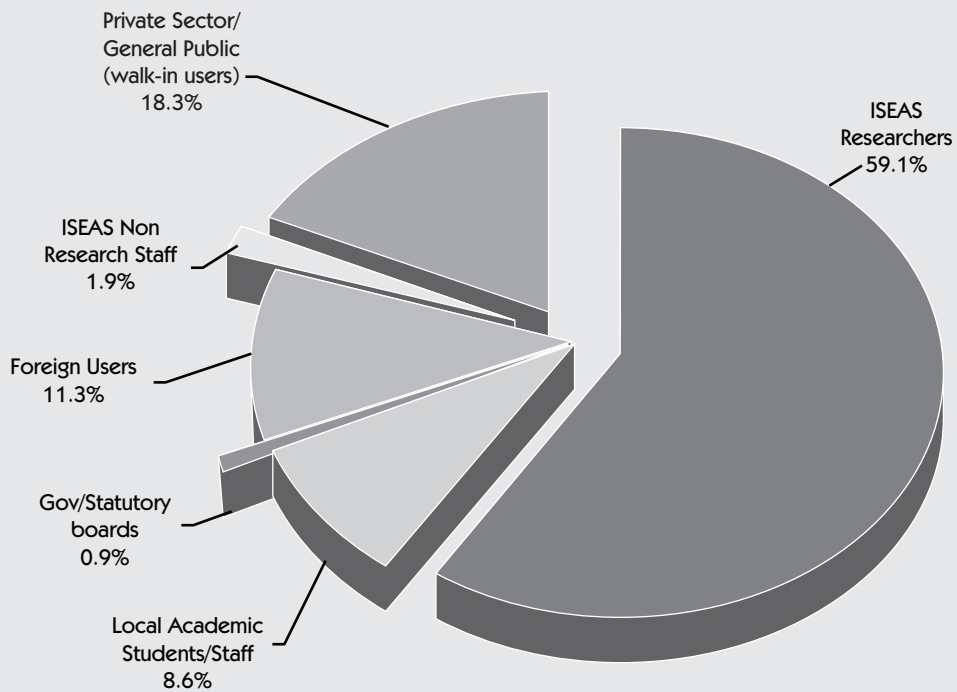


Library Visitors

A total of 3,265 users came to the Library to use its facilities and resources. Figure 8 shows that approximately 40 per cent of visitors are external users, which reflects a much higher degree of the awareness of ISEAS Library and its rich

collection on the region. The Library conducted 363 short briefing sessions for visitors from institutions such as ASEAN-Korean Centre, Indonesia Population and Family Planning Board, Charles Stuart University (Australia), and the State Islamic University (Indonesia).

FIGURE 8
Library Visitors



Library Web Portal Visits

The Library received a total of 4,594 virtual visitors accounting for 8,729 visits over the last twelve months. Of these visits, 74.2 per cent came from Southeast Asia, with the majority

(58.3 per cent) from Singapore. Figure 9 shows the breakdown of the virtual visits by continent/region. The breakdown of visits from Southeast Asian countries is tabulated in Table 3.

FIGURE 9
Library Web Portal Visits FY2013/14

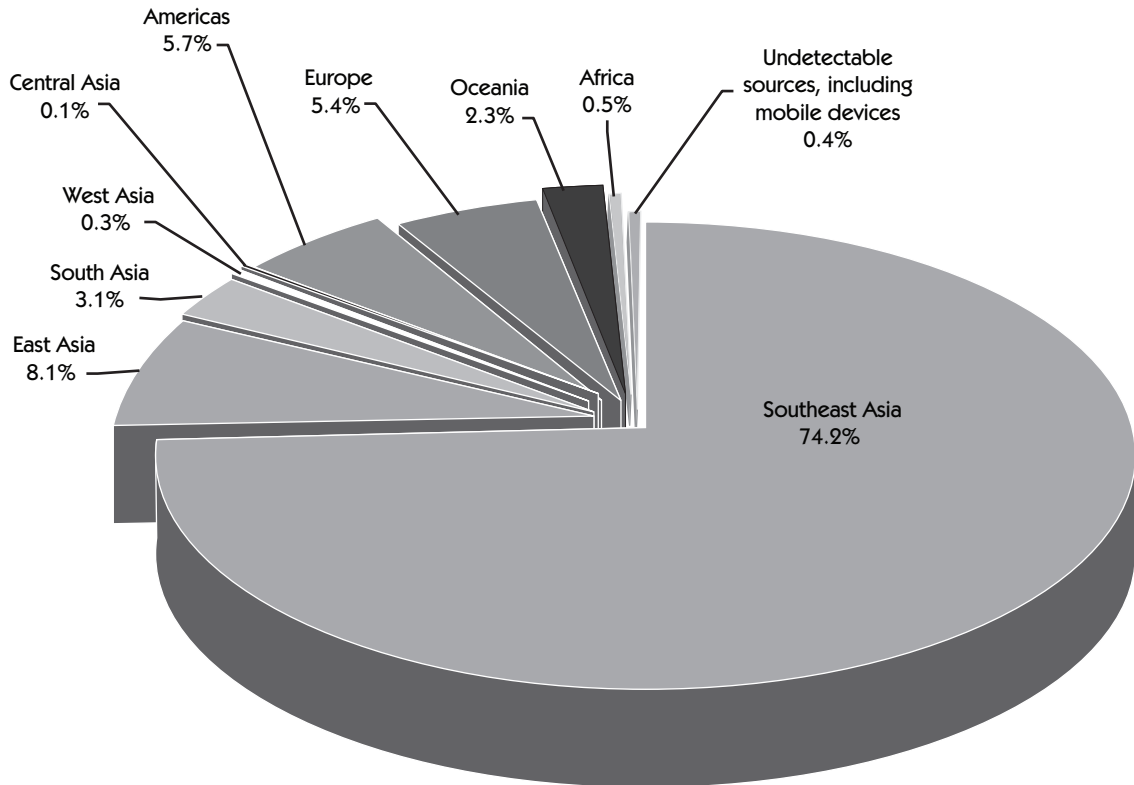


Table 3
Breakdown of Virtual Visitors by Southeast Asian Country

Country	Total Visits
Singapore	5,089
Indonesia	471
Malaysia	389
Thailand	228
Philippines	151
Vietnam	59
Cambodia	39
Brunei	24
Myanmar	22
Laos	5
Timor-Leste	1
Total	6,478

Reference and Information Services

Library Holdings

- 4,260 loans;
- 6,302 items browsed in the library;
- Top 3 most circulated titles:
 - *Parliamentary Debates: Official Report/* (Singapore Parliament);
 - *Southeast Asian Affairs* (Institute of Southeast Asian Studies);
 - 马共奇女子陈田夫人: 李明口述历史 (郑昭贤).

Downloads

- 6,170 articles downloaded from subscribed databases.

Reference Enquiries

- 410 reference enquiries answered;
- The majority of enquiries and requests to retrieve materials were fulfilled within thirty minutes.

User Feedback

The Library continually sought feedback from users on its collections and services so as to improve on them. A sample of feedback received is listed below:

1. Prof Epsy C. Farrell, Visiting Researcher
“The Library responded **immediately** to my request for access to the C.J. Koh Law Library at NUS, which has law of the sea materials I needed. Also, my suggestion through Daljit Singh that the 16th ed. of the *Chicago Manual of Style* be purchased to assist authors was acted upon immediately. I appreciate these **courtesies** and the **friendly, helpful** staff.”
2. Dr Arunajeet Kaur, ISEAS Fellow
“**Excellent** services and ambience.”
3. Mr Kai Ostwald, ISEAS Research Associate
“The ISEAS Library provided a very **supportive** environment in which to conduct my work. I had ready access to nearly all necessary research materials, with the exception of a few obscure documents which only the NUS library had. Most importantly, the research staff were **warm** and **welcoming**, and provided regular advice and support; this made my work possible. Thank you very much!”
4. Dr Joseph Milton, Associate Professor, University of Malaya
“I think the services currently provided are **excellent**. I have been able to use the H.S. Lee papers and Tan Cheng Lock papers with ease.”
5. Dr Vlad Vernygora, Lecturer, Tallinn University of Technology, Estonia
“The ISEAS Library is indeed a **fantastic** place for scholars and students of Asian integration.”
6. Dr Lee Poh Onn, ISEAS Researcher
“Thank you so much to the library for its **excellent** efforts to improve services and accessibility to ISEAS researchers and also the public.”
7. Dr Aekapol Chongvilaivan, ISEAS Fellow
“The library should tap on the online library of NUS or NTU so that staff can get access to a larger pool of online articles/books.”

Library Networks

Visit by IFLA Delegates

On 23 August 2013, the Library hosted thirty-six conference delegates from the 50th International Federation of Library Associations and Institutions (IFLA) Conference. The Library's collection, work of the librarians, and fumigation and digitization facilities were showcased during the visit.



Visit by IFLA Conference Delegates.



Briefing on library collection and services.



Conducted tour.



Raffles Girls School students on attachment.

Work Experience Programme for Raffles Girls School students

The Library conducted a two-week work experience programme for ten humanities students from Raffles Girls School (RGS) to learn about the

work of librarians. Highlights of the programme (3–14 June 2013) included drafting of thematic resource info-alerts to highlight library collections to researchers, numbering of private paper collections and transcriptions of oral history recordings.

Library Administration

Library Management Training by Ms Heather Brown

The Library engaged Ms Heather Brown (Assistant Director of Paper and Books in Artlab Australia and External Consultant, University of South Australia, School of Information Technology and Mathematical Sciences) to conduct customized in-house training on library collection management to thirteen staff members between 3 and 5 February 2014. As part of the Library's continuous efforts to network with other library professionals as well as assist other libraries in their training programmes, four external librarians from Indonesia's Lemhannas Library and Singapore Press Holdings were invited to join the training.

The training covered the following interconnected topic areas in a holistic way: collection development, collection management, preservation and conservation, integrating preservation management of physical and digital materials, project management, and disaster planning. ISEAS staff also took the opportunity to share their knowledge on the new Library Descriptive Standards, RDA that was introduced to the international library community in late March 2013. Head Library also contributed two sessions on repository housekeeping and the use of ISO and Singapore Standards as management instruments in defining conformity to open digital formats for long-term access and delivery in digitization service standards.



