

# CCS: In Action

Competition Commission of Singapore Annual Report 2010/2011

**COMPLETED**



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# ABOUT CCS

The Competition Commission of Singapore ("Commission") is a statutory body established under the Competition Act (Chapter 50B) on 1 January 2005 to administer and enforce the Act. It comes under the purview of the Ministry of Trade and Industry.



## MISSION

Championing competition for growth and choice

## VISION

A vibrant economy with competitive markets and innovative businesses  
A leading competition authority known for its professionalism

## CORE VALUES

Professionalism, Integrity, Passion

## THE COMPETITION ACT

Identified as one of the world's most competitive economies, Singapore has always adopted sound competition policies, including an open trade policy, which not only create an attractive business environment for investors, but also regulate markets for optimal growth.

The country's competition policy was further reinforced when the prohibitions of the Competition Act entered into force successively between 2006 and 2007. It was envisaged that the Competition Act would foster market innovation and productivity, thus sharpening Singapore's competitiveness in the global arena.

The key anti-competitive practices prohibited under the Competition Act are:

- Anti-competitive agreements or concerted practices (Section 34)
- Abuse of dominant position (Section 47)
- Mergers that substantially lessen competition (Section 54)

As a leading competition agency, CCS administers and enforces these imperatives of the Competition Act.

## CCS' COMPETITION PHILOSOPHY

Competitive markets are the foundation of a vibrant economy. Competition spurs businesses to be more efficient, innovative, productive and responsive. It is the aim of competition policy and laws to ensure markets stay competitive.

CCS' mission is to champion competition, and it does this through a two-pronged approach: enforcing the Competition Act and advocating competition.

CCS' enforcement priority is on anti-competitive practices which have or will likely have significant adverse impact on the Singapore economy. CCS' intervention takes a long-term view and is aimed at achieving a better competitive outcome for the market in a cost-effective manner. CCS also advocates competition by working with other government agencies, the business community and consumer groups to promote pro-competition government policies, greater adherence to good competition practices and greater awareness of the importance of competition.

# CHAIRMAN'S MESSAGE

The past year has been a fruitful one for CCS. We maintained our momentum in both the enforcement and advocacy of the Competition Act, and continued to build new capabilities to strengthen CCS' value proposition to businesses. The year also witnessed significant legal developments in Singapore's competition law.

## KEY ACHIEVEMENTS

During the year in review, CCS considered 37 cases, and initiated 14 investigations and preliminary enquiries. CCS also received seven merger notifications and completed five competition advisories to other government agencies. Advocacy of the Competition Act and its benefits to businesses and the general public continued to be a key focus in 2010. Together with the Singapore Academy of Law (SAL), we organised the seminar entitled "Recent Developments on Competition Law" in September 2010 with Mr Peter Freeman QC, Chairman of United Kingdom's Competition Commission, as the keynote speaker. The seminar saw the attendance of Supreme Court judges, Chairman and members of the Competition Appeal Board (CAB), public and private practitioners, civil servants, sectoral regulators, as well as company representatives from varied industries. During the course of the year, we were also privileged to have distinguished academics and regulators such as Professor Richard Whish (King's College, London), Professor Michal S Gal (University of Haifa, Israel), Dr Stanley Wong (Irish Competition Authority) and Ms Elaine Leong (Intellectual Property Office of Singapore) share their insights during dialogue sessions with CCS staff.

We have taken a proactive approach in our outreach and communications efforts, and continued to develop innovative materials to bring the competition message across. In the past year, we conducted 29 outreach activities

which were well attended. Our collaboration with the Singapore Chinese Chambers of Commerce and Industry (SCCCI) has enabled us to reach out to their business members by way of talks and seminars. Articles in their newsletters have also provided a useful dialogue platform for the small and medium enterprises (SMEs).

In March 2011, CAB issued its first ruling on the Coach Operators case which involved price fixing of coach tickets and the imposition of fuel and insurance surcharges among the Express Bus Agencies Association (EBAA) and 16 coach operators. CAB upheld CCS' finding on liability on all counts but varied the penalties imposed. CAB's landmark decisions marked the first but significant step towards the development of Singapore's competition law jurisprudence.

After an extensive review of the healthcare sector, CCS issued its decision on the Singapore Medical Association's (SMA) Guidelines on Fees (GOF). CCS took the view that, on balance, given the specific circumstances of the case, the anti-competitive effects of the price recommendations outweigh the benefits and that the guidelines would infringe the Competition Act if reinstated. Following on the SMA case, CCS took the opportunity to explain why price recommendations in general by trade and professional associations may be anti-competitive. Trade and professional associations contemplating the issue of price guidelines are therefore encouraged to contact





CCS or file notifications to CCS for a decision or guidance.

On the international front, CCS welcomed eight delegations to Singapore and chaired the sixth round of The Transpacific Partnership Agreement (TPP) negotiation for the competition policy chapter in March 2011 in Singapore. We also assumed an active role in putting together the ASEAN Regional Guidelines on Competition Policy and Handbook on Competition Policy and Law in ASEAN for Business, which were officially launched in Vietnam in August 2010, and subsequently unveiled in Singapore on 3 November 2010.

### LOOKING TO THE FUTURE

We will continue to enforce the Competition Act, promote awareness and advocacy of the Competition Law and strengthen staff capabilities and relationship with regional and international competition law communities. We are also excited to play a central role in the development of Singapore's competition law together with our stakeholders and CAB. We will constantly seek to improve with regular feedback from stakeholders and provide continued and customised advocacy efforts with businesses and government agencies. In addition, CCS will participate actively in ASEAN Experts Group on Competition (AEGC) to develop strategy and tools for regional advocacy, working towards ASEAN's aim to attain harmonised competition laws and policies by 2015.

### ACKNOWLEDGEMENTS

I would like to take this opportunity to thank the Commission Members for their hard work and strong commitment to the cause of competition, to applaud the efforts of our dedicated management team and staff at CCS, as well as extend my gratitude to Mr Teo Eng Cheong for his invaluable contributions to CCS during his tenure as the Chief Executive (2008-2010).

In addition, I bid a warm welcome to two new Commission Members – Ms Chia Aileen, Deputy Director-General (Telecoms & Post) Infocomm Development Authority and Mr Wong Yew Meng, former Audit Partner, PricewaterhouseCoopers – and Ms Yena Lim, the new Chief Executive of CCS. With their collective deep experience from both the public and private sectors, I am confident they can bring CCS to new heights.

As CCS continues to promote competitive markets, we look forward to working with new industry partners and deepening our ties with existing ones. Together, we will continue to promote a strong competition culture in Singapore so that Singapore's economy will remain productive, innovative and internationally competitive.

**MR LAM CHUAN LEONG**  
Chairman



# CHIEF EXECUTIVE'S MESSAGE

Since CCS was established in 2005, we have made good progress towards realising our vision of becoming a leading competition authority known for professionalism, and contributed towards shaping a vibrant economy with competitive markets and innovative businesses.

As of the end of FY2010, we have completed 121 cases. Of these, 38 were Section 34 (Competition Act) cases involving anti-competitive agreements, 29 were Section 47 cases involving abuse of dominance, and 27 were cases under Section 54 involving merger applications. Staff also handled three appeals, and undertook six market studies. In response to request for assistance, CCS developed 17 competition advisories for other public sector organisations, providing best practices guidelines for promoting competition in policy formulation. With the body of case decisions under CCS building up, there is greater clarity to the business community on how the Competition Act will be enforced, enabling them to better develop robust compliance programmes to keep within the law. At CCS, we aim for our decisions to be well researched and incisive, so as to raise knowledge and awareness of the application of competition law to markets and economic activities.

While it is critical to be prompt and responsive in enforcement, it is equally important to have an active advocacy programme. Over the years, CCS has established a reputation for our original and innovative approach to driving home the competition message. The great demand for our two manga comics – 'Fixed!' and 'Foiled!' – and their adoption by some companies as in-house training material reaffirms that. In addition, the setup of our Facebook page, and the development of our very own Facebook game, 'Sumo Mara Thon' were equally well received. CCS will continue to explore fresh ways of communicating the importance of competition to entrench the message in firms and businesses. We also welcome ideas and feedback on how to reach out to the general public more effectively.





CCS' ability to be an effective competition authority rests on our success in attracting and retaining bright talented individuals who are passionate about and committed to the mission of CCS to champion competition for growth and choice. Keenly aware that the authority's decisions are impactful to the business community, we exercise great care to act with integrity and professionalism when discharging our duty.