Library management training.

Administration

(Head: Mrs Y.L. Lee)

During the year, the Administration Unit continued to support the Institute's functions, comprising research, computing, library, publications and public affairs.

The Singapore Government's annual grant, through the Ministry of Education, is the major source of ISEAS funding. For FY2013/14, ISEAS received an operating grant of \$12,285,947, which included the IT/F&E operating grant of \$446,976.

- The operating grant was about 4.6 per cent higher than the grant of \$11,749,393 received in FY2012/13. The operating grant covered the cost of the physical infrastructure (building rental and maintenance), purchase and maintenance of equipment, library acquisitions and maintenance, staff salaries and some of the research and publication activities.
- In addition to the annual government grant, ISEAS also received a sum of \$2,215,932 from other sources in FY2013/14. These sources comprised donations, grants and

external contributions (international agencies, foundations, co-partners of research projects and conferences) and domestic private benefactors, as well as income from training programmes, public lectures and research consultancies. The largest grant of \$1,186,190 was donated by the Ministry of Foreign Affairs. The monies received from the various sources helped to fund fellowships and scholarships, research projects, conferences and seminars and some staff salaries.

The finance section was responsible for the accounting records kept to audit requirement and it also allocated incomes and expenditures to the different units of ISEAS (namely, Administration, Research, Library, IT Unit, Publications Unit, Public Affairs, ASEAN Studies Centre, Nalanda-Sriwijaya Centre) so as to provide better information and transparency.

The Institute wishes to express its appreciation to all donors and contributors for their generosity and support of its various intellectual activities.

FIGURE 10
Expenditure Funded from Recurrent Operating Grant by Units
for FY2013/14

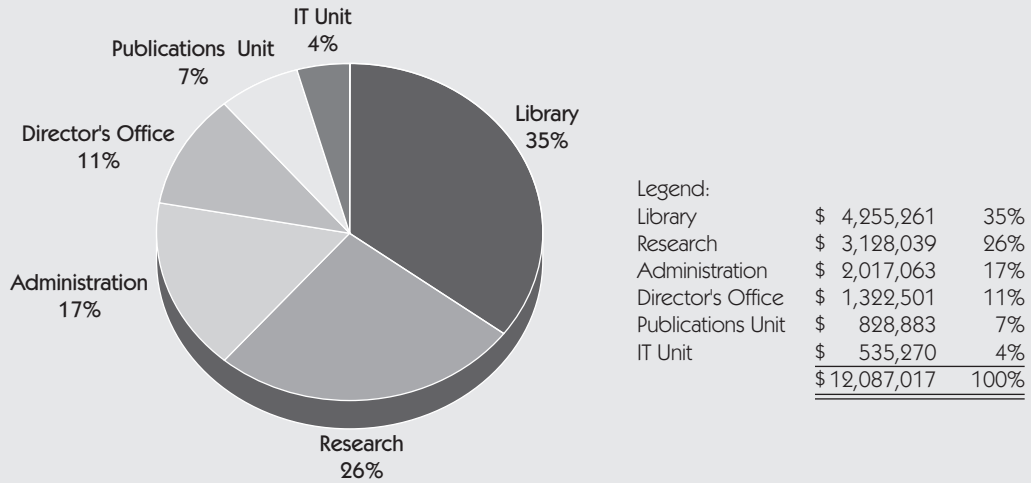


FIGURE 11
Expenditure Funded from Non-Recurrent Funding by Units
for FY2013/14

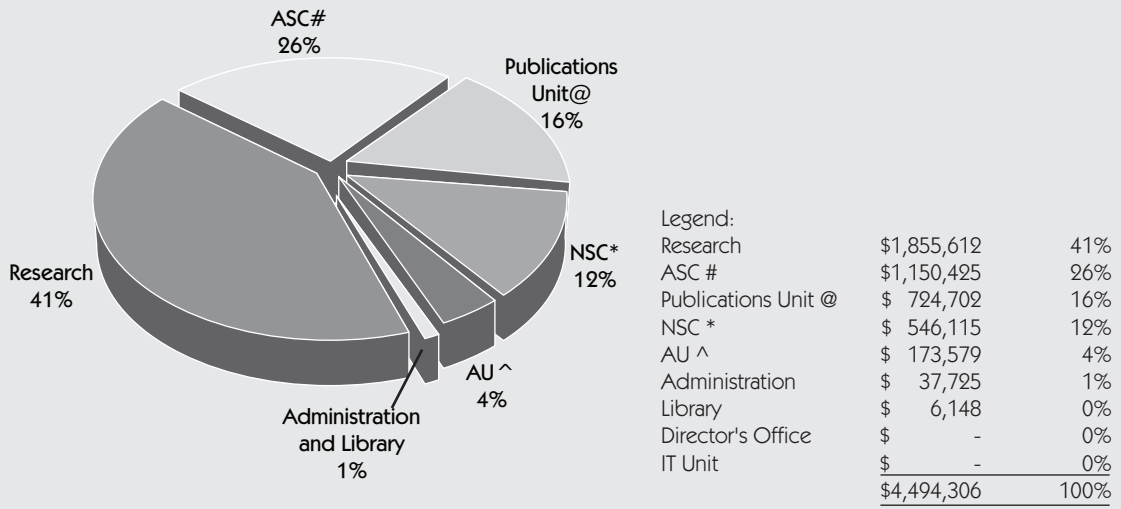
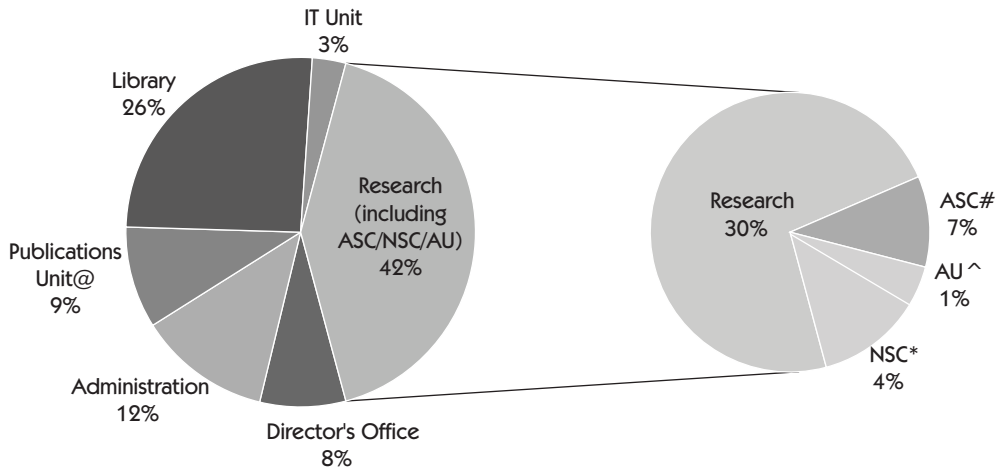


FIGURE 12
All Expenditure by Units for FY2013/14



Legend:		
Research	\$ 4,983,651	30%
Library	\$ 4,261,409	26%
Administration	\$ 2,054,788	12%
Publications Unit @	\$ 1,553,585	9%
Director's Office	\$ 1,322,501	8%
ASC #	\$ 1,150,425	7%
IT Unit	\$ 535,270	3%
NSC *	\$ 546,115	4%
AU ^	\$ 173,579	1%
	<u>\$16,581,323</u>	<u>100%</u>

Source: Unit budgeting FY2013/2014 (April 2013–March 2014)

* Nalanda-Sriwijaya Centre (NSC)

ASEAN Studies Centre (ASC)

^ Archaeology Unit under NSC (AU)

@ Includes Expenses of Publications Unit Sales of \$683,716

ISEAS Research Funds

IPC Registration Number : 542

UEN : T08CC3005F

IPC Registration Date : 12 December 2002

Registered Address : 30 Heng Mui Keng Terrace, Pasir Panjang, Singapore 119614

Objectives of the Fund

- To support ISEAS' programmes and activities pertaining to its scope of research studies.
- To provide funding support for the research activities through donations from private individuals and organizations, collections of registration fees from organizing of conferences, forums and seminars.

Management Committee

Appointment

Chairman

Secretary-cum-Treasurer

Name and Designation

Mr Tan Chin Tiong
CEO and Director
ISEAS

Mrs Y.L. Lee
Head, Administration
ISEAS

Funding Sources

In the Financial Year 2013/14, the IPC (ISEAS Research Funds) had received donations, contributions, grants and fees from organizations and individuals amounting to \$2.2 million. These funds will be used to finance the research activities of ISEAS.

Programmes and Activities

The IPC supports three main programmes:

1. RES (Regional Economic Studies)
The RES programme focuses on a range of economic issues in Southeast Asia. Key research areas include macro-economic developments in Southeast Asia, country-

level studies on issues relating to economic development, sub-national economic dynamics and cross-border linkages between countries in the region.

2. RSCS (Regional Social and Cultural Studies)

The RSCS programme is oriented towards the historical, sociological and anthropological examination of national and transnational processes within Southeast Asia. RSCS is concerned with ethnographic practices

and theory-building in the areas of contemporary histories, nation-building, ethnicity, religion, class and popular culture in the region.

3. RSPS (Regional Strategic and Political Studies)

The RSPS programme seeks to address strategic issues within and affecting the Southeast Asian region (and the wider Asia-Pacific) and to understand dynamics of political change within the regional states.

Key Office Holders (as at March 2014)

No	Name	Designation	Date Appointed
1	Mr Tan Chin Tiong	Director	1 Mar 2012
2	Dr Ooi Kee Beng	Visiting Research Fellow	1 May 2004
		Fellow	3 May 2005
		Senior Fellow	3 May 2010
		Deputy Director	1 Nov 2011
3	Mrs Y.L. Lee	Executive Secretary and Head, Administration	18 Jul 1983
4	Mr Pitt Kuan Wah	Head, Library	1 Nov 2012
5	Mr Ng Kok Kiong	Head, Publications Unit	18 Nov 2013
6	Mr Eric Wong Kok Hoong	Head, IT Unit	1 Nov 2013

Note: This page is a requirement of the Charities (Accounts & Annual Report) Regulations.