As we continue to strengthen our ability to enforce the Competition Act and promote competition in markets in Singapore, CCS will be distinguished by three hallmarks:

**Incisive decisions + Innovative messaging + Impactful contributions**

*Yena Lim*

**MS YENA LIM**  
Chief Executive



# COMMISSION MEMBERS

**CHAIRMAN**

**Mr Lam Chuan Leong**  
(Chairman of Human  
Resource Committee)

Ambassador-at-Large  
Ministry of Foreign  
Affairs

**Mr Bobby Chin Yoke  
Choong**  
(Chairman of Audit  
Committee)

Chairman  
Tote Board

**Dr Andrew Khoo  
Cheng Hoe**  
(Member of Audit  
Committee)

Assistant Managing  
Director  
(Policy, Risk & Surveillance)  
Monetary Authority of  
Singapore

**Prof Phang Sock Yong**  
(Member of Audit  
Committee)

Professor  
School of Economics  
Singapore  
Management  
University

**Prof Tan Cheng Han**  
Dean  
Faculty of Law  
National University of  
Singapore





**Mrs Tan Ching Yee**  
Permanent Secretary  
Ministry of Education

**CHIEF EXECUTIVE**  
**Ms Yena Lim**  
(Member of Human  
Resource Committee)

**Mr Lionel Yee Woon Chin**  
(Member of Human  
Resource Committee)

Second Solicitor-General  
and Director-General,  
International Affairs  
Division  
Attorney General's  
Chambers

**Ms Chia Aileen**  
(Member of Human  
Resource Committee)

Deputy Director-General  
(Telecoms & Post)  
Infocomm Development  
Authority

**Mr Wong Yew Meng**  
(Member of Audit  
Committee)

Former Audit Partner  
PricewaterhouseCoopers



# SENIOR MANAGEMENT



**Ms Yena Lim**  
Chief Executive



**Mr Toh Han Li**  
Assistant Chief Executive  
Legal & Enforcement



**Mr Alvin Koh**  
Director  
Legal & Enforcement

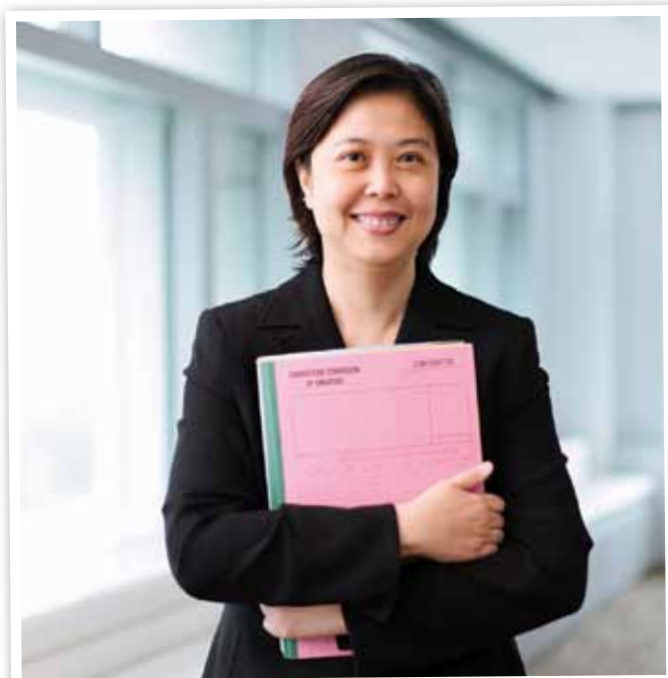




**Mr Teo Wee Guan**  
Director  
Strategic Planning



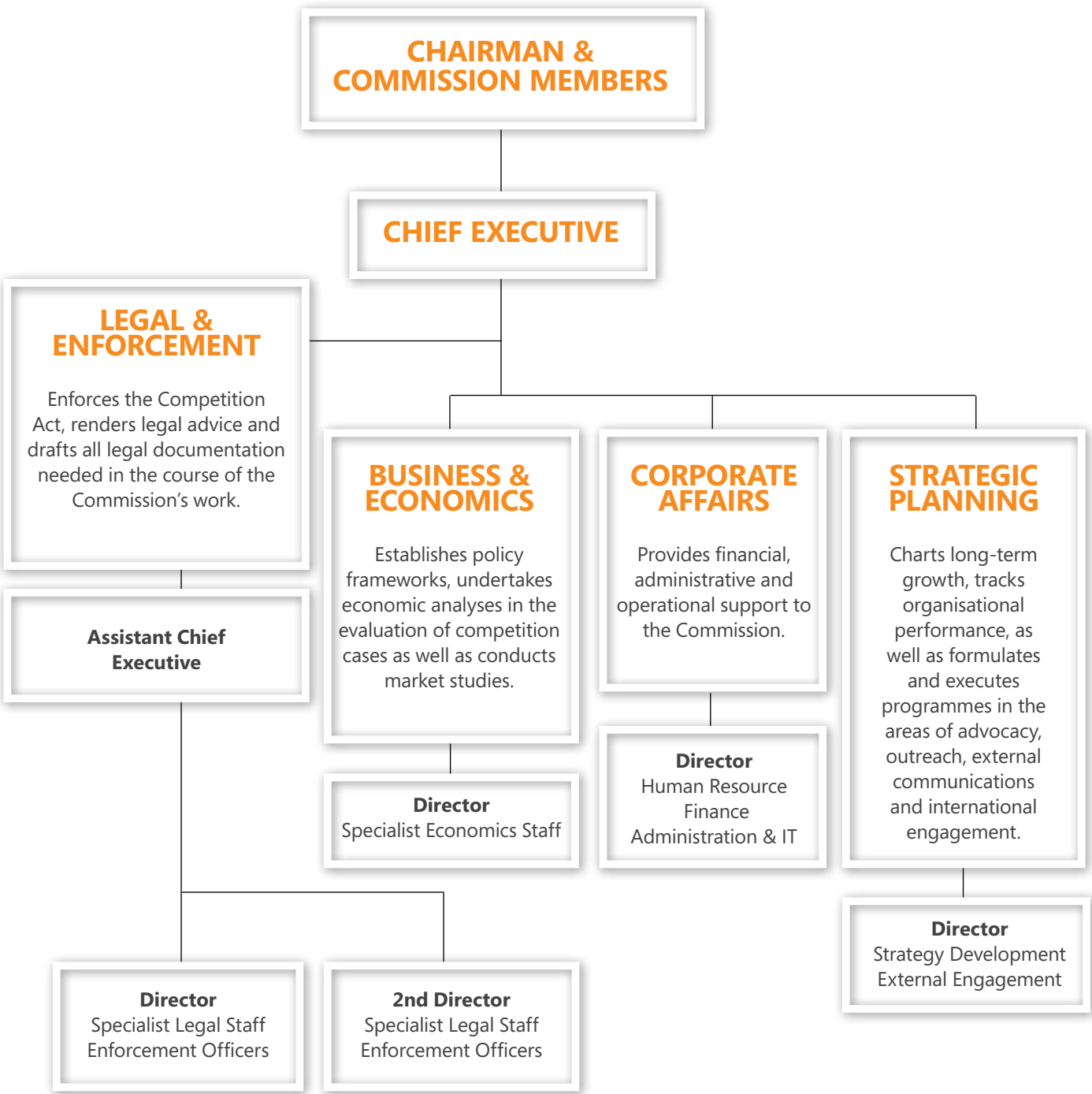
**Mr Herbert Fung**  
Director  
Business & Economics



**Ms Selena Yeo**  
Director  
Corporate Affairs

Note: **Ms May Loh**, 2nd Director,  
Legal & Enforcement, was not  
present at the photo shoot.

# ORGANISATION CHART





# CORPORATE GOVERNANCE

## CHAIRMAN AND COMMISSION MEMBERS

The Commission oversees the key activities and strategies of CCS. It comprises the Chairman and nine Commission Members. Appointed by the Minister for Trade and Industry for a three-year term from 1 January 2011 to 31 December 2013, the Commission Members bring with them expertise in legal, economic and financial domains from the public and private sectors.

For the new term starting 1 January 2011, two new members were appointed to the Commission. They are Ms Chia Aileen, Deputy Director-General (Telecoms & Post), Infocomm Development Authority; and Mr Wong Yew Meng, former Audit Partner, PricewaterhouseCoopers. With effect from 1 January 2011, both Ms Chia and Mr Wong have also been appointed as members of the Human Resource Committee and Audit Committee respectively.

A total of six Commission meetings were held in the financial year.

## HUMAN RESOURCE (HR) COMMITTEE

The HR Committee was set up in August 2007. It is chaired by Mr Lam Chuan Leong, with Mr Lionel Yee, Ms Chia Aileen and Ms Yena Lim as members. The HR Committee advises the Commission on the formulation and implementation of appropriate HR policies, as part of its continuous effort to ensure that CCS is a choice employer. It also oversees staff performance appraisal to ensure that staff are objectively appraised and rewarded.

## AUDIT COMMITTEE

The Audit Committee is chaired by Mr Bobby Chin, with Professor Phang Sock Yong, Dr Andrew Khoo and Mr Wong Yew Meng as members.

The main role of the Audit Committee is to assist the Commission in discharging its responsibilities in areas relating to internal controls, auditing, finance and accounting, as well as regulatory compliance and risk management. Together with the management and both internal and external auditors, the Audit Committee also reviews the audited annual financial statements and the adequacy of CCS' accounting and internal control systems.

## EXTERNAL AUDIT FUNCTIONS

KPMG has been appointed by the Minister for Trade and Industry in consultation with the Auditor-General to audit the accounts of CCS. The audited accounts were duly approved by the Commission and the Minister for Trade and Industry. The Auditor-General was also kept informed of these audit reports.

## BUSINESS AND ETHICAL CONDUCT

All CCS officers are subject to the provisions of the Official Secrets Act as well as the Statutory Bodies and Government Companies (Protection of Secrecy) Act. In addition, the Competition Act contains provisions governing the disclosure of information by CCS staff. CCS officers are also bound by CCS' code of conduct and are obliged to adhere to internal policies regarding the avoidance of conflicts of interest.