IT Unit

(Head: Mr Nagarajan Natarajan, until 31.10.2013; Mr Eric Wong Kok Hoong, since 1.11.2013)

The IT Unit serves the Institute by providing effective and timely IT services and support. In this main role, the Unit provides helpdesk and technical support to all ISEAS staff and researchers on desktop computers, devices, software, email, websites, and network/wireless connectivity.

Another important function of the Unit is the maintenance of the Institute's network infrastructure, with gigabit/Fast Ethernet for the backbone and connection to the desktop computers. Wide area connections include (failover) links to the ISPs for Internet access, and connection to the government Intranet. For backend infrastructure, the Unit maintains various servers and operating systems, databases, and server-side applications.

In other functions, the Unit develops and maintains IT policies (in compliance with IM8),

educates end users in IT security and desktop applications, as well as assists to administer the smartcard-based door access system and readers. In addition, the Unit is constantly on the look out for any existing or emerging technologies to further improve IT services and support or enhance user experiences and productivity.

For FY2013/14, the IT Unit has:

- Completed the development of the IT risk assessment and management programme;
- Assisted the Library in migrating the SEALion facility to a new Windows server;
- Assisted the Publications Unit in configuring the network and migrating the Bookshop website;
- Provided advice and assistance on the ROF website and event organization.

APPENDICES

2013 - 2014

Committees of the Board of Trustees

■ APPENDIX I

Executive Committee

Mr Tan Chin Tiong (Chairman)
Mr Abdul Rohim bin Sarip
Dr Cheong Wei Yang
Mr Lee Ark Boon (since 15.6.2013)
Mr Vanu Gopala Menon
Dr Ooi Kee Beng
Mr Pitt Kuan Wah
Mr M. Rajaram
Professor Tan Tai Yong
Mrs Y.L. Lee (also Secretary)

Investment Committee

Professor Wang Gungwu (Chairman)
Mr Wong Ah Long
Professor Lim Chin
Mr Phillip Overmyer
Mr M. Rajaram
Mr Wu Hsioh Kwang
Mr Tan Chin Tiong (ex officio)
Mrs Y.L. Lee (Secretary)

Fund-Raising Committee

Mr Wong Ah Long (Chairman)
Mr Abdul Rohim bin Sarip
Mr Rudy Marianto
Mr Rangarajan Narayanamohan
Mr Phillip Overmyer
Mr Wu Hsioh Kwang
Mr Tan Chin Tiong (ex officio)
Mrs Y.L. Lee (Secretary)

Audit Committee

Mr M. Rajaram (Chairman)
Dr Cheong Wei Yang
Mr Lee Kok Fatt
Professor Lim Chin
Mr Lim Kok Eng
Mr Tan Chin Tiong (ex-officio)
Mrs Y.L. Lee (Secretary)

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-
- 3 issues of *Contemporary Southeast Asia*
 - 3 issues of *Journal of Southeast Asian Economies*
 - 3 issues of *SOJOURN: Journal of Social Issues in Southeast Asia*

Audited Financial Statements

For the year ended 31 March 2014

Address

30 Heng Mui Keng Terrace
Pasir Panjang
Singapore 119614

Independent auditor

RSM Chio Lim LLP
Public Accountants and
Certified Public Accountants
Singapore

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Statement by Board of Trustees

In the opinion of the Trustees, the accompanying statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in general fund and other funds, statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Institute as at 31 March 2014 and of the results, changes in general fund and other funds and cash flows of the Institute for the reporting year then ended.

The Board of Trustees approved and authorised these financial statements for issue.


On behalf of the Trustees



PROF. WANG GUNGWU

Chairman

24 July 2014



MR TAN CHIN TIONG

Director

24 July 2014



MRS Y.L. LEE

Executive Secretary

24 July 2014

Independent Auditors' Report

to the Members of the Board of Trustees of the Institute of Southeast Asian Studies

Report on the Financial Statements

We have audited the accompanying financial statements of Institute of Southeast Asian Studies (the "Institute"), which comprise the statement of financial position as at 31 March 2014, statement of profit or loss and other comprehensive income, statement of changes in general fund and other funds, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of Institute of Southeast Asian Studies Act, Chapter 141 (the "Act") and Statutory Board Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Statutory Board Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Institute as at 31 March 2014 and the results, changes in general fund and other funds and statement of cash flows of the Institute for the year ended on that date.

Report on Other Legal and Regulatory Requirements

Management's Responsibility for Compliance with Legal and Regulatory Requirements

Management is responsible for ensuring that the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act. This responsibility includes implementing accounting and internal controls as management determines are necessary to enable compliance with the provisions of the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on management's compliance based on our audit of the financial statements. We conducted our audit in accordance with Singapore Standards on Auditing.

Independent Auditors' Report (continued)

We planned and performed the compliance audit to obtain reasonable assurance about whether the receipts, expenditure, investment of moneys and the acquisition and disposal of assets, are in accordance with the provisions of the Act.

Our compliance audit includes obtaining an understanding of the internal control relevant to the receipts, expenditure, investment of moneys and the acquisition and disposal of assets; and assessing the risks of material misstatement of the financial statements from non-compliance, if any, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Because of the inherent limitations in any accounting and internal control system, non-compliances may nevertheless occur and not be detected.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on management's compliance.

Opinion

In our opinion:

- (a) the receipts, expenditure, investment of moneys and the acquisition and disposal of assets by the Institute during the year are, in all material respects, in accordance with the provisions of the Act;
- (b) proper accounting and other records have been kept, including records of all assets of the Institute whether purchased, donated or otherwise;
- (c) during the course of our audit, nothing came to our notice that caused us to believe that the Fund did not comply with the requirements of the regulation 15 (Fund-raising expenses) of the Charities (IPC) Regulations during the financial year; and

- (d) during the course of our audit, nothing came to our notice that caused us to believe that in relation to the ISEAS Research Funds, the use of donation monies was not in accordance with the objective of the Funds.

A handwritten signature in black ink that reads "RSM Chio Lim". The signature is written in a cursive, flowing style.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

Partner in charge of audit: Derek How Beng Tiong

Statement of Financial Position

As at 31 March 2014

	Note	FY 2013/2014 \$	FY 2012/2013 \$
Share Capital	3	1,000	1,000
Accumulated Surplus			
General fund	4A	3,011,580	2,623,858
Other funds	4B	22,136,537	19,901,859
Fair Value Reserve		829,197	708,276
		<u>25,978,314</u>	<u>23,234,993</u>
ISEAS Consolidated Endowment Fund	5	18,278,178	18,278,178
Kernal Singh Sandhu Memorial Fund	7	1,011,400	1,011,400
		<u>19,289,578</u>	<u>19,289,578</u>
		<u>45,267,892</u>	<u>42,524,571</u>
Represented by:			
Non-Current Assets			
Property, plant and equipment	9	1,874,345	2,185,552
Available-for-sale investments	10	33,174,741	30,326,682
		<u>35,049,086</u>	<u>32,512,234</u>

	Note	FY 2013/2014 \$	FY 2012/2013 \$
Current Assets			
Sundry debtors	11	1,743,448	591,971
Deposits and prepayments	12	192,547	164,439
Cash and bank balances	13	18,724	9,780
Cash with Accountant-General's Department	13	11,038,414	12,691,007
		<u>12,993,133</u>	<u>13,457,197</u>
Less:			
Current Liabilities			
Sundry creditors and accruals	14	(899,982)	(1,259,308)
Net current assets		<u>12,093,151</u>	<u>12,197,889</u>
Non-Current Liabilities			
Deferred capital grants	15	(1,874,345)	(2,185,552)
		<u>45,267,892</u>	<u>42,524,571</u>
Net Assets of Trust Funds	6	<u>102,203</u>	<u>202,826</u>

The accompanying notes form an integral part of these financial statements.

Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 March 2014

	Note	General Fund	
		FY	FY
		2013/2014	2012/2013
		\$	\$
Operating Income			
Income	4B	—	—
Publication sales	16	863,120	1,073,604
Production and direct costs	16	(683,717)	(655,843)
Bad and doubtful debts	16	(1,458)	(1,251)
		<u>177,945</u>	<u>416,510</u>
Operating Expenditure	4B,17	<u>(12,011,984)</u>	<u>(11,326,250)</u>
(Deficit)/Surplus before Depreciation		<u>(11,834,039)</u>	<u>(10,909,740)</u>
Depreciation of property, plant and equipment	9	<u>(399,132)</u>	<u>(414,202)</u>
Operating (Deficit)/Surplus		<u>(12,233,171)</u>	<u>(11,323,942)</u>
Non-Operating Income			
Gain/(loss) on disposal of property, plant and equipment		1,130	66,200
Interest income	4B	—	—
Investment income	4B	—	—
Investment income — Research Programmes Trust	4B	—	—
Surplus/(deficit) on photocopying account/computer facilities	4B	—	—
Miscellaneous receipts	4B	—	—
Publications and journals	4B	—	—
Miscellaneous income	19	8,818	10,459
(Deficit)/Surplus before Government Grants		<u>(12,223,223)</u>	<u>(11,247,283)</u>

Other Funds		Fair Value Reserve		Total	
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
3,084,891	2,545,957	—	—	3,084,891	2,545,957
—	—	—	—	863,120	1,073,604
—	—	—	—	(683,717)	(655,843)
—	—	—	—	(1,458)	(1,251)
<u>3,084,891</u>	<u>2,545,957</u>	<u>—</u>	<u>—</u>	<u>3,262,836</u>	<u>2,962,467</u>
<u>(3,763,323)</u>	<u>(3,710,517)</u>	<u>—</u>	<u>—</u>	<u>(15,775,307)</u>	<u>(15,036,767)</u>
<u>(678,432)</u>	<u>(1,164,560)</u>	<u>—</u>	<u>—</u>	<u>(12,512,471)</u>	<u>(12,074,300)</u>
—	—	—	—	(399,132)	(414,202)
<u>(678,432)</u>	<u>(1,164,560)</u>	<u>—</u>	<u>—</u>	<u>(12,911,603)</u>	<u>(12,488,502)</u>
—	—	—	—	1,130	66,200
56,416	36,980	—	—	56,416	36,980
2,407,673	1,356,122	—	—	2,407,673	1,356,122
319,465	170,649	—	—	319,465	170,649
(22,156)	(21,348)	—	—	(22,156)	(21,348)
1,055	2,069	—	—	1,055	2,069
150,657	113,083	—	—	150,657	113,083
—	—	—	—	8,818	10,459
<u>2,234,678</u>	<u>492,995</u>	<u>—</u>	<u>—</u>	<u>(9,988,545)</u>	<u>(10,754,288)</u>

Statement of Profit or Loss and Other Comprehensive Income *(continued)*

Year ended 31 March 2014

	Note	General Fund	
		FY	FY
		2013/2014	2012/2013
		\$	\$
Government Grants			
Operating grants	20	12,210,914	11,440,237
Deferred capital grants amortised	15	400,031	414,202
		<u>12,610,945</u>	<u>11,854,439</u>
Operating Surplus for the Year		387,722	607,156
Other Comprehensive Income			
Fair value gain on available-for-sale financial assets	25	<u>—</u>	<u>—</u>
Other comprehensive income for the year		<u>—</u>	<u>—</u>
Total Comprehensive Income for the Year		<u>387,722</u>	<u>607,156</u>

The accompanying notes form an integral part of these financial statements.

Other Funds		Fair Value Reserve		Total	
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
—	—	—	—	12,210,914	11,440,237
—	—	—	—	400,031	414,202
—	—	—	—	12,610,945	11,854,439
2,234,678	492,995	—	—	2,622,400	1,100,151
—	—	120,921	398,264	120,921	398,264
—	—	120,921	398,264	120,921	398,264
2,234,678	492,995	120,921	398,264	2,743,321	1,498,415

Statement of Changes in General Fund and Other Funds

Year ended 31 March 2014

	General Fund	
	FY 2013/2014	FY 2012/2013
	\$	\$
Restated balance as at 1 April	2,623,858	2,732,377
Transfer to deferred capital grant	—	(715,675)
Total comprehensive income for the year	387,722	607,156
Balance as at 31 March	3,011,580	2,623,858

The accompanying notes form an integral part of these financial statements.

Other Funds		Fair Value Reserve		Total	
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
19,901,859	19,408,864	708,276	310,012	23,233,993	22,451,253
—	—	—	—	—	(715,675)
<u>2,234,678</u>	<u>492,995</u>	<u>120,921</u>	<u>398,264</u>	<u>2,743,321</u>	<u>1,498,415</u>
<u><u>22,136,537</u></u>	<u><u>19,901,859</u></u>	<u><u>829,197</u></u>	<u><u>708,276</u></u>	<u><u>25,977,314</u></u>	<u><u>23,233,993</u></u>

Statement of Cash Flows

Year ended 31 March 2014

	FY 2013/2014 \$	FY 2012/2013 \$
Cash Flows From Operating Activities		
Operating deficit before grants	(9,988,545)	(10,754,288)
Adjustments for:		
Depreciation of property, plant and equipment	399,132	414,202
Interest/investment income from other funds	(2,783,554)	(1,563,751)
Gain on disposal of property, plant and equipment	(1,130)	(66,200)
Operating deficit before working capital changes	(12,374,097)	(11,970,037)
(Increase)/Decrease in sundry debtors, deposits and prepayments	(1,174,314)	379,844
(Decrease)/Increase in sundry creditors and accruals	(351,665)	383,669
Decrease in deferred subscription income	(7,661)	(17,964)
Net cash used in operating activities	(13,907,737)	(11,224,488)
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(88,824)	(1,024,831)
Proceeds from sale of property, plant and equipment	2,029	66,200
Interest received	51,145	41,263
Withdrawal of funds managed by fund managers	—	5,365,794
Net cash (used in) from investing activities	(35,650)	4,448,426

	FY 2013/2014 \$	FY 2012/2013 \$
Cash Flows From Financing Activities		
Grants received from Singapore Government for capital purposes	88,824	309,156
Operating grants received	<u>12,210,914</u>	<u>11,440,237</u>
Net cash from financing activities	<u>12,299,738</u>	<u>11,749,393</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(1,643,649)	4,973,331
Cash and cash equivalents, at beginning of year	<u>12,700,787</u>	<u>7,727,456</u>
Cash and Cash Equivalents, at End of Year (Note 13)	<u><u>11,057,138</u></u>	<u><u>12,700,787</u></u>

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

31 March 2014

1. GENERAL INFORMATION

The Institute of Southeast Asian Studies (“the Institute”) was established in Singapore under the Institute of Southeast Asian Studies Act, 1968.

The principal activities of the Institute are to promote research on Southeast Asia.

The registered office is: 30 Heng Mui Keng Terrace, Pasir Panjang, Singapore 119614. The Institute is situated in Singapore.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Statutory Board Financial Reporting Standards (“SB-FRS”) and the related Interpretations to SB-FRS (“INT SB-FRS”) promulgated by the Accountant-General and the provisions of the Institute of Southeast Asian Studies Act, 1968 Cap 141 (the “Act”). The financial statements are prepared on a going concern basis under the historical cost convention except where an SB-FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in SB-FRS need not be applied when the effect of applying them is immaterial. The disclosures required by SB-FRS need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by SB-FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with SB-FRS requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes and rebates. Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Interest is recognised using the effective interest method.

Employee Benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund (such as the Central Provident Fund in Singapore,

Notes to the Financial Statements (continued)

31 March 2014

a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Foreign Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Property, Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Computer items/computerisation	—	3 years
Office equipment and machinery	—	5 years
Electrical fittings	—	5 years
Furniture and fixtures	—	5 years
Motor vehicles	—	10 years
Improvements to office building	—	50 years

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Notes to the Financial Statements *(continued)*

31 March 2014

Property, plant and equipment costing less than \$2,000 each are charged to statement of profit or loss and other comprehensive income.

Leases

Whether an arrangement is, or contains, a lease, it is based on the substance of the arrangement at the inception date, that is, whether (a) fulfilment of the arrangement is dependent on the use of a specific asset or assets (the asset); and (b) the arrangement conveys a right to use the asset. Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense. Rental income from

operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements (continued)

31 March 2014

Financial Assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the “substance over form” based on the derecognition test prescribed by SB-FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under SB-FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.
3. Held-to-maturity financial assets: As at end of the reporting year date there were no financial assets classified in this category.
4. Available-for-sale financial assets: These are non-derivative financial assets that are designated as available-for-sale on initial recognition or are not classified in one of the previous categories. These assets are carried at fair value. Changes in fair value of available-for-sale

Notes to the Financial Statements *(continued)*

31 March 2014

financial assets (other than those relating to foreign exchange translation differences on monetary investments) are recognised in other comprehensive income and accumulated in a separate component of equity under the heading fair value reserves. Such reserves are reclassified to profit or loss when realised through disposal. When there is objective evidence that the asset is impaired, the cumulative loss is reclassified from equity to profit or loss as a reclassification adjustment. A significant or prolonged decline in the fair value of the investment below its cost is considered to be objective evidence of impairment. If, in a subsequent period, the fair value of an equity instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss, it is reversed against revaluation reserves and is not subsequently reversed through profit or loss. However for debt instruments classified as available-for-sale impairment losses recognised in profit or loss are subsequently reversed if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss. For non-equity instruments classified as available-for-sale the reversal of impairment is recognised in profit or loss. The weighted average method is used when determining the cost basis of publicly listed equities being disposed of. The financial assets are classified as non-current assets unless management intends to dispose of the investments within 12 months of the end of the reporting year. Usually non-current investments in equity shares and debt securities are classified in this category but it does not include subsidiaries, joint ventures, or associates. Unquoted investments are stated at cost less allowance for impairment in value where there are no market prices, and management is unable to establish fair value by using valuation techniques except that where management can establish fair value by using valuation techniques the relevant unquoted investments are stated at fair value. For unquoted equity instruments impairment losses are not reversed.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

Financial Liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under SB-FRS 39 is as follows:

Notes to the Financial Statements *(continued)*

31 March 2014

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the “fair value option” and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount measured in accordance with SB-FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with SB-FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.
2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Fair Value of Measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and

whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Notes to the Financial Statements *(continued)*

31 March 2014

Equity

Equity instruments are contracts that give a residual interest in the net assets of the reporting entity. Ordinary shares are classified as equity. Equity instruments are recognised at the amount of proceeds received net of incremental costs directly attributable to the transaction. Dividends on equity are recognised as liabilities when they are declared. Interim dividends are recognised when declared by the directors.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and, where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in statement of profit or loss in the reporting year they occur.

Government Grants

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. A grant in recognition of specific expenses is recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

Fund Accounting

In order to ensure observance of limitations and restrictions placed on the use of the resources available to the Institute, the financial statements of the Institute are maintained substantially in accordance with the principles of “fund accounting”. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

General Fund and Other Funds

There are two categories of funds in the financial statements of the Institute, namely General Fund and Other Funds. Income and expenditure of the main activities of the Institute are accounted for in the General Fund. Other Funds are set up for specific purposes. Income and expenditure of these specific activities are accounted for in Other Funds to which they relate.

Assets related to these funds are pooled in the statement of financial position.

Trust Funds

Trust funds are funds which the Institute acts as custodian, trustee manager or agent but does not exercise control over.

Trust funds are not included in the primary statements. The net assets of the trust fund is presented at the bottom of the Statement of Financial Position with disclosures in the notes of the financial statements.

Critical Judgements, Assumptions and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets

Notes to the Financial Statements *(continued)*

31 March 2014

and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Allowance for doubtful trade accounts:

An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next reporting year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in Note 11 on trade and other receivables.

Useful lives of plant and equipment:

The estimates for the useful lives and related depreciation charges for property, plant and equipment is based on commercial and other factors which could change significantly as a result of innovations and competitor actions in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions

could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset at the end of the reporting year affected by the assumption is \$1,874,345 (FY2012/ 2013: \$2,185,552).