# ENFORCEMENT

## CHAMPIONING COMPETITION, FOSTERING CHOICE

Healthy competition is instrumental to a healthy economy. It promotes choice and drives innovation, empowering the well-being and the advance of the community. Recognising this, CCS relentlessly works to keep competition alive and thriving.

During the year in review, we stayed focus and in action, enforcing policies that stamp out anti-competitive acts. A summary of our casework accomplishments is as outlined in the following table.

### SUMMARY OF COMPLETED CASEWORKS

	Preliminary Enquiries / Investigations	Notifications for Guidance	Notifications for Decision	Merger Notifications	Appeals	Competition Advisories	Market Studies	Total Cases
FY09	16	0	0	3	0	6	0	25
<b>FY10</b>	<b>14</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>3</b>	<b>5</b>	<b>6</b>	<b>37</b>
Since CCS Started (till end of FY10)	62	6	3	22	3	17	8	121

**Case in Point:****THE COMPETITION APPEAL BOARD (CAB) UPHOLDS CCS' INFRINGEMENT DECISION AGAINST PRICE FIXING BY BUS OPERATORS**

▲ Case team members: From left to right – Koh Jiaying, Senior Assistant Director (Legal & Enforcement); Adam Nakhoda, Deputy Director (Legal & Enforcement); Yvette Yoong, Assistant Director (Business & Economics)

**DESCRIPTION :**

Following intensive investigations by CCS, 16 coach operators and their association, Express Bus Agencies Association (EBAA), were found to have engaged in price fixing activities between

2006 and 2008. The parties had colluded to set a Minimum Selling Price for one-way express coach tickets between Singapore and six destinations in Malaysia, creating a price floor on ticket prices. In addition, a Fuel and Insurance Charge that was levied on all tickets sold also led to a mark up on ticket prices.

With sufficient evidence in hand, CCS issued an Infringement Decision against EBAA and the 16 coach operators in November 2009. Consequently, six parties – Five Stars, GR Travel, Gunung Raya Travel, Konsortium Express and Tours, Regent Star Travel and Transtar Travel – filed appeals against the Infringement Decision.

On 24 March 2011, the Competition Appeal Board (CAB) issued its decision on the appeals, upholding CCS' Infringement Decision that the coach operators had violated the Competition Act by entering into agreements to fix a Minimum Selling Price for express bus tickets, as well as a Fuel and Insurance Charge.

Stemming from CAB's decision, market players should note that once cartel members enter into an anti-competitive agreement, the agreement will remain in force unless the cartel members can show that they had taken clear and positive steps to terminate the agreement. Demonstrating that an anti-competitive agreement has lapsed through the passage of time is not acceptable.

Another important implication arising from CAB's decision is that when trade associations obtain discounts for their members via bulk purchases of a particular good or service, the associations should refrain from dictating or recommending the prices at which members can on-sell their goods or services.

CAB agreed with CCS' decision to impose financial penalties but varied the amount imposed. As a result, the 17 infringing parties were levied financial penalties totaling \$1,135,170.

**Fines reduced for coach companies**

SIX coach companies which were fined by the Competition Commission of Singapore (CCS) have succeeded in their appeals to reduce their fines.

In November 2009, 16 coach operators and their trade association, the Express Bus Agencies Association (EBAA), were fined a total of \$1.69 million for fixing the price of bus services between Singapore and Malaysia and southern Thailand.

Through meetings arranged regularly by the EBAA, the operators fixed prices in two ways – by having minimum selling prices and by imposing fuel and insurance charges across the board to mark up ticket prices. This occurred from 2006 to 2008, even after Singapore's Competition Act came into effect on Jan 1, 2008.

Of the 16 coach companies fined, six appealed against CCS's decision in December 2009. Five Stars Tours Pte Ltd, GR Travel Pte Ltd, Gunung Raya

Travel Pte Ltd and Konsortium Express and Tours Pte Ltd appealed against both liability and the quantum of financial penalty imposed on them respectively. Regent Star Travel Pte Ltd and Transtar Travel Pte Ltd appealed against only the fines imposed. The other 10 coach operators and the EBAA did not file any appeal against the infringement decision.

Yesterday, the Competition Appeal Board made public its decision to uphold CCS's findings on liability on all counts, adding that the coach companies had entered into the price fixing agreements "knowing or ought to have known that the agreements were restrictive of competition".

However, the companies' appeals against the financial penalties imposed were successful. The reductions for each company were: to \$291,247 from \$450,107 for Five Stars; to \$43,342 from \$52,432 for

GR Travel; to \$43,370 from \$76,668 for Gunung Raya; to \$283,390 from \$337,632 for Konsortium; to \$10,000 from \$103,873 for Regent Star; and to \$301,172 from \$318,165 for Transtar. In the case of Regent Star and Transtar, this means a reduction in fines by 90 per cent and 40 per cent respectively. The two operators were represented by Senior Counsel Candler Bull and Scott Clements from Drew & Naper LLC, who argued that in calculating the fines, CCS had overestimated the relevant turnover used to calculating the penalties, by including a substantial overlap in revenue between Regent Star and Transtar. The overlap arose from the fact that Regent Star operated as an authorised agent for Transtar, and the two companies essentially operated as a single economic entity.

The total amount of financial penalties imposed on all 17 infringing parties now stands at \$1.12 million.

### Case in Point:

## CCS DECIDES AGAINST THE SINGAPORE MEDICAL ASSOCIATION'S (SMA) GUIDELINES ON FEES (GOF)

### DESCRIPTION :

In 2009, SMA submitted a formal application to CCS in a bid to have its Guidelines on Fees (GOF) reinstated. After a thorough evaluation of the application, CCS issued a Statement of Decision (Provisional) to the association on 16 June 2010. In the statement, SMA was advised that its GOF contravenes Section 34 of the Competition Act. CCS believes that the GOF will not contribute towards achieving better outcomes, and is instead anti-competitive.

Although CCS recognises that there are valid reasons why market forces alone may not lead to efficient outcomes in the medical services sector and understands that the GOF is an attempt to address information asymmetry in the sector, CCS notes that there are already other more effective measures in place. For instance, the restructured hospitals' direct involvement in Hospital Care and the government's efforts to improve pricing transparency are unrestricted and unbiased in dealing with information asymmetry, over-charging and optimal consumption of healthcare services.

CCS supports the provision of information on actual pricing and the publication of historical price information to help consumers make informed choices in their purchases of goods and services.

As no further representation was received by the deadline of 30 July 2010, CCS issued the final Statement of Decision to SMA on 18 August 2010. Given that SMA had withdrawn its GOF since 1 April 2007, no further action or direction by CCS was required in respect of the Statement of Decision.



▲ Case team members: From left to right – Elaine Tan, Senior Assistant Director (Legal & Enforcement); Serena Ho, Competition Analyst (Business & Economics)

## Medical fees guide infringes Competition Act: panel

THE competition authority yesterday ruled that the Singapore Medical Association (SMA) fee guidelines infringe the Competition Act, after a year-and-a-half review.

The Competition Commission of Singapore (CCS) said that price recommendations by trade and professional associations are possibly harmful to consumers because they "distort independent pricing decisions" as there may be no incentive for cost-effectiveness or innovation.

This once and for all sets aside the Guidelines on Fees (GOF) for services and procedures in the private sector that was put in place in 1987 after complaints of overcharging.

However, since SMA had voluntarily scrapped

its pricing guidelines in 2007, CCS said no further action would be taken.

CCS also cited how the GOF was now redundant as other benchmarks are now available – that of government hospitals, which provide hospital care for 80 per cent of the population. And since restructured hospitals do not refer to the GOF when making pricing decisions, there is a basis there for price comparison that private patients can use, CCS said.

A study covering a three-year period demonstrated that there was no real evidence to suggest a surge in complaints of overcharging when the GOF was removed in 2007. There were 26 complaints in 2006-2007, versus 14 in 2008-2009.

CCS encourages "all businesses to set their prices independently and not rely on price recommendations issued by trade and professional associations".

Cases of gross overcharging can be referred to the Singapore Medical Council (SMC), which has strengthened its disciplinary processes to deal with medical overcharging.





## **CCS' LENIENCY PROGRAMME**

Given the secretive nature of cartels, they can be hard to detect and uncover. CCS' Leniency Programme is designed to help companies or persons involved in cartel activities to approach CCS with evidence of such activities. The programme offers either immunity from or a reduction in financial penalties in exchange for full disclosure and cooperation. Without the Leniency Programme, some cartels may never be uncovered and consumers will continue to be harmed by the cartels.

### **First Through The Door**

If an organisation or person is the first to provide CCS with evidence of cartel activity before investigation has started, it will get the benefit of full immunity. This is to encourage cartel members to come forward and report illegal cartel activities to CCS. For the leniency applicant to benefit by being the first to step forward, the following conditions must be met:

- CCS must not already have sufficient information to establish the alleged cartel's existence.
- The organisation or person must fully cooperate with CCS in its investigations into the cartel and provide all available evidence.
- The organisation or person must refrain from further participation in the cartel activity from the time of disclosure of the cartel to CCS, unless otherwise directed by CCS.
- The organisation or person must not have been the one who initiated the cartel and must not have coerced any other undertakings to partake in the cartel's activity.