3. SHARE CAPITAL

	FY 2013/2014 \$	FY 2012/2013 \$
Issued and fully paid of no par value:		
1,000 (FY2012/2013: 1,000) ordinary shares for cash on equity injection by Ministry of Finance	<u>1,000</u>	<u>1,000</u>

Share capital consists of shares issued to the Ministry of Finance, incorporated by the Ministry of Finance Act, as part of the capital management framework under Finance Circular Minute No. M26/2008. Ministry of Finance is entitled to receive dividends annually, computed based on the cost of equity applied to the Institute's equity base. The shares carry neither voting rights nor par value.

4. ACCUMULATED SURPLUS

4A. Accumulated surplus — General Fund is an accumulation of surplus over the years from the unspent government grant and other income generated. Aside from the two months of working capital to be set aside, the Institute may use it when the need arises with the approval of the Ministry of Education.

Notes to the Financial Statements *(continued)*

31 March 2014

4B. OTHER FUNDS — OPERATING INCOME AND EXPENDITURE

	ISEAS Research Fellowships	
	FY 2013/2014	FY 2012/2013
	\$	\$
Operating income		
Donations/research grants/contributions/seminar registration fees		
Received	84,000	56,000
Receivable	137,550	240,454
Total operating income	<u>221,550</u>	<u>296,454</u>
Operating expenditure		
Expenditure on manpower/research stipend		
— Salaries, bonuses and related expenses	199,015	281,053
— CPF contributions	—	—
Advertisements	—	—
Entertainment expenses	—	—
Housing subsidies	8,569	15,790
Medical benefits	—	—
Postage	—	—
Printing and stationery	—	—
Seminars, conferences, roundtables and workshops	—	—
Telecommunications	—	—
Transport expenses	—	—
Tax on foreign speakers	—	—
Refund of unspent grant	—	—
Research travel/honoraria/expenses	5,878	2,373
Miscellaneous expenses	—	—
Supplies	—	—
Total operating expenditure	<u>213,462</u>	<u>299,216</u>
Operating (deficit)/surplus	<u>8,088</u>	<u>(2,762)</u>

Notes to the Financial Statements (continued)
31 March 2014

	ISEAS Research Fellowships	
	FY 2013/2014	FY 2012/2013
	\$	\$
Non-operating income		
Interest income (Note 5, 23)	—	—
Investment income (Note 5, 24)	<u>112,982</u>	<u>67,438</u>
	<u>112,982</u>	<u>67,438</u>
 Accumulated surplus		
Add: Balance as at 1 April	<u>1,075,503</u>	<u>1,010,827</u>
Balance as at 31 March	<u>1,196,573</u>	<u>1,075,503</u>

Kernal Singh Sandhu Memorial Fund		ISEAS Consolidated Endowment Fund	
FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$
—	—	56,416	36,980
<u>98,508</u>	<u>58,285</u>	<u>1,887,954</u>	<u>1,064,631</u>
<u>98,508</u>	<u>58,285</u>	<u>1,944,370</u>	<u>1,101,611</u>
<u>728,938</u>	<u>670,858</u>	<u>1,660,953</u>	<u>559,342</u>
<u>804,746</u>	<u>728,938</u>	<u>3,605,323</u>	<u>1,660,953</u>

Notes to the Financial Statements *(continued)*

31 March 2014

	Specific Projects Fund	
	FY	FY
	2013/2014	2012/2013
	\$	\$
Operating income		
Donations/research grants/contributions/seminar registration fees Received	1,503,995	2,120,908
Receivable	1,359,346	128,595
Total operating income	<u>2,863,341</u>	<u>2,249,503</u>
Operating expenditure		
Expenditure on manpower/research stipend		
— Salaries, bonuses and related expenses	1,962,936	2,032,237
— CPF contributions	62,284	57,459
Advertisements	15,278	2,113
Entertainment expenses	1,380	2,542
Housing subsidies	331,746	202,346
Medical benefits	2,444	304
Postage	9,906	—
Printing and stationery	40,125	225,904
Seminars, conferences, roundtables and workshops	577,313	486,500
Telecommunications	522	169
Transport expenses	1,919	2,199
Tax on foreign speakers	1,309	4,043
Refund of unspent grant	30,867	100,130
Research travel/honoraria/expenses	488,785	294,741
Miscellaneous expenses	347	409
Supplies	—	—
Total operating expenditure	<u>3,527,161</u>	<u>3,411,096</u>
Operating (deficit)/surplus	<u>(663,820)</u>	<u>(1,161,593)</u>

Total	
FY 2013/2014 \$	FY 2012/2013 \$
1,587,995	2,176,908
<u>1,496,896</u>	<u>369,049</u>
<u>3,084,891</u>	<u>2,545,957</u>
2,161,951	2,313,290
62,284	57,459
15,278	2,113
1,380	2,542
340,315	218,136
2,444	304
9,906	—
40,125	225,904
577,313	486,500
522	169
1,919	2,199
1,309	4,043
30,867	100,130
494,663	297,114
347	409
22,700	205
<u>3,763,323</u>	<u>3,710,517</u>
<u>(678,432)</u>	<u>(1,164,560)</u>

Notes to the Financial Statements (continued)

31 March 2014

	Specific Projects Fund	
	FY	FY
	2013/2014	2012/2013
	\$	\$
Non-operating income		
Interest income (Note 5, 23)	—	—
Investment income (Note 5, 24)	308,229	165,768
Investment income — Research Programmes Trust (Note 24)	319,465	170,649
Deficit on photocopying account/computer facilities	(22,156)	(21,348)
Miscellaneous receipts	1,055	2,069
Publications and journals (non-government grant)	150,657	113,083
	<u>757,250</u>	<u>430,221</u>
Accumulated surplus		
Add: Balance as at 1 April	16,436,465	17,167,837
Balance as at 31 March	<u>16,529,895</u>	<u>16,436,465</u>

In FY 2006/2007, arising from the consolidation of funds, the ISEAS Research Fellowships Fund was merged with the Accumulated Surplus — Other Funds. In addition, surplus/deficit from ISEAS Consolidated Endowment Fund and Kernial Singh Sandhu Memorial Fund are also allocated to the Accumulated Surplus — Other Funds. The surplus/deficit from ISEAS Consolidated Endowment Fund and Kernial Singh Sandhu Memorial Fund are not allocated back to the principal funds.

Specific projects are ongoing projects of research and seminars supported by grants received from foundations, agencies and other similar organisations.

Total	
FY 2013/2014 \$	FY 2012/2013 \$
56,416	36,980
2,407,673	1,356,122
319,465	170,649
(22,156)	(21,348)
1,055	2,069
150,657	113,083
<u>2,913,110</u>	<u>1,657,555</u>
<u>19,901,859</u>	<u>19,408,864</u>
<u>22,136,537</u>	<u>19,901,859</u>

Notes to the Financial Statements *(continued)*

31 March 2014

5. ISEAS CONSOLIDATED ENDOWMENT FUND

Income earned from the investment of ISEAS Consolidated Endowment Fund supports the Institute's research fellowships. It also provides funds for the continuation of programmes of research and publications on international and regional economic issues.

	Endowment Fund	
	FY 2013/2014	FY 2012/2013
	\$	\$
Balance as at 1 April	1,160,000	1,160,000
Interest income (Note 23)	—	—
Investment income (Note 24)	112,982	60,291
Transfer to Accumulated Surplus — Other Funds (a)	(112,982)	(60,291)
Balance as at 31 March (b)	<u>1,160,000</u>	<u>1,160,000</u>

The ISEAS Consolidated Endowment Fund was placed in the Fund Management portfolio with UOB Asset Management Ltd for 3 years from 8 August 2011. Assets relating to the unutilised balance of the ISEAS Consolidated Endowment Fund are pooled in the Statement of Financial Position.

- (a) Income of Endowment Fund, Research Programmes Trust and Special Projects Fund are allocated to Accumulated Surplus — Other Funds.
- (b) The principal sums of the Endowment Fund, Research Programmes Trust and Special Projects Fund are merged into the ISEAS Consolidated Endowment Fund.

Research		Special Projects Fund		Total	
Programmes Trust					
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
4,343,960	4,343,960	12,774,218	12,774,218	18,278,178	18,278,178
—	—	56,416	36,980	56,416	36,980
423,092	225,777	1,464,862	838,854	2,000,936	1,124,922
(423,092)	(225,777)	(1,521,278)	(875,834)	(2,057,352)	(1,161,902)
<u>4,343,960</u>	<u>4,343,960</u>	<u>12,774,218</u>	<u>12,774,218</u>	<u>18,278,178</u>	<u>18,278,178</u>

Notes to the Financial Statements *(continued)*

31 March 2014

6. TRUST FUNDS

The trust funds comprise four funds managed by the Institute on behalf of other agencies. The nature of the trust funds is as follows:

a) **Tun Dato Sir Cheng-Lock Tan MA Scholarship**

The scholarship is funded by the Tun Dato Sir Cheng-Lock Tan Trust Fund. The objective of the fund is to award scholarships to scholars for the areas of studies on Southeast Asia, whom will be attached to the Institute on a one-year internship.

b) **Studies for the Network on Poverty Reduction and Inclusive Growth in Southeast Asia and Pacific**

Asian Development Bank (“ADB”) funds the implementation of the poverty reduction studies and networking activities in Southeast Asia, specifically for the preparation of working papers, policy briefs, case studies and establishing network links with other Think Tanks in Southeast Asia and the Pacific.

c) **Study on Assessment of the Impediments and Actions Required for Achieving an ASEAN Economic Community by 2015**

ADB funds the study whose overall objective is to assess the effectiveness and relevance of the goals and targets of the ASEAN Economic Community. It examines impediments to building an AEC by 2015.

d) **Research Project for Documentation of Bukit Brown and Seh Ong Cemeteries**

The project is jointly embarked on with URA and LTA for the documentation of the Bukit Brown and Seh Ong Cemeteries, namely on documentation of graves; documentation of history, memory and rituals; and documentation of exhumations.

The basis of accounting in relation to these funds is stipulated in Note 2.

Statement of Profit or Loss and Other Comprehensive Income of Trust Funds

	FY 2013/2014 \$	FY 2012/2013 \$
Operating Income		
Donations	173,000	123,000
Contributions	<u>89,853</u>	<u>379,853</u>
	<u>262,853</u>	<u>502,853</u>
Operating Expenditure		
Expenditure on manpower/research stipend		
— Salaries, bonuses and related expenses	43,538	104,516
Housing subsidy	—	17,613
Medical benefits	185	69
Non-Capital asset expenses	4,953	4,355
Office stationery	483	528
Postage	1,611	9
Printing	21,723	50
Research travels/honoraria/expenses	185,960	300,741
Scholarship	99,025	59,538
Seminars, conferences, roundtables and workshops	1,448	693
Telecommunications	3	604
Transport expenses	1,594	2,375
Miscellaneous expenses	—	67
Supplies	2,927	—
Tax for foreign speakers	25	—
	<u>363,475</u>	<u>491,158</u>
Operating (deficit) surplus for the year	<u>(100,622)</u>	<u>11,695</u>

Notes to the Financial Statements *(continued)*

31 March 2014

Statement of Financial Position of Trust Funds As at 31 March 2014

	FY 2013/2014 \$	FY 2012/2013 \$
Equity		
Accumulated surplus	<u>102,023</u>	<u>202,826</u>
Represented by:		
Non-current assets		
Property, plant and equipment	862	3,252
Current assets		
Sundry debtors	157,051	203,336
Prepayments	40,233	19,789
Less:		
Current liabilities		
Accrued operating expenses	<u>(95,085)</u>	<u>(20,299)</u>
Net current assets	<u>103,065</u>	<u>206,078</u>

	FY 2013/2014 \$	FY 2012/2013 \$
Non-current liabilities		
Deferred capital grants	<u>(862)</u>	<u>(3,252)</u>
Net Assets	<u><u>102,203</u></u>	<u><u>202,826</u></u>

7. KERNIAL SINGH SANDHU MEMORIAL FUND

This memorial fund was initiated to commemorate the past achievements of the Institute's late director, Professor K.S. Sandhu and the usage of the fund will be in accordance with the work of the Institute. From FY1994/1995, income and expenditure of this fund is accounted for in the statement of comprehensive income — Other Funds (Note 4B).

Notes to the Financial Statements *(continued)*

31 March 2014

8. ISEAS RESEARCH FUNDS

	Kernal Singh Sandhu Memorial Fund		ISEAS Consolidated Endowment Fund	
	FY	FY	FY	FY
	2013/2014	2012/2013	2013/2014	2012/2013
	\$	\$	\$	\$
Operating income				
Donations/contributions/ seminar registration fees Received	—	—	—	—
Receivable	—	—	—	—
Total operating income	—	—	—	—
Operating expenditure				
Salaries/stipend, including CPF	—	—	—	—
Housing subsidies	—	—	—	—
Seminars, conferences	—	—	—	—
Research travel expenses	—	—	—	—
Others	22,700	205	—	—
Total operating expenditure	22,700	205	—	—
Operating (deficit) surplus	(22,700)	(205)	—	—
Non-operating income				
Interest income (Note 23)	—	—	56,416	36,980
Investment income (Note 24)	98,508	58,285	2,000,936	1,124,922
Other income	—	—	—	—
	98,508	58,285	2,057,352	1,161,902
Accumulated surplus				
Transfer to Accumulated Surplus				
— Other Funds	(75,808)	(58,080)	(2,057,352)	(1,161,902)
Add: Balance as at 1 April	1,011,400	1,011,400	18,278,178	18,278,178
Balance as at 31 March	1,011,400	1,011,400	18,278,178	18,278,178

Accumulated Surplus		Specific Projects		Total	
— Other Funds		Fund			
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
84,000	56,000	1,503,995	2,120,908	1,587,995	2,176,908
137,550	240,454	1,359,346	128,595	1,496,896	369,049
<u>221,550</u>	<u>296,454</u>	<u>2,863,341</u>	<u>2,249,503</u>	<u>3,084,891</u>	<u>2,545,957</u>
199,015	281,053	2,025,220	2,089,696	2,224,235	2,370,749
8,569	15,790	331,746	202,346	340,315	218,136
—	—	577,313	486,500	577,313	486,500
5,878	2,373	488,785	294,741	494,663	297,114
—	—	104,097	337,813	126,797	338,018
<u>213,462</u>	<u>299,216</u>	<u>3,527,161</u>	<u>3,411,096</u>	<u>3,763,323</u>	<u>3,710,517</u>
<u>8,088</u>	<u>(2,762)</u>	<u>(663,820)</u>	<u>(1,161,593)</u>	<u>(678,432)</u>	<u>(1,164,560)</u>
—	—	—	—	56,416	36,980
—	7,147	627,694	336,417	2,727,138	1,526,771
—	—	129,556	93,804	129,556	93,804
<u>—</u>	<u>7,147</u>	<u>757,250</u>	<u>430,221</u>	<u>2,913,110</u>	<u>1,657,555</u>
2,133,160	1,219,982	—	—	—	—
3,465,394	2,241,027	16,436,465	17,167,837	39,191,437	38,698,442
<u>5,606,642</u>	<u>3,465,394</u>	<u>16,529,895</u>	<u>16,436,465</u>	<u>41,426,115</u>	<u>39,191,437</u>

Notes to the Financial Statements (continued)

31 March 2014

	Kernal Singh Sandhu Memorial Fund		ISEAS Consolidated Endowment Fund	
	FY	FY	FY	FY
	2013/2014	2012/2013	2013/2014	2012/2013
	\$	\$	\$	\$
Represented by:				
Available-for-sale investments and cash and fixed deposits held by fund managers	1,011,400	1,011,400	18,153,960	18,153,960
Accounts receivable:				
Sundry debtors	—	—	—	—
Cash deposit:				
Current account	—	—	124,218	124,218
Total assets	<u>1,011,400</u>	<u>1,011,400</u>	<u>18,278,178</u>	<u>18,278,178</u>

ISEAS Research Funds, a member of MOE's Education Central Fund, was set up as a result of Ministry of Finance's (MOF) policy of granting IPC status to projects/funds managed by Statutory Boards. ISEAS Research Funds, as an IPC, is able to receive donations and issue tax-deductible receipts to donors.

ISEAS Research Funds which are non-government funded projects, comprised of the 4 major groups of funds, namely, ISEAS Consolidated Endowment Fund, Specific Projects Fund, Kernal Singh Sandhu Memorial Fund and Accumulated Surplus — Other Funds.

The income and expenditure relating to the ISEAS Consolidated Endowment Fund, Kernal Singh Sandhu Memorial Fund and the Specific Projects Fund are taken to income and expenditure — Other Funds. Details of which are reflected on Note 5 and Note 4B respectively.

Accumulated Surplus — Other Funds		Specific Projects Fund		Total	
FY	FY	FY	FY	FY	FY
2013/2014	2012/2013	2013/2014	2012/2013	2013/2014	2012/2013
\$	\$	\$	\$	\$	\$
—	—	8,834,640	8,834,640	28,000,000	28,000,000
137,550	240,454	1,359,346	128,595	1,496,896	369,049
5,469,092	3,224,940	6,335,909	7,473,230	11,929,219	10,822,388
<u>5,606,642</u>	<u>3,465,394</u>	<u>16,529,895</u>	<u>16,436,465</u>	<u>41,426,115</u>	<u>39,191,437</u>

Notes to the Financial Statements *(continued)*

31 March 2014

The total amount of tax deductible donations received for ISEAS Research Funds is \$648,914 for FY2013/2014.

The reserves of the ISEAS Research Funds comprised of the balance of the Accumulated Surplus — Other Funds which amounted to \$22,136,537 as at 31 March 2014.

9. PROPERTY, PLANT AND EQUIPMENT

	Improvements to office building \$	Computer items/ computerisation \$
Cost		
As at 1 April 2012	1,677,305	5,736,719
Additions	—	608,410
Disposals	—	(166,230)
Balance as at 31 March 2013	<u>1,677,305</u>	<u>6,178,899</u>
Additions	—	68,729
Disposals	—	(140,269)
As at 31 March 2014	<u>1,677,305</u>	<u>6,107,359</u>
Accumulated depreciation		
As at 1 April 2012	373,238	5,651,997
Charge for the year	33,546	262,838
Disposals	—	(166,230)
Balance as at 31 March 2013	<u>406,784</u>	<u>5,748,605</u>
Charge for the year	33,546	250,400
Disposals	—	(140,269)
As at 31 March 2014	<u>440,330</u>	<u>5,858,736</u>
Net book value		
As at 31 March 2013	<u>1,270,521</u>	<u>430,294</u>
As at 31 March 2014	<u>1,236,975</u>	<u>248,623</u>

Office equipment and machinery	Electrical fittings	Furniture and fixtures	Motor vehicles	Total
\$	\$	\$	\$	\$
390,925	166,294	305,401	249,169	8,525,813
96,917	—	63,590	255,914	1,024,831
(50,116)	(2,546)	(12,910)	(201,744)	(433,546)
<u>437,726</u>	<u>163,748</u>	<u>356,081</u>	<u>303,339</u>	<u>9,117,098</u>
—	—	20,095	—	88,824
(1,498)	—	(4,038)	—	(145,805)
<u>436,228</u>	<u>163,748</u>	<u>372,138</u>	<u>303,339</u>	<u>9,060,117</u>
355,276	151,138	184,299	234,942	6,950,890
33,635	4,368	49,481	30,334	414,202
(50,116)	(2,546)	(12,910)	(201,744)	(433,546)
<u>338,795</u>	<u>152,960</u>	<u>220,870</u>	<u>63,532</u>	<u>6,931,546</u>
28,119	4,368	52,365	30,334	399,132
(899)	—	(3,738)	—	(144,906)
<u>366,015</u>	<u>157,328</u>	<u>269,497</u>	<u>93,866</u>	<u>7,185,772</u>
98,931	10,788	135,211	239,807	2,185,552
<u>70,213</u>	<u>6,420</u>	<u>102,641</u>	<u>209,473</u>	<u>1,874,345</u>

Notes to the Financial Statements *(continued)*

31 March 2014

10. FUNDS WITH FUND MANAGERS

The funds with fund managers are represented by:

	FY 2013/2014 \$	FY 2012/2013 \$
Available-for-sale investments	<u>33,174,741</u>	<u>30,326,682</u>

The movement of the funds are as follows:

	FY 2013/2014 \$	FY 2012/2013 \$
Balance at 1 April	30,326,682	33,767,441
Income for the year	2,727,138	1,537,525
Expenses for the year	—	(10,754)
Withdrawal of funds	—	(5,365,794)
Changes in fair value charged to fair value reserve	120,921	398,264
Balance as at 31 March	<u>33,174,741</u>	<u>30,326,682</u>

UOB Asset Management Ltd was appointed to invest and manage funds of \$28,000,000 on behalf of the Institute for a period of 3 years commencing 8 August 2011.