In addition, CCS has the Leniency Plus system to encourage cartel members under investigation to report involvement in another cartel activity so as to secure reduced financial penalties for the first cartel activity.

**MERGER NOTIFICATIONS**

While there is no mandatory requirement for merger parties to notify their merger situation to CCS, merger parties are nevertheless allowed to notify their merger situation to the CCS and apply for a decision as to whether the section 54 prohibition has been or will be infringed by the merger situation.

In FY2010, CCS received a total of seven merger notifications – five were cleared by the Commission, while two were withdrawn by the applicants during the processing period.

Date of Notification	Notified Mergers or Anticipated Mergers	Status
6 November 2009	Joint venture between Greif International Holding B.V. and GEP Asia Holdings Pte Ltd	Completed on 14 April 2011
31 March 2010	Merger between Novartis AG and Alcon Inc	Completed on 20 May 2010
1 April 2010	Acquisition by Samwoh Corporation Pte Ltd of Highway International Private Limited	Completed on 27 January 2011
17 May 2010	Merger between Fresenius Medical Care Beteiligungsgesellschaft mbH and Asia Renal Care, Limited	Completed on 14 July 2010
22 October 2010	Acquisition by F&N Foods Pte Ltd of King’s Creameries (S) Pte Ltd	Completed on 17 December 2010



**Case in Point:****ACQUISITION BY F&N FOODS PTE LTD OF KING'S CREAMERIES (S) PTE LTD****DESCRIPTION :**

F&N Foods Pte Ltd ("F&N Foods") and King's Creameries (S) Pte Ltd ("King's") filed a joint notification for a decision by CCS as to whether the proposed acquisition by F&N Foods, of King's, would infringe the Section 54 prohibition of the Act.

CCS found that competition was intense in the 'impulse' and 'take home' ice-cream market and that there were presence of strong competitors capable of sustaining sufficient levels of post-merger rivalry. In respect of the catering market, CCS found that there were constraints on any exercise of the Parties' post-merger power. Further, the risk of coordinated behaviour in these markets was low.

For these reasons, CCS concluded that the proposed acquisition would not infringe Section 54 of the Competition Act. The merger was cleared.



▲ Case team members: From left to right – Angela Png, Senior Assistant Director (Legal & Enforcement); Angelina Tay, Assistant Director (Business & Economics); Koh Jiaying, Senior Assistant Director (Legal & Enforcement)



**Case in Point:**  
**MERGER BETWEEN FRESENIUS MEDICAL CARE BETEILIGUNGSGESELLSCHAFT MBH**  
**AND ASIA RENAL CARE, LIMITED**

**DESCRIPTION :**

Fresenius Medical Care Beteiligungsgesellschaft mbH ("FMC BmbH") and Fresenius Medical Care AG & Co. KGaA ("FMC KGaA") filed a notification for a decision by CCS as to whether its proposed acquisition of Asia Renal Care, Limited ("ARC Limited") would infringe Section 54 prohibition of the Act.

Potential competition concerns relate to a potential increase in concentration in the market for the provision of Haemodialysis ("HD") treatment and peritoneal dialysis ("PD") treatment, for End-Stage Renal Disease ("ESRD") patients in Singapore.

After assessing the relevant market structure, barriers to entry and competition dynamics of the industry, as well as seeking comments from third parties, CCS was of the view that competitors will not be foreclosed in the markets for HD and PD treatment for kidney dialysis services. A clearance decision was issued on 14 July 2010.



**Case in Point:**  
**ACQUISITION BY SAMWOH CORPORATION PTE LTD  
 OF HIGHWAY INTERNATIONAL PRIVATE LIMITED**

**DESCRIPTION :**

Samwoh Corporation Pte Ltd ("Samwoh") filed a notification for a decision by CCS as to whether its acquisition of Highway International Private Limited ("Highway") had infringed Section 54 prohibition of the Act.



▲ Case team members: Seated – Elaine Tan, Senior Assistant Director (Legal & Enforcement); Standing – Serena Ho, Competition Analyst (Business & Economics)

CCS informed the parties of potential competition concerns and highlighted that the matter would be reviewed in a Phase 2 review. There was a high degree of overlap between the merging parties in the market for the supply of asphalt premix and provision of asphalt laying services and the ability of Samwoh to exercise its market power across different levels of the market due to its vertically integrated capabilities.

Prior to the Phase 2 review, Samwoh proposed commitments comprising of the divestment or dismantlement of an asphalt manufacturing plant to address CCS' concerns. CCS conducted an extensive consultation with industry stakeholders including competitors and customers in relation to the necessity and viability of the proposed commitments.



After evaluating all the evidence, CCS found that the Acquisition had not infringed Section 54 of the Act and would not necessitate the acceptance of Samwoh's proposed commitments. A clearance decision was issued to Samwoh on 27 January 2011.

**Case in Point:**  
**MERGER BETWEEN NOVARTIS AG AND ALCON INC**

**DESCRIPTION :**

Novartis AG ("Novartis"), a global healthcare company, with interests in pharmaceutical, vaccines, healthcare products, etc., and Nestle S.A. ("Nestle") filed a joint notification for a decision by CCS in relation to Novartis' proposed acquisition of 52.15 per cent of Alcon Inc ("Alcon"), a company that specialises in ophthalmic-related products and equipment and consumer eye care products, from Nestle. Prior to the proposed acquisition, Novartis already held a 24.85 per cent interest in Alcon.

Based on the Anatomical Therapeutic Chemical Classification ("ATC") Guidelines, 17 categories of ophthalmological and ontological products were identified as pharmaceutical products which Novartis and/or Alcon were involved in Singapore. Of these 17 categories, there were seven ATC3 categories where the activities of Alcon and Novartis overlap.

CCS found that the risks of coordinated behaviour post merger in each of the markets were mitigated by the relatively low barriers to entry and the presence of countervailing buyer power. In light of the presence of competitive constraints, CCS felt that non-coordinated effects were unlikely to arise, thereby assessing that the proposed acquisition would not infringe the Section 54 prohibition of the Act and cleared the proposed acquisition.





**Case in Point:****JOINT VENTURE BETWEEN GREIF INTERNATIONAL HOLDING B.V. AND GEP ASIA HOLDINGS PTE LTD****DESCRIPTION :**

In April 2011, CCS issued a clearance decision allowing Greif International Holding B.V. (Greif) and GEP Asia Holdings Pte Ltd (GEP) to proceed with their anticipated merger. CCS had assessed that the merger is unlikely to result in a substantial lessening of competition.



▲ Case team members: From left to right - Koh Jiaying, Senior Assistant Director (Legal & Enforcement); Tanya Tang, Assistant Director (Business & Economics); Yeo Wai Hon, Senior Assistant Director (Business & Economics)

In the early stages of its review, CCS was concerned that the merger between the two closest rivals in the market could substantially lessen competition in the large steel drum market in Singapore. CCS also weighed the possibility of the merger substantially reducing competition in the local bitumen drum market. As CCS was unable to conclude during its Phase 1 review that the transaction did not raise competition concerns, the case underwent a more extensive Phase 2 review, during which a Statement of Decision (Provisional) proposing to prohibit the merger was issued.

Following receipt of the Statement of Decision (Provisional), the merger parties filed an application to exempt the transaction from Section 54 of the Competition Act on the grounds of public interest considerations, which was declined on the grounds that the parties did not fall within the existing definition of "public interest considerations".

Subsequently, the merger parties filed written representations to CCS citing that market developments were likely to change the competitive landscape in the steel and bitumen drum markets. Specifically, the Mauser Group, a global competitor of Greif, had announced plans to triple its steel drum production in Singapore by 2012. Similarly in the bitumen drum market, one of Greif's major customers had decided to cease its orders of bitumen drums in lieu of bulk shipment, while another had expressed that it was able to secure equally competitive deals in the global arena. Taking into account these developments that were likely to mitigate the lessening of competition resulting from the merger, CCS issued the final clearance decision.



**COMPETITION (BLOCK EXEMPTION FOR LINER SHIPPING AGREEMENTS) ORDER 2006 AND COMPETITION (BLOCK EXEMPTION FOR LINER SHIPPING AGREEMENTS) (AMENDMENT) ORDER 2010**

In December 2010, the Minister for Trade and Industry extended the Competition (Block Exemption for Liner Shipping Agreements) Order 2006 (BEO), which exempts liner shipping agreements from Section 34 of the Competition Act for another five years until 31 December 2015. The BEO permits a wide range of liner activities including agreements between liner operators on detailed capacity decisions and prices, subject to a list of specified conditions and obligations.

Prior to the expiry of the BEO in December 2010, CCS undertook a review on the continued relevance of a block exemption for liner shipping agreements and conducted a public consultation exercise to obtain feedback from relevant stakeholders. A recommendation was subsequently made to the

Minister for Trade and Industry to extend the BEO for five years. However, CCS made changes to the filing requirements for liner shipping agreements, requiring the filing of additional categories of information.

CCS assessed that as a small and open economy, the presence of an extensive network of liner shipping companies would continue to play a large part in contributing to Singapore's status as a premier international maritime centre, which has important flow through benefits for local shippers and the economy at large. Anti-trust exemptions for liner shipping agreements remain the international regulatory norm and the BEO would continue to provide certainty to the shipping industry.



▲ Case team members: From left to right – Candice Lee, Assistant Director (Legal & Enforcement); Yvette Yoong, Assistant Director (Business & Economics)



# ADVOCACY

## REACHING OUT, GOING FAR

Just as rigorous enforcement of the Competition Act is important in deterring anti-competitive behaviours, awareness building among businesses and the general public also plays an integral role in fostering a competitive market, beneficial for all. From creative advocacy campaigns to insightful outreach programmes, CCS takes a proactive approach in ensuring that its messages are well understood by the target audience.

### AWARENESS BUILDING VEHICLES

#### 2-Minute Wonder Video

CCS launched the 2-Minute Wonder video at the ASEAN Experts Group on Competition (AEGC) forum, held in Singapore on 3 November 2010. The video effectively conveys the essence of the Competition Act, showcasing how both local and foreign businesses are empowered and protected against anti-competitive practices. The concise video also clearly educates businesses against infringing the Act unknowingly.



#### Video on "FIXED!" Manga by Temasek Polytechnic

In 2009, CCS produced its first manga (comic) titled "FIXED!" which illustrates the harms of price fixing. Informative and easy-to-read, "FIXED!" was well received by companies and colleges with many requesting for additional copies to be used for in-house training.



In 2010, "FIXED!" drew the attention of a group of students from Temasek Polytechnic's School of Engineering, who made a film out of the popular manga for their final year project.



#### "Foiled!" Manga

Capitalising on the success of "FIXED!", CCS released a second manga in 2010. Titled "FOILED!", this sequel illustrates the abuse of market dominance and was equally enjoyed by target readers.

#### CCS Facebook Page

In line with the social media trend, CCS launched its official Facebook page where businesses and consumers alike can receive updates on the Competition Law. Photographs of outreach events and relevant videos are also available for viewing on this interactive platform.

#### Sumo Mara Thon

Specially developed by CCS to educate the public on the abuse of dominant position, Sumo Mara Thon is an online game accessible via the organisation's official Facebook page. The game is easy – players assume the role of CCS to protect small sumo wrestlers by removing obstacles flung in their paths during the course of a marathon. Through this simple and interactive game, players can have a good grasp of the role CCS plays in preventing the abuse of dominance in the economy.



## OUTREACH INITIATIVES

### Seminar on Recent Developments on Competition Law

Since the enactment of the Competition Act, there has been keen and growing interest in this area of the law, particularly among members of the Bar and corporate counsel. It was against this backdrop that Singapore Academy of Law (SAL) and CCS jointly organised the seminar themed "Recent Developments on Competition Law".

Held on 21 September 2010, the seminar saw the attendance of judges, public and private practitioners, civil servants, sectoral regulators, as well as company representatives from varied industries.

The seminar's keynote speaker, Mr Peter Freeman, Chairman of the UK Competition Commission, was joined by other experts – including academics, practitioners and CCS' lawyers and economists – who shared their perspectives on the Competition Law.

As a step forward, CCS will continue to collaborate with like-minded organisations and professionals to conduct helpful seminars such as this.



### Partnerships with Associations and Educational Institutes

CCS reaches out to a large number of businesses by conducting regular sessions with the Singapore Chinese Chamber of Commerce and Industry (SCCCI), which boasts a network of 130 trade associations and 4,000 corporate entities from diverse industries. These sessions allow CCS to engage businesses on a regular basis and gather views on competition issues in the marketplace.



In the year, CCS also conducted a series of outreach programmes in universities, colleges and polytechnics. In particular, students from three major universities – National University of Singapore (NUS), Singapore Management University (SMU) and Nanyang Technological University (NTU) – who are taking economics-related courses such as principles of economics, industrial organisation and competition policy, were given a short introduction to CCS and its work.

In addition, topics such as the main prohibitions of the Competition Act, Competition Policy in Singapore and past CCS enforcement cases were covered during the presentations to provide students with deeper insights into the subject matter. Using CCS' past cases as discussion points, the students were kept engaged as they participated in the various competition-related questions posed.

Business students from Singapore Polytechnic, Ngee Ann Polytechnic and Temasek Polytechnic also benefitted from similar outreach sessions.

### CCS' Sumos in SGX Bull Charge Charity Run 2010

As part of CCS' corporate social responsibility, a team of runners from the agency participated in the SGX Bull Charge Charity Run 2010. Dressed up as sumo wrestlers, four team members gamely took up the challenge and ran the entire circuit measuring approximately 3.5km, starting from The Float @ Marina Bay, through Marina Promenade, Esplanade Drive, Collyer Quay, Marina Boulevard, Marina Bay Waterfront Promenade, Bayfront Ave (walkway), The Helix bridge and back.



### Retail Price Watch Group (RPWG)

Led by the Minister of State for Trade and Industry, Mr Lee Yi Shyan, the Retail Price Watch Group (RPWG) was set up on 22 February 2011 to keep a close watch on any excessive price increases of daily necessities, as well as to deter anti-competitive behaviour from businesses in Singapore. Members of RPWG include Mayors, business leaders from the retail sector, the Consumer Association of Singapore (CASE) and the Competition Commission of Singapore (CCS).



*"RPWG does not believe in price control or price guidance. Artificial and arbitrary interventions will only distort market, lead to wastage and inefficiency."*

On the contrary, the RPWG sees free competition as the best way to check excessive pricing and one indispensable way to keep inflation low."

# STEPPING UP, UNLEASHING POTENTIAL

The year in review has been a particularly fruitful one, adorned with achievements that span from greater awareness of the Competition Act to more collaborations with foreign institutes.

As a forward-looking organisation, however, CCS is constantly on the lookout for ways to achieve and maintain organisational excellence. To this end, we adopt a three-pronged approach – advancing knowledge, enhancing effectiveness and deepening engagement with foreign partners.

## ADVANCING KNOWLEDGE

Given the dynamism of the business operating environment and its increasing complexity, it is important for CCS to not only stay abreast but ahead of the changes through empowering our officers with up-to-date knowledge, skills and resources critical to their domain knowledge and career development.

Some of the key overseas training programmes that our officers attended under the year in review are:

**21 – 23 April 2010:** American Bar Association (ABA) 58th Antitrust Law Spring Meeting, Washington DC

Attended by a global audience, the meeting featured a variety of programmes that examine issues surrounding anti-trust and Competition Law.

**21 – 25 June 2010:** Training at the Fordham Competition Law Institute, New York

Attendees are kept informed about recent developments in economic theories that are helpful towards handling caseworks.

**5 – 9 July 2010:** Training at the Fordham Competition Law Institute, New York

Insights into key economic concepts, horizontal agreements, mergers, vertical agreements, and single firm conduct were acquired.

**24 – 27 May 2010:** Federal Trade Commission (FTC) Course on Empirical Methods

Conducted by experienced economists from the United States FTC, the course covered practical techniques in dealing with challenges in data collection, case management and economic analysis.

## ENHANCING EFFECTIVENESS

Recognising the importance of keeping processes, schemes and systems relevant to the evolving environment, CCS regularly conducts reviews, makes improvements and introduces new initiatives to our existing infrastructure.

### **Introduction of Instalment Framework for Payment of Financial Penalties**

An instalment scheme was established on 12 February 2009 to allow offenders without sufficient cash flow to pay the full penalty by instalments. The objective of this scheme is to ensure that the offender does not have to exit the market as a result of inability to discharge the imposed penalties. To facilitate this scheme, CCS also made necessary amendments to the Competition Act.

### **Launch of CCS' Knowledge Management (KM) System**

With the aim of improving staff efficiency, CCS' very own KM intranet system, named iShare, was launched on December 2010. iShare consolidates content – including data, information and knowledge – residing in multiple repositories into a single location through an advanced search engine that allows for fast retrieval of wanted information.

To assist staff members handling corporate administration and enforcement work, customised applications and end-to-end workflow processes have also been incorporated into iShare. Featuring customised interface, these applications ensure easy capture of information related to CCS operations, which are then automatically generated into reports by the advanced system.

Constantly striving for excellence, CCS will continue to leverage on information technology and seek new ways to achieve greater productivity and efficiency.