The investment objective is for the preservation of capital sum with a performance benchmark of 3 months SIBOR + 2.0%.

Available-for-sale investments:

	Level	2014 %	2013 %	2014 \$	2013 \$
Quoted equity shares	1	70.7	73.4	23,448,032	22,246,284
Derivatives financial instruments:					
— Forward Currency Exchange Contracts	2	0.4	0.6	127,730	196,100
Cash and Dividend receivable		28.9	26.0	9,598,979	7,884,298
Total		100.0	100.0	33,174,741	30,326,682

Forward Currency Exchange Contracts

These include the gross amount of all notional values for contracts that have not yet been settled or cancelled. The amount of notional value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

	Reference currency	Principal 2014 \$	2013 \$	Fair Value 2014 \$	2013 \$
Forward currency contracts	USD	29,377,059	29,803,900	127,730	196,100

Currency derivatives are utilised to hedge significant future transactions and cash flows. The entity is party to a variety of foreign currency forward contracts in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the entity's principal markets. As a matter of principle, the entity does not enter into derivative contracts for speculative purposes.

Notes to the Financial Statements *(continued)*

31 March 2014

11. SUNDRY DEBTORS

	FY 2013/2014 \$	FY 2012/2013 \$
Sundry debtors	1,631,763	577,631
Impairment on sundry debtors	<u>(3,139)</u>	<u>(6,747)</u>
Net sundry debtors	1,628,624	570,884
Interest receivable	26,358	21,087
Receivables from the trust fund (Note 6)	<u>88,466</u>	<u>—</u>
	<u><u>1,743,448</u></u>	<u><u>591,971</u></u>
Movement in the above impairment		
Balance at beginning of the year	6,747	5,811
(Reversal)/Impairment for sundry debtors	<u>(3,608)</u>	<u>936</u>
Balance at end of the year	<u><u>3,139</u></u>	<u><u>6,747</u></u>

Sundry debtors are denominated in the following currencies:

	FY 2013/2014 \$	FY 2012/2013 \$
Singapore dollar	1,706,250	478,974
United States dollar	<u>37,198</u>	<u>112,997</u>
	<u><u>1,743,448</u></u>	<u><u>591,971</u></u>

12. DEPOSITS AND PREPAYMENTS

	FY 2013/2014 \$	FY 2012/2013 \$
Deposits	5,460	4,634
Prepayments	<u>187,087</u>	<u>159,805</u>
	<u><u>192,547</u></u>	<u><u>164,439</u></u>

13. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and bank balances, cash with Accountant-General's Department ("AGD") and fixed deposits. For the purpose of the presentation in statement of cash flows, the cash and cash equivalents comprise the following:

	FY 2013/2014 \$	FY 2012/2013 \$
Cash and bank balances	18,724	9,780
Cash with AGD	<u>11,038,414</u>	<u>12,691,007</u>
	<u><u>11,057,138</u></u>	<u><u>12,700,787</u></u>

Cash with AGD refers to cash that is managed by AGD under Centralised Liquidity Management as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries. The interest rate of Cash with AGD ranged from 0.54% to 0.70% per annum for FY2013/2014 (FY2012/2013: 0.55% to 0.61%) per annum.

Notes to the Financial Statements *(continued)*

31 March 2014

14. SUNDRY CREDITORS AND ACCRUALS

	FY 2013/2014 \$	FY 2012/2013 \$
Deposits received	31,859	32,977
Accrued operating expenses	829,854	1,180,401
Deferred subscription income	38,269	45,930
	<u>899,982</u>	<u>1,259,308</u>

15. DEFERRED CAPITAL GRANTS

	FY 2013/2014 \$	FY 2012/2013 \$
Balance as at 1 April	2,185,552	1,574,923
Transfer from operating grants (Note 20)	75,034	309,156
Transfer from accumulated surplus — general fund	—	715,675
Others	13,790	—
	<u>2,274,376</u>	<u>2,599,754</u>
Grant released on disposal of fixed assets	(899)	—
Grants taken to statement of comprehensive income to match depreciation of property, plant and equipment	<u>(399,132)</u>	<u>(414,202)</u>
Balance as at 31 March	<u>1,874,345</u>	<u>2,185,552</u>

16. PUBLICATION SALES

	FY 2013/2014 \$	FY 2012/2013 \$
Publication sales	863,120	1,073,604
Production and direct costs	<u>(683,717)</u>	<u>(655,843)</u>
	179,403	417,761
Bad debts	(5,066)	(1,251)
Reversal of impairment allowance (Note 11)	<u>3,608</u>	<u>—</u>
	<u><u>177,945</u></u>	<u><u>416,510</u></u>

17. OPERATING EXPENDITURE — GENERAL FUND

	FY 2013/2014 \$	FY 2012/2013 \$
Expenditure on manpower		
Research staff		
— Salaries, bonuses and related expenses	1,576,935	1,609,654
— CPF contributions	90,037	100,138
Non-Research staff		—
— Salaries, bonuses and related expenses	3,896,925	3,507,057
— CPF contributions	<u>344,923</u>	<u>314,194</u>
	<u><u>5,908,820</u></u>	<u><u>5,531,043</u></u>

Notes to the Financial Statements *(continued)*

31 March 2014

	FY 2013/2014 \$	FY 2012/2013 \$
Other operating expenditure		
Research		
Housing subsidies	196,213	203,970
Research vote	337,883	326,451
Seminars and workshops	55,464	10,923
Special conferences and meetings	50	3,213
Singapore APEC Study Centre	1,214	4,543
Scholarship fund	28,168	756
	<u>618,992</u>	<u>549,856</u>
Institutional		
Advertising	18,113	11,187
Audit fees	17,655	14,766
Entertainment expenses	3,635	4,118
Insurance	12,199	12,967
Maintenance of premises	183,069	318,567
Cleaning of premises	95,658	83,674
Fire alarm system	25,261	32,089
Landscape	15,209	9,390
Security	31,992	31,200
Maintenance of equipment	122,286	162,795
Maintenance of air-con	242,165	291,410
Maintenance of vehicles	11,356	9,551
Medical/dental benefits	24,941	28,334
Miscellaneous expenses	37,554	16,096
Non-Capital asset expenses	26,732	15,501

	FY 2013/2014	FY 2012/2013
	\$	\$
IT & General Services	440,591	401,002
Office stationery	30,243	31,493
Postage	1,738	2,075
Printing	9,844	13,233
Public utilities	456,981	470,891
Rental of premises	2,960,647	2,706,881
Staff training	41,636	19,468
Staff welfare	10,763	5,576
Staff suggestion scheme	78	120
Staff flexible benefits scheme	22,742	—
Telecommunications	138,687	95,646
Transport expenses	854	1,070
Board of Trustees expenses	2,496	4,356
International Advisory Panel	1,505	589
Stamp duty	—	22,136
Internal audit fees	28,355	—
Integrated facilities management	45,171	—
	<u>5,060,156</u>	<u>4,816,181</u>
Library		
Library acquisitions	343,782	318,072
Library stock-take expenses	43,343	24,089
	<u>387,125</u>	<u>342,161</u>
IT unit		
IT unit expenses	36,891	87,009
Total	<u>12,011,984</u>	<u>11,326,250</u>

Notes to the Financial Statements *(continued)*

31 March 2014

18. KEY MANAGEMENT PERSONNEL

	FY 2013/2014 \$	FY 2012/2013 \$
Salaries	1,511,759	1,429,856
CPF contributions	53,368	48,939
	<u>1,565,127</u>	<u>1,478,795</u>

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Institute, directly or indirectly. The above amounts for key management compensation are for all the directors and heads of department of the Institute.

19. MISCELLANEOUS INCOME

	FY 2013/2014 \$	FY 2012/2013 \$
Administrative fee	—	600
Car park fees	8,818	9,859
	<u>8,818</u>	<u>10,459</u>

20. OPERATING GRANTS

The operating grants received from the Singapore Government since the inception of the Institute are as follows:

	FY 2013/2014 \$	FY 2012/2013 \$
Balance as at 1 April	246,852,522	235,412,285
Add: Operating grants received/receivable during the year	12,285,948	11,749,393
Less: Transferred to deferred capital grants (Note 15)	<u>(75,034)</u>	<u>(309,156)</u>
	<u>12,210,914</u>	<u>11,440,237</u>
Balance as at 31 March	<u>259,063,436</u>	<u>246,852,522</u>

21. OPERATING LEASE PAYMENT COMMITMENTS

At the end of the financial year, the Institute was committed to making the following lease rental payments under non-cancellable operating leases for office equipment and office:

	FY 2013/2014 \$	FY 2012/2013 \$
Not later than one year	3,013,543	3,013,543
Later than one year and not later than five years	<u>2,729,844</u>	<u>5,743,387</u>

Notes to the Financial Statements *(continued)*

31 March 2014

The leases on the Institute's office equipment and office on which rentals are payable will expire on 31 March 2015 and 2 March 2016 and the current rent payable on the lease is \$4,408 and \$246,721 per month respectively.

22. CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements are as follows:

	FY 2013/2014	FY 2012/2013
	\$	\$
Expenditure contracted for acquisition of property, plant and equipment	<u>—</u>	<u>17,981</u>

23. INTEREST INCOME

	FY 2013/2014	FY 2012/2013
	\$	\$
ISEAS Consolidated Endowment Fund (Note 4B, 5)		
— Special Projects Fund	<u>56,416</u>	<u>36,980</u>

24. INVESTMENT INCOME

	FY 2013/2014	FY 2012/2013
	\$	\$
ISEAS Consolidated Endowment Fund (Note 4B, 5)		
— Special Projects Fund	1,464,862	838,854
— Endowment Fund	112,982	60,291
— Research Programmes Trust	423,092	225,777
	<u>2,000,936</u>	<u>1,124,922</u>
ISEAS Research Fellowships (Note 4B)	—	7,147
Kernal Singh Sandhu Memorial Fund (Note 4B)	98,508	58,285
Specific Projects Fund (Note 4B)	308,229	165,768
Specific Projects Fund — Research Programmes Trust (Note 4B)	319,465	170,649
	<u>2,727,138</u>	<u>1,526,771</u>

25. OTHER COMPREHENSIVE INCOME AFTER TAX

Disclosure of tax effects relating to each component of other comprehensive income:

	Before tax	Tax expense	Net of tax
	\$	\$	\$
FY 2013/2014			
Fair value gain on available-for-sale financial assets (Note 10)	<u>120,921</u>	<u>—</u>	<u>120,921</u>
	Before tax	Tax expense	Net of tax
FY 2012/2013	\$	\$	\$
Fair value gain on available-for-sale financial assets (Note 10)	<u>398,264</u>	<u>—</u>	<u>398,264</u>

Notes to the Financial Statements *(continued)*

31 March 2014

26. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS

26A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by SB-FRS 39 categories:

	FY 2013/2014	FY 2012/2013
	\$	\$
<u>Financial assets:</u>		
Cash and cash equivalents	11,057,138	12,700,787
Sundry debtors	1,743,448	591,971
Available for sale financial assets	33,174,741	30,326,682
At end of the year	<u>45,975,327</u>	<u>43,619,440</u>
<u>Financial liabilities:</u>		
Trade and other payables at amortised cost	<u>899,982</u>	1,259,308
At end of the year	<u>899,982</u>	<u>1,259,308</u>

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

26B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The following guidelines are followed:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. All financial risk management activities are carried out and monitored by senior management staff.
3. All financial risk management activities are carried out following good market practices.

26C. Fair Values of Financial Instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include both the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

26D. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents, receivables and certain other financial assets. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counterparties are entities with acceptable credit ratings. Credit risk on other financial assets is limited because the other parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk with customers is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by

Notes to the Financial Statements *(continued)*

31 March 2014

management. There is no significant concentration of credit risk on receivables. The cash with AGD under Centralised Liquidity Management is placed with high credit quality financial institutions and are available upon request.

Note 13 discloses the maturity of the cash and cash equivalents balances.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to sundry receivable customers is about 60–90 days (FY2012/2013: 60–90 days). But some customers take a longer period to settle the amounts:

- (a) Ageing analysis of the age of sundry debtor amounts that are past due as at the end of reporting year but not impaired:

	FY 2013/2014	FY 2012/2013
	\$	\$
<u>Sundry debtors:</u>		
Less than 60 days	1,571,474	397,659
61–90 days	21,310	80,373
Over 90 days	55,697	109,403
At end of year	<u>1,648,481</u>	<u>587,435</u>

- (b) Ageing analysis as at the end of reporting year of sundry debtor amounts that are impaired:

	FY 2013/2014	FY 2012/2013
	\$	\$
<u>Sundry debtors:</u>		
Over 90 days	<u>3,139</u>	<u>6,747</u>

Other receivables are normally with no fixed terms and therefore there is no maturity.

26E. Liquidity Risk

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	FY 2013/2014 \$	FY 2012/2013 \$
<u>Sundry creditors and accruals</u>		
Less than 1 year	<u>899,982</u>	<u>1,259,308</u>
At end of the year	<u>899,982</u>	<u>1,259,308</u>

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (FY2012/2013: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they are available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

26F. Interest Rate Risk

The interest rate risk exposure is mainly from changes in fixed rate and floating interest rates.

The interest rate for Cash with AGD is based on deposit rates determined by the financial institutions with which the cash is deposited and is expected to move in tandem with market interest rate movements.

The interest from financial assets including cash balances is not significant.

Notes to the Financial Statements (continued)

31 March 2014

26G. Foreign Currency Risks

There is exposure to foreign currency risk as part of its normal business. It is not expected to be significant.

Sensitivity analysis: The effect on post tax profit is not significant.

27. CAPITAL MANAGEMENT

The Institute's objectives when managing capital are:

- (a) To safeguard the Institute's ability to continue as a going concern; and
- (b) To provide capacity to support the Institute's investments in public sector human capital, intellectual capital and technical capability development.

The Institute actively and regularly reviews and manages its capital structure to ensure optimal capital structure, taking into consideration the future capital requirements, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected investments in public sector capability development. The Institute is required to comply with the Capital Management Framework for Statutory Boards detailed in Finance Circular Minute M26/2008, including the need to declare annual dividends to the Ministry of Finance (MOF) in returns for the equity injection. The Institute also returns capital which it deems as excess to MOF through voluntary return of surplus cash.

28. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year the following new or revised Statutory Board Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

<u>SB-FRS No.</u>	<u>Title</u>
SB-FRS 1	Amendments to SB-FRS 1 — Presentation of Items of Other Comprehensive Income
SB-FRS 1	Amendment to SB-FRS 1 Presentation of Financial Statements (Annual Improvements)
SB-FRS 16	Amendment to SB-FRS 16 Property, Plant and Equipment (Annual Improvements)
SB-FRS 19	Employee Benefits (Revised)
SB-FRS 32	Amendment to SB-FRS 32 Financial instruments: Presentation (Annual Improvements)
SB-FRS 36	Amendments to SB-FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (early adoption) (*)
SB-FRS 107	Amendments to SB-FRS 32 and 107 titled Offsetting Financial Assets and Financial Liabilities (*)
SB-FRS 113	Fair Value Measurements
SB-FRS 120	Stripping Costs in the Production Phase of a Surface Mine (*) (*) Not relevant to the entity.

Notes to the Financial Statements (continued)

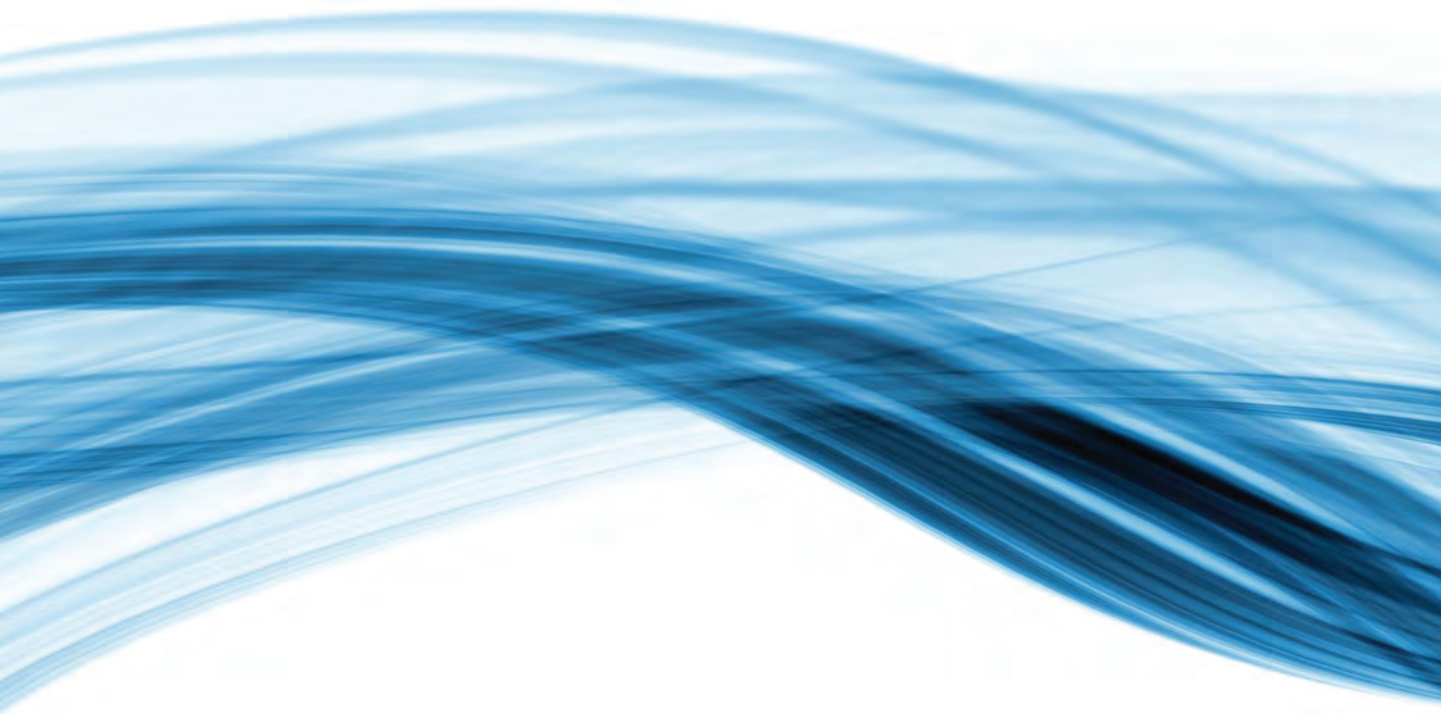
31 March 2014

29. FUTURE CHANGES IN FINANCIAL REPORTING STANDARDS

The following new or revised Statutory Board Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

<u>SB-FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
SB-FRS 27	Consolidated and Separate Financial Statements (Amendments to) (*)	1 Jul 2013
SB-FRS 27	Separate Financial Statements (Revised) (*)	1 Jan 2014
SB-FRS 28	Investments in Associates and Joint Ventures (Revised) (*)	1 Jan 2014
SB-FRS 36	Amendments to SB-FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (*)	1 Jan 2014
SB-FRS 39	Amendments to SB-FRS 39: Novation of Derivatives and Continuation of Hedge Accounting (*)	1 Jan 2014
SB-FRS 110	Consolidated Financial Statements (*)	1 Jan 2014
SB-FRS 111	Joint Arrangements (*)	1 Jan 2014
SB-FRS 112	Disclosure of Interests in Other Entities (*)	1 Jan 2014
SB-FRS 110	Amendments to SB-FRS 110, SB-FRS 111 and SB-FRS 112 (*)	1 Jan 2014
SB-FRS 121	Levies (*)	1 Jan 2014

(*) Not relevant to the entity.



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