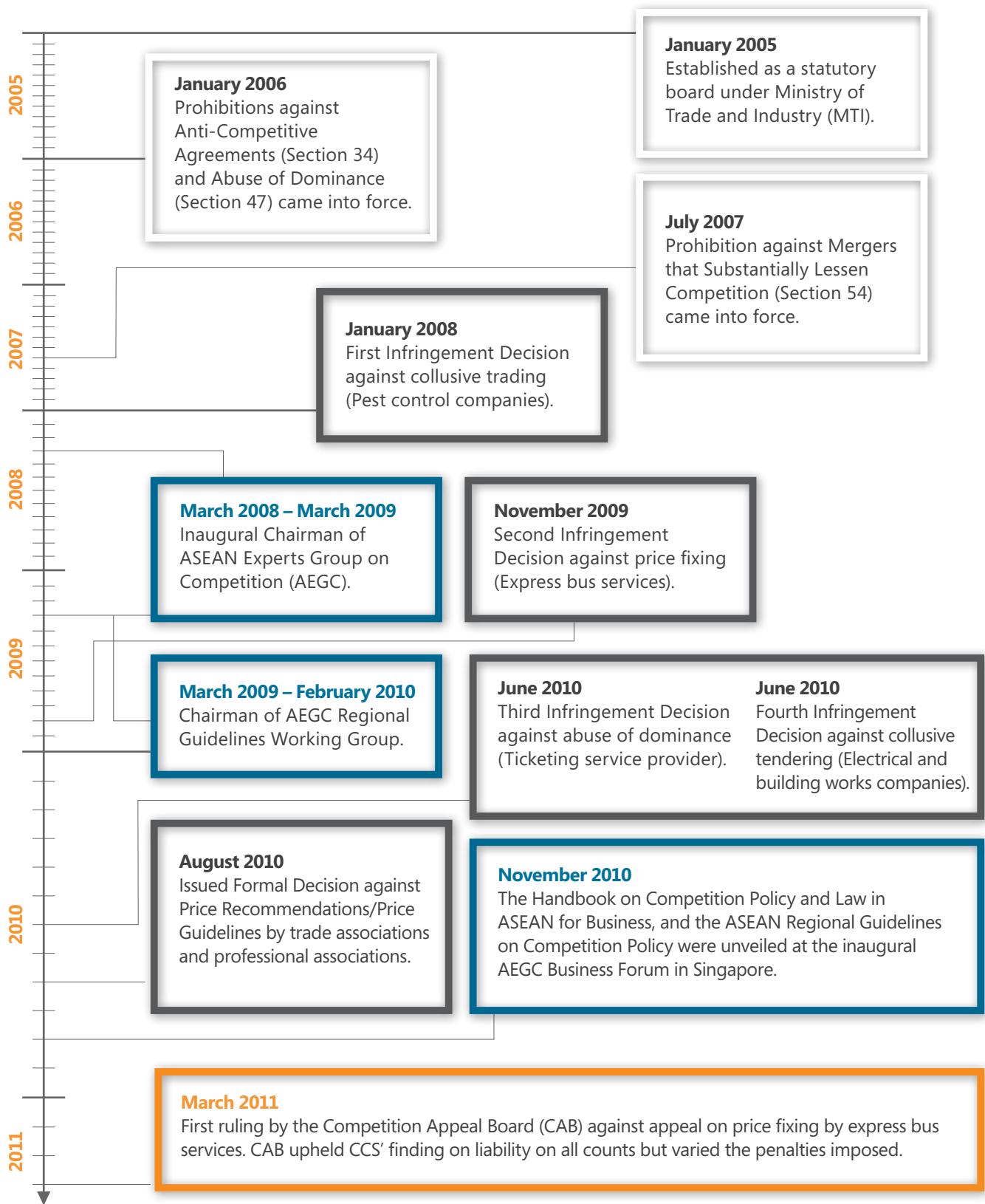


## DEEPENING ENGAGEMENT

Beyond internal processes and trainings, CCS seeks to foster synergistic collaborations with external parties to jointly promote a sound pro-competition framework in both the local and international markets. This year, participation in various international exchange programmes has enabled CCS officers to gain a broader perspective on competition issues, thereby leading to better enforcement of the Competition Act.



# CCS' MILESTONES





# STATEMENT BY COMMISSION MEMBERS

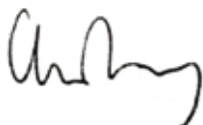
for the financial year ended 31 March 2011

In our opinion,

- (a) the financial statements set out on pages 32 to 50 are drawn up so as to give a true and fair view of the state of affairs of the Competition Commission of Singapore (the "Commission") as at 31 March 2011 and the statement of comprehensive income, changes in the equity and cash flows of the Commission for the year ended on that date in accordance with the provisions of the Competition Act, Chapter 50B and Statutory Board Financial Reporting Standards; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Commission will be able to pay its debts as and when they fall due.

The Commission Members have, on the date of this statement, authorised these financial statements for issue.

On behalf of the Commission Members



**LAM CHUAN LEONG**  
Chairman



**YENA LIM**  
Chief Executive

**29 June 2011**

# INDEPENDENT AUDITORS' REPORT

report on the financial statements

We have audited the accompanying financial statements of the Competition Commission of Singapore (the "Commission"), which comprise the statement of financial position as at 31 March 2011, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 32 to 50.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Competition Act, Chapter 50B (the "Act") and Statutory Board Financial Reporting Standards, and for such internal controls as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## 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 judgement, 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 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 to give a true and fair view of the state of affairs of the Commission as at 31 March 2011 and the results, changes in equity and cash flows of the Commission for the year ended on that date.

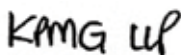
## OTHER MATTER

The financial statements of the Commission for the financial year ended 31 March 2010 were audited by another auditor who expressed an unqualified opinion on those financial statements on 17 June 2010.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

During the course of our audit, nothing came to our notice that caused us to believe that the receipt, expenditure and investment of monies and the acquisition and disposal of assets by the Commission during the financial year have not been in accordance with the provisions of the Act.

The logo for KPMG LLP, featuring the letters "KPMG" in a bold, sans-serif font, followed by "LLP" in a smaller, italicized font.

**KPMG LLP**

Public Accountants and Certified Public Accountants

Singapore  
29 June 2011

# STATEMENT OF FINANCIAL POSITION

as at 31 March 2011

	Note	2011 \$	2010 \$
<b>Assets</b>			
Plant and equipment	4	2,487,626	521,263
Intangible assets	5	175,830	66,641
<b>Non-current assets</b>		<b>2,663,456</b>	587,904
Other receivables	6	102,290	22,039
Prepayments		187,444	202,041
Cash and cash equivalents	7	16,015,082	17,589,141
<b>Current assets</b>		<b>16,304,816</b>	17,813,221
<b>Total assets</b>		<b>18,968,272</b>	18,401,125
<b>Equity</b>			
Share capital	8	1,993,992	1,000
Accumulated surplus		13,917,600	15,619,645
<b>Total equity</b>		<b>15,911,592</b>	15,620,645
<b>Liabilities</b>			
Deferred capital grants	9	83,552	568,644
<b>Non-current liabilities</b>		<b>83,552</b>	568,644
Trade and other payables	10	2,973,128	2,165,762
Contribution to Consolidated Fund	11	-	46,074
<b>Current liabilities</b>		<b>2,973,128</b>	2,211,836
<b>Total liabilities</b>		<b>3,056,680</b>	2,780,480
<b>Total liabilities and equity</b>		<b>18,968,272</b>	18,401,125

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

# STATEMENT OF COMPREHENSIVE INCOME

year ended 31 March 2011

	Note	2011 \$	2010 \$
<b>Income</b>			
Interest income	12	80,168	48,991
Application fee income		255,000	138,000
Other operating income		12,096	1,234
		<b>347,264</b>	188,225
Less:			
<b>Expenditure</b>			
Depreciation of plant and equipment	4	328,983	413,930
Amortisation of intangible assets	5	27,557	21,772
Salaries, wages and staff benefits		9,393,258	8,136,812
Staff training and development costs		544,983	437,750
Capital expenditure written off		36,482	14,583
Other operating expenses		4,168,850	3,926,221
		<b>14,500,113</b>	12,951,068
<b>Deficit for the year before Government grants</b>	13	<b>(14,152,849)</b>	(12,762,843)
<b>Government grants</b>			
Operating grant	14	12,148,924	12,599,215
Deferred capital grant amortised	9	301,880	434,649
		<b>12,450,804</b>	13,033,864
<b>(Deficit)/Surplus for the year before contribution to Consolidated Fund</b>		<b>(1,702,045)</b>	271,021
Contribution to Consolidated Fund	11	-	(46,074)
<b>(Deficit)/Surplus for the year/Total comprehensive income for the year</b>		<b>(1,702,045)</b>	224,947

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

# STATEMENT OF CHANGES IN EQUITY

year ended 31 March 2011

	Share capital \$	Accumulated surplus \$	Total \$
At 1 April 2009	1,000	15,394,698	15,395,698
Surplus for the year, representing total comprehensive income for the year	-	224,947	224,947
At 31 March 2010	1,000	15,619,645	15,620,645
At 1 April 2010	1,000	15,619,645	15,620,645
Deficit for the year, representing total comprehensive loss for the year	-	(1,702,045)	(1,702,045)
<b>Transactions with the Ministry of Finance, recognised directly in equity</b>			
Issue of ordinary shares, representing total transactions with the Ministry of Finance	1,992,992	-	1,992,992
At 31 March 2011	1,993,992	13,917,600	15,911,592

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



# STATEMENT OF CASH FLOWS

year ended 31 March 2011

	Note	2011 \$	2010 \$
<b>Cash flows from operating activities</b>			
(Deficit)/Surplus for the year		<b>(1,702,045)</b>	224,947
Adjustments for:			
Depreciation of plant and equipment		<b>328,983</b>	413,930
Amortisation of intangible assets		<b>27,557</b>	21,772
Loss on disposal of plant and equipment		<b>18,318</b>	3,351
Contribution to Consolidated Fund		-	46,074
Government grants		<b>(12,148,924)</b>	(12,599,215)
Deferred capital grant amortised		<b>(301,880)</b>	(434,649)
Interest income		<b>(80,168)</b>	(48,991)
		<b>(13,858,159)</b>	(12,372,781)
Change in other receivables		<b>(50,279)</b>	42,587
Change in prepayments		<b>14,597</b>	(82,047)
Change in trade and other payables		<b>733,002</b>	1,150,811
Cash used in operations		<b>(13,160,839)</b>	(11,261,430)
Contribution to Consolidated Fund		<b>(46,074)</b>	(553,943)
<b>Net cash used in operating activities</b>		<b>(13,206,913)</b>	(11,815,373)
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		<b>(2,264,483)</b>	(130,187)
Acquisition of intangible assets		<b>(136,746)</b>	(36,066)
Proceeds from disposal of plant and equipment		<b>25,183</b>	-
Interest received		<b>50,196</b>	37,010
<b>Net cash used in investing activities</b>		<b>(2,325,850)</b>	(129,243)
<b>Cash flows from financing activities</b>			
Government grants received		<b>11,965,712</b>	12,955,794
Proceeds from issue of share capital		<b>1,992,992</b>	-
Payment of finance lease liabilities		-	(1,403)
<b>Net cash from financing activities</b>		<b>13,958,704</b>	12,954,391
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,574,059)</b>	1,009,775
Cash and cash equivalents at 1 April		<b>17,589,141</b>	16,579,366
<b>Cash and cash equivalents at 31 March</b>	7	<b>16,015,082</b>	17,589,141

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

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Commission Members on 29 June 2011.

## 1 DOMICILE AND ACTIVITIES

Competition Commission of Singapore (the "Commission"), a statutory body of the Ministry of Trade and Industry, has been established under the Competition Act (the "Act"), Chapter 50B, to administer and enforce the Act. The Commission's functions and duties are principally to:

- (a) maintain and enhance efficient market conduct and promote overall productivity, innovation and competitiveness of markets in Singapore;
- (b) eliminate or control practices having adverse effect on competition in Singapore;
- (c) promote and sustain competition in markets in Singapore; and
- (d) promote a strong competition culture and environment throughout the economy in Singapore.

The Commission is domiciled in Singapore and its principal place of business is located at 45 Maxwell Road, #09-01, The URA Centre, Singapore 069118.

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

The financial statements have been prepared in accordance with the provision of the Competition Act, Chapter 50B and Statutory Board Financial Reporting Standards ("SB-FRS"). SB-FRS include Statutory Board Financial Reporting Standards, Interpretations of SB-FRS and SB-FRS Guidance Notes as promulgated by the Accountant-General.

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and financial liabilities which are measured at fair value.

### 2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Commission's functional currency.

### 2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SB-FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

### 3.1 Grants

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

Grants from the Ministry of Trade and Industry (the "Ministry") to meet the current year's operating expenses are recognised as income in the same year these operating expenses were incurred. Operating grants from the Ministry are accounted for on an accrual basis.

Grants received from the Ministry for capital expenditure are taken to the deferred capital grants account upon the utilisation of the grants for purchase of plant and equipment and intangible assets, which are capitalised, or to income or expenditure for purchase of plant and equipment and intangible assets which are written off in the year of purchase.

Deferred capital grants are recognised as income over the periods necessary to match the depreciation, amortisation, write off and/or impairment loss of the plant and equipment and intangible assets purchased with the related grants. Upon the amortisation or disposal of plant and equipment and intangible assets, the balance of the related deferred capital grants is recognised as income to match the carrying amount of the plant and equipment and intangible assets disposed.

### 3.2 Plant and equipment

#### *Recognition and measurement*

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and is recognised net within other income/ other expense in income or expenditure.

#### *Subsequent costs*

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the component if it is probable that the future economic benefits embodied within the component will flow to the Commission, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in income and expenditure as incurred.

#### *Depreciation*

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

### 3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Depreciation is recognised in income and expenditure on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. Development work-in-progress is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Furniture and fittings	8 years
Office equipment	5 to 10 years
Computer hardware and software	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### 3.3 Intangible assets

##### *Acquired computer software*

Acquired computer software are initially capitalised at cost which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Costs associated with maintaining the computer software are recognised as an expense when incurred.

Computer software are subsequently carried at cost less accumulated amortisation and accumulated impairment losses.

##### *Amortisation*

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in income and expenditure on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and comparative periods are from 3 to 5 years.

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

#### 3.4 Financial instruments

##### *Non-derivative financial assets*

The Commission initially recognises loans and receivables and deposits on the date that they originate. All other financial assets are recognised initially on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Commission is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Commission has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Commission classifies non-derivative financial assets into loans and receivables category.

### *Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents and other receivables.

Cash and cash equivalents comprise cash balances, bank deposits and deposits placed with the Accountant-General's Department.

### *Non-derivative financial liabilities*

The Commission recognises all financial liabilities on the trade date at which the Commission becomes a party to the contractual provisions of the instrument.

The Commission derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Commission has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Commission classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise trade and other payables.

### *Share capital*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

## 3.5 Impairment

### *Non-derivative financial assets (including receivables)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Commission on terms that the Commission would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the Commission, economic conditions that correlate with defaults or the disappearance of an active market for a security.



### 3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### Loans and receivables

The Commission considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant loans and receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Commission uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in income and expenditure and reflected in an allowance account against receivables. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through income and expenditure.

#### Non-financial assets

The carrying amounts of the Commission's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU.

Impairment losses are recognised in income and expenditure. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 determined, net of depreciation or amortisation, if no impairment loss had been recognised.

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 3.6 Employee benefits

#### *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.

#### *Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Commission has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

### 3.7 Provisions

Provisions are recognised if, as a result of past event, the Commission has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### 3.8 Income

#### *Application fees*

Application fees income is recognised when the service is provided.

#### *Interest income*

Interest income is recognised as it accrues, using the effective interest method.

### 3.9 Financial penalties

Financial penalties are imposed on undertakings found to have infringed the prohibitions under the Competition Act, Chapter 50B. The financial penalties collected are transferred to the Consolidated Fund upon receipt and are not included in the financial statements of the Commission.

### 3.10 Lease payments

Payments made under the operating leases are recognised in income and expenditure on a straight-line basis over the term of the lease. Lease incentives received are recognised in income and expenditure as an integral part of the total lease expense, over the term of the lease.

### 3.11 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2010, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Commission.

#### 4 PLANT AND EQUIPMENT

	Furniture and fittings \$	Office equipment \$	Computer \$	Development work-in- progress \$	Total \$
<b>Cost</b>					
At 1 April 2009	418,133	477,289	309,650	-	1,205,072
Additions	301,031	4,231	37,862	-	343,124
Disposals	(8,613)	-	(48,806)	-	(57,419)
At 31 March 2010	710,551	481,520	298,706	-	1,490,777
Additions	1,081,972	713,613	269,533	273,729	2,338,847
Disposals	(462,112)	(434,484)	(177,646)	-	(1,074,242)
At 31 March 2011	1,330,411	760,649	390,593	273,729	2,755,382
<b>Accumulated depreciation</b>					
At 1 April 2009	192,415	199,064	218,173	-	609,652
Depreciation for the year	246,678	98,627	68,625	-	413,930
Disposals	(5,262)	-	(48,806)	-	(54,068)
At 31 March 2010	433,831	297,691	237,992	-	969,514
Depreciation for the year	97,018	192,452	39,513	-	328,983
Disposals	(450,900)	(423,806)	(156,035)	-	(1,030,741)
At 31 March 2011	79,949	66,337	121,470	-	267,756
<b>Carrying amounts</b>					
At 1 April 2009	225,718	278,225	91,477	-	595,420
At 31 March 2010	276,720	183,829	60,714	-	521,263
At 31 March 2011	1,250,462	694,312	269,123	273,729	2,487,626

#### Change in estimate

In the previous financial year, the Commission planned to relocate its office premise within the next twelve months. Depreciation charge for furniture and fittings and office equipment that were affected by the relocation was accelerated resulting in an additional depreciation charge of \$275,580 for the year ended 31 March 2011 (2010: \$91,860).

Included in additions during the year are plant and equipment funded via deferred capital grants and equity financing received from the Ministry of Finance, in its capacity as a shareholder, under the capital management framework for statutory boards amounting to \$8,540 (2010: \$343,124) and \$1,982,214 (2010: Nil) respectively.

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 4 PLANT AND EQUIPMENT (CONT'D)

Development work-in-progress relates to computers involved in "Intranet Portal cum Document Management System" project to create a Document Management System, revamping the intranet, integrating an advanced search engine and enhancing organizational knowledge management within the Commission. This project is expected to be completed in the financial year ending 2012.

## 5 INTANGIBLE ASSETS

	Acquired computer software licences \$	Development work-in- progress \$	Total \$
<b>Cost</b>			
At 1 April 2009	77,619	-	77,619
Additions	16,806	19,260	36,066
At 31 March 2010	94,425	19,260	113,685
Additions	21,186	115,560	136,746
At 31 March 2011	115,611	134,820	250,431
<b>Accumulated amortisation</b>			
At 1 April 2009	25,272	-	25,272
Amortisation for the year	21,772	-	21,772
At 31 March 2010	47,044	-	47,044
Amortisation for the year	27,557	-	27,557
At 31 March 2011	74,601	-	74,601
<b>Carrying amounts</b>			
At 1 April 2009	52,347	-	52,347
At 31 March 2010	47,381	19,260	66,641
At 31 March 2011	41,010	134,820	175,830

Development work-in-progress relates to application software involved in "Intranet Portal cum Document Management System" project (see note 4).

## 6 OTHER RECEIVABLES

	2011	2010
	\$	\$
Other receivables	52,362	2,083
Interest receivables	49,928	19,956
Loans and receivables	102,290	22,039

There is no allowance for impairment loss arising from loans and receivables since all the balances are considered not past due.

## 7 CASH AND CASH EQUIVALENTS

	2011	2010
	\$	\$
Cash with Accountant-General's Department (AGD)	13,599,700	16,024,366
Deposit placed with the AGD	2,415,382	1,564,775
	16,015,082	17,589,141

Cash with AGD refers to cash that is managed by AGD under Centralised Liquidity Management (CLM) as set out in the Accountant-General's Circular No. 4/2009 Centralised Liquidity Management for Statutory Boards and Ministries.

At reporting date, the weighted average effective interest rates per annum relating to cash placed with the AGD range between 0.45% to 0.66% (2010: 0.44%). Interest rates are repriced on a monthly basis.

## 8 SHARE CAPITAL

	No. of shares	
	2011	2010
<b>Fully paid ordinary shares, with no par value</b>		
At 1 April	1,000	1,000
Issued for cash	1,992,992	-
At 31 March	1,993,992	1,000

In accordance with the Finance Circular Minute No. M26/2008, the Ministry of Finance ("MOF"), as the shareholder, is entitled to receive dividends only when the Commission generates an accounting surplus for the year and the total assets of the Commission is above \$50 million. The shares carry neither voting rights nor par value.



# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 8 SHARE CAPITAL (CONT'D)

On an annual basis, MOF communicates to the Commission on the expected dividends by 31 October each year. The expected dividends would be based on the cost of equity applied to the Commission's equity base. It takes into account the investments the Commission had made to build additional capacity and be capped at the Commission's annual accounting surplus. For the year ended 31 March 2011, no dividends are payable.

During the financial year, the Commission issued 1,992,992 ordinary shares for a cash consideration of \$1,992,992 as part of the equity financing from the Ministry of Finance in its capacity as a shareholder, under the capital management framework for statutory boards.

## 9 DEFERRED CAPITAL GRANTS

	Note	2011 \$	2010 \$
At 1 April		568,644	646,714
Add:			
Capital grants received and utilised		29,725	356,579
Capital grants transferred to operating grants in income and expenditure		(212,937)	-
	14	(183,212)	356,579
Less:			
Amortisation charge for the year		(301,880)	(434,649)
At 31 March		83,552	568,644

## 10 TRADE AND OTHER PAYABLES

	2011 \$	2010 \$
Trade payables	446,294	219,261
Advance application fees received	-	100,000
Payroll-related accrued expenses	1,845,528	1,121,413
Accrued operating expenses	394,005	512,151
Provision for reinstatement cost	287,301	212,937
	2,973,128	2,165,762

## 11 CONTRIBUTION TO CONSOLIDATED FUND

The contribution to the Consolidated Fund is made in accordance with Section 3(a) of the Statutory Corporations (Contributions to Consolidated Fund) Act (Chapter 319A). The amount to be contributed is based on 17% of the net surplus of the Commission.

	<b>2011</b>	2010
	<b>\$</b>	\$
At 1 April	<b>46,074</b>	553,943
Contribution for the current year	-	46,074
Amount paid	<b>(46,074)</b>	(553,943)
	<b>(46,074)</b>	(507,869)
At 31 March	-	46,074

## 12 INTEREST INCOME

	<b>2011</b>	2010
	<b>\$</b>	\$
Interest income on fixed deposits	-	26,119
Interest income on cash and bank balances placed with the Accountant-General's Department	<b>80,168</b>	22,872
	<b>80,168</b>	48,991

## 13 DEFICIT FOR THE YEAR BEFORE GOVERNMENT GRANTS

The following items have been included in arriving at the deficit for the year before Government grants:

	<b>2011</b>	2010
	<b>\$</b>	\$
Operating lease expenses	<b>1,714,513</b>	1,643,813
Wages and salaries	<b>8,471,358</b>	7,067,983
Contributions to defined contribution plans included in salaries, wages and staff benefits	<b>715,481</b>	645,728

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 14 GOVERNMENT GRANTS

	Note	2011 \$	2010 \$
Government grants received		<b>11,965,712</b>	12,955,794
Amounts transferred from/(to) deferred capital grants	9	<b>183,212</b>	(356,579)
		<b>12,148,924</b>	12,599,215

## 15 FINANCIAL PENALTIES

All financial penalties collected by the Commission are paid into the Consolidated Fund in accordance with Section 13(2) of the Competition Act, Chapter 50B. The following financial penalties collected during the financial year are not included in the financial statements of the Commission.

	2011 \$	2010 \$
Financial penalties	<b>192,900</b>	115,917

## 16 FINANCIAL INSTRUMENTS

### Overview

The Commission has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- interest rate risk

This note presents information about the Commission's exposure to each of the above risks, the Commission's objectives, policies and processes for measuring and managing risk, and the Commission's management of capital.

The Commission does not enter into any financial derivatives instruments.

### Risk management framework

The Commission has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The Commission's Enterprise Risk Management framework provides a systematic process for identifying, evaluating and mitigating the associated risks and uncertainties appropriately.

### Credit risk

Credit risk is the risk of financial loss to the Commission if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The cash placed with the Accountant-General's Department under the Centralised Liquidity Management (CLM) are either placed with the Monetary Authority of Singapore, banks or financial institutions, and are available upon request.

## 16 FINANCIAL INSTRUMENTS (CONT'D)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

### Liquidity risk

Liquidity risk is the risk that the Commission will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other financial assets.

The Commission obtains its funding requirements from the Government as operating grants. The Commission also manages its liquidity risk by placing primarily its funds in banks with strong credit standing and with the Accountant-General's Department.

The following are the expected contractual undiscounted cash inflows (outflows) of financial liabilities, including interest payments and excluding the impact of netting agreements:

		Cash flows	
	Carrying amount	Contractual cash flows	Within 1 year
	\$	\$	\$
<b>2011</b>			
Trade and other payables*	2,685,827	(2,685,827)	(2,685,827)
<b>2010</b>			
Trade and other payables*	1,852,825	(1,852,825)	(1,852,825)

\* Excluding advance application fees received and provision for reinstatement cost

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Commission's financial instruments will fluctuate due to the changes in the market interest rates. The Commission's interest bearing assets consist mainly of cash and bank balances placed with the Accountant-General Department under Centralised Liquidity Management Framework (CLM). Other than these, the Commission operating income and cash flows are substantially independent of changes in market interest risk.

### Capital management

The Commission defines "capital" to include share capital and accumulated surplus. The Commission's policy is to maintain a strong capital base to safeguard the ability to meet the long-term development needs of the Commission. The Commission members monitor the "Net Operating Deficit/Surplus" on a regular basis.

There were no changes in the capital management approach during the year. The Commission is not subject to externally imposed capital requirements.

### Estimation of fair values

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

# NOTES TO THE FINANCIAL STATEMENTS

year ended 31 March 2011

## 17 COMMITMENTS

### Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements are as follows:

	2011	2010
	\$	\$
Capital commitments in respect of computer software – intangible assets	<b>250,380</b>	365,940

### Operating lease commitments

At 31 March 2011, the Commission has commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2011	2010
	\$	\$
Within 1 year	<b>1,202,942</b>	1,698,680
After 1 year but within 5 years	<b>2,405,239</b>	-
	<b>3,608,181</b>	1,698,680

The leases primarily relate to leasing of office premise, office equipment and computer equipment under operating leases. The leases run for an initial period of between 1 to 5 years with option to renew the leases after that date.

## 18 RELATED PARTIES

For the purpose of these financial statements, parties are considered to be related to the Commission if the Commission has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Commission and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. With the adoption of SB-FRS by the Commission, the Commission need not comply with the requirements of paragraphs 17 to 22 of SB-FRS 24 with respect to the disclosures of transactions and balances with parent Ministry and other state-controlled entities.

### Key management personnel compensation

Key management personnel of the Commission are those persons having the authority and responsibility for planning, directing and controlling the activities of the Commission. The Commission members, chairman, chief executive, assistant chief executive, chief economist and directors are considered as key management personnel of the Commission.



**18 RELATED PARTIES (CONT'D)**

Key management personnel compensation comprised:

	<b>2011</b>	2010
	<b>\$</b>	<b>\$</b>
Short-term employee salaries and benefits	<b>3,473,472</b>	2,929,864
Allowances paid to non-executive Commission members	<b>40,313</b>	37,500
	<b>3,513,785</b>	2,967,364

**19 COMPARATIVE INFORMATION**

The previous year's financial statements were audited by another firm of certified public accountants.

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# CORPORATE COLOURS

Teal represents authority and professionalism in the way CCS carries out its work, while orange reflects a fresh outlook to encourage business confidence and a vibrant business environment.



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